





# Financial Statements 2021

উচ্চমূল ট্রাস্ট ব্যাংক লিমিটেড  
Mutual Trust Bank Ltd.  
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## Statement of Cash Flow For the Year ended 31 December 2021

Particulars	Notes	Amount in BDT 2021	2020
<b>A) Cash Flows From Operating Activities:</b>			
Interest receipts/investment income receipts in cash		18,712,151,107	15,065,675,732
Interest payments/profit paid on Deposits, Borrowings, etc.		(11,165,794,863)	(10,776,133,779)
Dividend receipts		352,670,434	4,229,268
Fees & Commission receipts in cash		2,087,348,334	1,757,459,306
Recoveries on loans/investment previously written off		44,858,845	34,559,987
Cash payments to employees		(3,980,770,163)	(3,558,086,204)
Cash payments to suppliers		(113,890,498)	(76,181,945)
Income taxes paid		(1,085,671,535)	(1,202,006,907)
Receipts from other operating activities	40.a	1,588,129,960	1,680,452,053
Payments from other operating activities	41.a	(2,158,922,080)	(1,946,199,770)
<b>Operating profit before changes in operating assets and liabilities:</b>		<b>4,310,139,541</b>	<b>983,767,743</b>
<b>Increase/Decrease in operating assets and liabilities</b>			
Loans and Advances/investment to customers		(22,076,095,420)	(11,063,895,266)
Other Assets		(3,817,298,934)	54,488,095
Deposits from other banks		3,950,000,000	(5,499,580,000)
Deposits from customers		19,786,166,118	2,510,907,349
Borrowing from Other Banks, Financial Institutions & Agents		4,358,472,567	9,146,130,952
Other Liabilities		4,677,649,367	2,982,429,697
<b>Cash generated from operating assets and liabilities</b>		<b>8,678,893,699</b>	<b>(7,169,789,123)</b>
<b>Net Cash Flows from Operating Activities</b>		<b>11,189,033,239</b>	<b>(7,186,021,430)</b>
<b>B) Cash Flow from Investing Activities:</b>			
Investments in T, Bills, T, Bonds and other Investments in Shares & Bonds		(8,101,431,299)	(1,648,684,520)
Purchase of Fixed Assets (Net)		(2,488,362,878)	(425,491,243)
<b>Net Cash Flow from Investing Activities</b>		<b>(1,063,119,166)</b>	<b>(1,295,122,101)</b>
<b>C) Cash Flow from Financing Activities:</b>			
Subordinated debts		(1,750,000,000)	(4,050,000,000)
Dividend for Perpetual Bondholders		(224,061,356)	(351,729,722)
<b>Net Cash Flow from Financing Activities</b>		<b>(1,974,061,356)</b>	<b>(4,401,729,722)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>1,152,058,444</b>	<b>(457,049,015)</b>
<b>Effect of Changes of Exchange Rates on Cash and Cash Equivalents</b>		<b>1,487,371</b>	<b>(24,872,872)</b>
<b>F) Opening Cash and Cash Equivalents</b>		<b>17,534,126,517</b>	<b>17,980,900,404</b>
<b>Closing Cash and Cash Equivalents (D+E+F)</b>		<b>18,717,672,330</b>	<b>17,534,126,517</b>
<b>The above closing Cash and Cash Equivalents include:</b>			
Cash In Hand (Including Foreign Currency)		3,602,713,035	2,820,629,650
Balance with Bangladesh Bank and Agent Bank(s) (including foreign currency)		11,197,635,651	8,941,635,651
Balance with Other Banks & Financial Institutions		3,713,667,620	4,655,988,556
Money at Call and Short Notice		200,000,000	1,114,100,000
Prize Bond		3,669,710	3,669,710
<b>Net Operating Cash Flows Per Share (2020 Restated)</b>	<b>50.a</b>	<b>13.77</b>	<b>(9.97)</b>

The annexed accounting policies and other notes form an integral part of these financial statements

2.1.1

### Statement of Compliance

The consolidated financial statements of the Group and separate financial statements of the Bank and its subsidiaries as at and for the year ended 31 December 2021 have been prepared under the historical cost convention and in accordance with the "First Schedule" (section-38) of the Bank Companies Act, 1991 (and amendment thereon), BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Financial Reporting Council of Bangladesh (IFRS). In addition to this, the Bank complied with the requirements of following laws and regulations from various Government's bodies:

- The Bank Company Act, 1991 and amendment thereon;
- The Companies Act, 1991;
- Rules, regulations and circulars issued by Bangladesh Bank from time to time;
- Bangladesh Securities and Exchange ordinance 1969, Bangladesh Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Act 1993 and Bangladesh Securities and Exchange Commission (Public Issues) Rules 2015;
- The Income Tax ordinance 1984 and amendment thereon;
- The Value Added Tax and Supplementary Duty Act 2012;
- Financial Reporting Act 2015;
- Dhaka Stock Exchange (DSE), Chattogram Stock Exchange (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations;

### Departures from IAS/IFRS:

Where the requirement of provisions and circulars issued by Bangladesh Bank differ with those of the regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail. As such the Group and the Bank has departed from those contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

#### i) Presentation of financial statements

**IFRS:** As per requirements of IFRS 9, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

**Bangladesh Bank:** As per Bangladesh Regulation & Policy Department (BRPD) Circular no. 14 dated 25 June 2003, the Bank shall present its financial statements (i.e. balance sheet, profit and loss account, cash flow statement, changes in equity, liquidity statement) is prescribed in the "First Schedule" of section 38 of the Bank Companies Act 1991 (and amendment thereon) and the Bank has complied with the same. Bangladesh Bank, Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

#### ii) Investment in shares and securities

**IFRS:** As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit or loss" or "at fair value through other comprehensive income", where change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit or loss account or other comprehensive income respectively.

**Bangladesh Bank:** As per Banking Regulation & Policy Department (BRPD) Circular no. 14 dated 25 June 2003, the Bank shall present its financial statements (i.e. balance sheet, profit and loss account, cash flow statement, changes in equity, liquidity statement) is prescribed in the "First Schedule" of section 38 of the Bank Companies Act 1991 (and amendment thereon) and the Bank has complied with the same. Bangladesh Bank, Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

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#### iii) Provision on loans and advances

**IFRS:** As per IFRS 9, Financial Instruments, an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

**Bangladesh Bank:** As per BRPD Circular # 63 dated 31 December 2020, BRPD Circular # 59 dated 30 December 2020, BRPD Circular # 56 dated 10 December 2020, BRPD Circular # 52 dated 20 October 2020, BRPD Circular # 12 dated 28 September 2020, BRPD Circular # 11 dated 21 July 2020, BRPD Circular # 13 dated 15 June 2020, BRPD Circular # 03 dated 21 April 2019, BRPD Circular # 01 dated 20 February 2018, BRPD Circular # 15 dated 27 September 2017, BRPD Circular # 08 dated 02 August 2015, BRPD Circular # 18 dated 19 November 2013, BRPD Circular # 05 dated 29 May 2013, BRPD Circular # 19 dated 27 December 2012, BRPD Circular # 14 dated 23 September 2012, and a general provision of 0.25% to 2% under different categories of unclassified loans (standard and SMA loans) to be maintained regardless of objective evidence of impairment. Also, provision for substandard loans, doubtful loans and bad losses should be provided at 5%, 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD Circular # 10 dated 18 September 2017, BRPD Circular # 01 dated 03 January 2015, and Circulars dated 21 June 2015, and BRPD Circular # 13 dated 18 October 2018, a general provision of 1% should be provided for all off-balance sheet exposures except general provision against the LC for the purpose of supply letters of credit. In addition, the Bank has also provided for guarantees have been issued by Multilateral Development Bank (MDB)/International Bank having BB rating grade "1" equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital framework for banks) issued in line with Basel III. Such provision policies are not specifically in line with those prescribed by IFRS 9.

#### iv) Recognition of interest in suspense

**IFRS:** Loans and advances to customers are generally classified at amortized cost as per IFRS 9. Financial Instruments and interest on such loan is not allowed to be recognized as income, rather the corresponding amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.

**Bangladesh Bank:** As per BRPD Circular # 14 dated 23 September 2012, once a loan is classified as impaired, interest on such loan is not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as a liability in the balance sheet.

#### v) Other comprehensive income

**IFRS:** As per IAS 1, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI to be included in a single other comprehensive income statement.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank neither include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. However, elements of OCI, if any, are shown in the statement of changes in equity.

#### vi) Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial statements differently from IFRS 9. Financial Instruments. As such full disclosure and presentation requirements of IFRS7: Financial Instrument- Disclosures and IAS32: Financial Instruments- Presentation cannot be made in the accounts.

#### vii) Repo and reverse repo transactions

**IFRS:** As per IFRS 9, Financial Instruments, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO), the arrangement is treated as a loan and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between sales price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

**Bangladesh Bank:** As per DOS Circular Letter # 06 dated 15 July 2010 & subsequent clarification in DOS Circular # 02 dated 23 June 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

#### viii) Financial guarantees

**IFRS:** As per IFRS 9, Financial Instruments, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantees liabilities are recognized initially at their fair value plus transaction cost that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognized less, income recognized in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD Circular # 14 dated 25 June 2003, financial guarantees such as L/C, L/G will be treated as off balance sheet items. No liability is recognized for the guarantee except the cash margin and 1% general provision for all contingent liabilities.

#### ix) Cash and cash equivalents

**IFRS:** Cash and cash equivalents items should be reported as cash item as per IAS 7-Statement of Cash Flows.

**Bangladesh Bank:** As per BRPD Circular # 14 dated 25 June 2003, Cash and Cash-equivalents consist of cash with Bangladesh Bank, with its agent banks), government securities (prize bond) and deposits with other banks. Some cash and cash equivalents items such as money at call and on short notice, treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

#### x) Non-banking assets

**IFRS:** No indication of non-banking assets is found in any IFRS.

**Bangladesh Bank:** As per BRPD Circular # 22 dated 20 September 2021, there is a separate balance sheet item titled as non-banking assets that exists in the standard format prescribed by BRPD Circular # 14 dated 25 June 2003.

#### xi) Cash flow statement

**IFRS:** Cash flow statement, which educates stakeholders about fund movement, can be prepared using either the direct method or the indirect method as per IAS 7: Statement of Cash Flows. The presentation is required to present the cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD Circular # 14 dated 25 June 2003, cash flow should be a mixture of direct and indirect method.

#### xii) Balance with Bangladesh Bank:

**IFRS:** Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day-to-day operations as per IAS 7-Statement of Cash Flows.

**Bangladesh Bank:** Balance with Bangladesh Bank should be treated as cash and cash equivalents.

#### xiii) Presentation of intangible assets

**IFRS:** Intangible assets must be identified and recognized, and the disclosure must be given as per IAS 38: Intangible Assets.

**Bangladesh Bank:** There is no regulation for intangible assets in BRPD Circular # 14 dated 25 June 2003.

#### xiv) Off-balance sheet items

**IFRS:** There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

**Bangladesh Bank:** As per BRPD Circular # 14 dated 25 June 2003, off balance sheet items must be disclosed separately on the face of the balance sheet. Accordingly, the Bank has recognized the following off balance sheet items:

#### xv) Acceptances and endorsements

- Letters of guarantee

- Irrevocable letters of credit

- Bills for collection

- Foreign exchange contracts

#### xvi) Disclosure of appropriation of profit

**IFRS:** There is no requirement to show appropriation of profit on the face of Statement of Comprehensive Income.

#### xvii) Loans and advance net of provision

**IFRS:** Loans and advances should be presented net of provisions.

**Bangladesh Bank:** As per BRPD Circular # 14 dated 25 June 2003, provision on loans and advances should be presented separately as liability and cannot be netted off against loans and advances. (Also refer to Note 2.16: Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs)).

#### xviii) Provision on undrawn loan commitments

**IFRS:** As per IFRS 9 bank shall recognize credit losses on undrawn loan commitments such as Letter of Credit (L/C), Letter of Guarantee (L/G) etc, as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.

**Bangladesh Bank:** As per BRPD Circular # 07 dated 21 June 2018 and BRPD Circular # 14 dated 23 September 2012, the Bank is required to maintain provision at 1% rate against off-balance sheet exposures (which includes all types of undrawn loan commitments).

#### xix) Uniform Accounting Policy

In several cases Bangladesh Bank and Bangladesh Securities and Exchange Commission guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 10. As such some disclosure, presentation and measurement requirements of IFRS 10 cannot be made in financial statements. (Also refer to Note 2.16: Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs)).

#### 2.1.2 Basis of consolidation

The financial statements of the Company and its subsidiaries, as mentioned in note no.1.05 has been consolidated in accordance with IFRS10: Consolidated Financial Statements. Intra-company transactions, inter-companies and intra-group gains on transactions between group companies are eliminated on consolidation.

The total profit of the Company and its subsidiaries has been shown in the Consolidated Profit & Loss Account with the proportion of profit after taxation. All assets and liabilities of the Company and of its subsidiaries are shown in the consolidated Balance Sheet. The consolidated financial statements are prepared to a common reporting year (also called 'accounting year') ended 31 December 2021.

### Conversion Policy:

The conversion policy of Off-shore Banking Unit (OBU) and MTB Exchange (UK) Limited is given below:

Details	Price	Rate of GBP for MTB UK	Rate of USD for OBU	Rate of EURO for OBU
For assets & liabilities	Closing price	115,7271	85,800	97,3830
For income & expenses	Average price	116,9723	85,1359	97,7796

### 2.1.3

#### Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marking to market concept with gain credited to revaluation reserve but loss charged to income statement.
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortization concept.

The accounting policies, unless otherwise stated have been consistently applied by the company and consistent with those of the previous year.

### 2.1.4

#### Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

### 2.1.5

#### Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT) currency, which is the Bank's functional currency. All financial information presented in BDT has been rounded to the nearest BDT.

### 2.1.6

#### Use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

The most perilous estimates and judgments are applied to the Provision for impairment of loans & Investments and Employees benefits.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

### 2.1.7

#### Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

The values of any asset or liability as shown in the balance sheet are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the period.

### 2.1.8

#### Comparative information

The accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is reclassified and rearranged wherever necessary to conform to the current presentation.

### 2.1.9

#### Foreign currency transaction and commitments

##### a) Foreign currency

Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The financial statements of the group and the Bank are presented in BDT which is the Bank's functional and presentation currency.

##### b) Foreign currencies translation

Foreign currency transactions are converted into equivalent BDT using the ruling exchange rates on the dates of respective transactions as per IAS 21: The Effects of Changes in Foreign Exchange Rates. Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT. The resulting exchange transaction gains and losses are included in the profit and loss account.

##### c) Commitments

Commitments/Contingent liabilities for outstanding forward foreign exchange contracts disclosed in the consolidated financial statements and financial statements of Bank have been translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies have been expressed in BDT at the rate of revaluation rate.

### 2.1.10

#### Statement of cash flows

Statement of cash flows has been prepared in accordance with IAS 7: Statement of Cash Flows under the guidance of Bangladesh Bank BRPD Circular # 14 dated 25 June 2003. The Statement shows the Structure of Changes in cash and cash equivalents during the financial period.

### 2.1.11

#### Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with IAS 1: Presentation of Financial Statements and relevant guidelines of Bangladesh Bank BRPD Circular # 14 dated 25 June 2003.

### 2.1.12

#### Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the period as per following basis.



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# Financial Statements 2021

### 2.2.3 Loans, advances and provisions

Loans and advances are stated at gross amount. General provisions on unclassified loans off-balance sheet exposures, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter-end review by the management and instruction contained in BRPD Circular #63, 59, 56, 52, 17, 16, 13, 03, 01, 15, 06, 16, 05, 19, 14, 10, 01, 07 & 13 dated 31 December 2020, 30 December 2020, 10 December 2020, 20 October 2020, 28 September 2020, 21 July 2020, 15 June 2020, 21 April 2019, 20 February 2018, 27 September 2017, 02 August 2015, 18 November 2014, 29 May 2013, 27 December 2012, 23 September 2012, 18 September 2007, 03 January 2018, 21 June 2018, 16 October 2018 respectively.

#### Interest on loans and advances

Interest is calculated on daily product basis but debited to the party's loan account quarterly. No interest is charged on loans and advances which are classified as bad and loss. Interest is calculated on unclassified loans and advances (only standard) and recognized as income during the period. Interest calculated on classified loans and advances (including special mention accounts) as per Bangladesh Bank circulars is kept in interest suspense account to income on realization. Interest expense and penal interest (if any) calculated on classified loans and advances are taken into income in the period of its receipt from the defaulting borrowers.

Commission and discounts on bills purchased and discounted are recognized at the time of realization. Recovery of written off loans and advances are taken into income in the period of its receipts from the defaulting borrowers.

#### Provision for loans and advances

Provision for loans and advances are made on the basis of quarter as well as year-end review by the management following instructions contained in BRPD Circular # 14, 16 & 52 dated 23 September 2012, 21 July 2020 & 20 October 2020 respectively and subsequent changes of Bangladesh Bank. The percentage of provision on loans and advance are given below:

Rate of provision		RATE OF PROVISION									
Particulars	Short Term Credit & Microcredit	Consumer Financing					Small & Medium Enterprise Financing		Loans to Bf&M Be&Ss	All other credit	
		Other than HF & P	HF	LP	Only Card	Cottage, Micro and Small Credits under CFSME	Medium Enterprise Financing				
UC Standard	1%	2%	1%	2%	2%	0.25%	0.25%	2%	2%	1%	
SMA	0%	2%	1%	2%	2%	0.25%	0.25%	2%	1%		
CS	5%	20%	20%	20%	20%	5%	20%	20%	20%		
DF	5%	50%	50%	50%	50%	20%	50%	50%	50%		
B/L	100%	100%	100%	100%	100%	100%	100%	100%	100%		

#### Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified loans & advances are shown as liabilities in the Balance Sheet.

#### Security against Loans

- Project loan: Project land and building are taken as security in the form of mortgage and plant & machinery are taken in the form of hypothecation.
- Working Capital: Goods are taken as security in the form of hypothecation along with land and building mortgage. Listed securities of stock exchange, fixed deposits, assignments of receivables etc. are also taken as security.

#### Bills Purchased and Discounted

- Bills purchased and discounted do not include Government Treasury bills and have been classified into two sub-heads viz.,
  - Payable in Bangladesh;
  - Payable outside Bangladesh.
- The bills purchased and discounted have been analyzed as per the maturity grouping.

#### Written off loans and advances

Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery, (ii) and against which legal cases are filed and classified as bad loss more than five years as per guidelines of Bangladesh Bank and (iii) special permission of Bangladesh Bank. These write off however, will not undermine/affect that claim amount against the borrowers. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.

### 2.2.4 Property, plant and equipment

#### a) Recognition

The cost of an item of property, plant and equipment (Fixed assets) shall be recognized as an asset, if and only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Property, plant and equipment have been accounted for at cost less accumulated depreciation (except land) as per IAS-16: Property, Plant and Equipment. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent cost of enhancement of an existing asset is recognized as a separate asset, only when it is probable that future economic benefits associated with the item can be measured reliably. All other repairs and maintenance are charged to the profit & loss account during the financial periods which are incurred.

#### b) Depreciation

Category of Fixed Assets	Method of Depreciation	Rate of Depreciation
Land	N/A	N/A
Immovable Property	Reducing balance method	2.50%
Furniture & Fixtures	Reducing balance method	10%
Office Equipment	Reducing balance method	20%
Motor Vehicles	Straight line method	20%
Books & Periodicals	Reducing balance method	10%
Intangible Assets	Reducing balance method	20%

#### c) Disposal of fixed assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gains or losses on such disposal are reflected in the profit and loss accounts per provision of IAS 16: Property, Plant and Equipment.

#### d) Capital Work-in-Progress

Capital Work-in-Progress is stated at cost. These are expenses of a capital nature directly incurred in the construction of building, system development, awaiting capitalization.

#### e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets have been capitalized as part of the cost of the assets.

#### f) Impairment

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets should be reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expense in the profit and loss account.

### 2.2.5 Intangible assets

Software represents the value of computer application software licensed use of the Bank, other than software applied to the operation software system of computer by the Bank is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure incurred on software is capitalized only when it enhances and extends the economic benefits of computer software beyond their original specifications and lives and such intangible assets are recognized as capital improvement and added to the original cost of software. Software is amortized using the reducing balance method at the rate of 20%.

### 2.2.6 Other assets

Other assets include all assets not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the bank.

#### Provision for other assets

Other assets have been classified as per BRPD Circular # 14 dated 25 June 2001 of Bangladesh Bank and necessary provisions made thereon accordingly and for items not covered under the circular adequate provisions have been made considering their reliability.

### 2.2.7 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

### 2.2.8 Leases

The Bank follows IFRS 16 which has been effective from 01 January 2019. As IFRS 16 supersedes IAS 17: Leases, the Bank has made recognition, measurement and disclosure in the financial statements of 31 December 2021 to be as Lessee and Lessor as per IFRS 16.

#### The Bank as Lessee

The Bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the Bank considers the contract as a lease contract.

The Bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, leases of low value of assets. The Bank recognizes lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the Bank considers the lease period as short term in line with the recognition threshold of ROU assets as per Fixed Asset policy of the Bank. In case of low value of lease assets, the Bank has set a materiality threshold which is 0.10% of Total capital of the Bank. However, the Bank used a flat threshold of BDT 20 million to be above which is 0.068% of total capital of the bank as of 31 December 2021. The reason behind considering the materiality threshold of BDT 20 million and above is that the Bank operates many ATM booths, sub-branches with short and single contracts, recording of which as ROU assets would inflate the balance sheet both in assets and liabilities. Moreover, frequent changes of those establishments would create misreporting as well as complexity in recording.

#### Right-of-use assets (ROU)

The bank recognizes the right-of-use assets (ROU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term, or remaining period of the lease term.

The bank assessed all lease contracts live in 2019 & up to December 2021 and recognized as ROU assets of all leases, except short term and low value of assets as parameter guided by Bangladesh Bank and Banks' own policy set as per IAS 16 and IFRS 16. The ROU assets are presented in the note no. 8 of these financial statements.

#### Lease Liabilities (Bank as a lessee):

At the commencement of the lease, the bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease.

In 2019 & up to December 2021, the bank reassessed all lease payment of existing contracts for remaining period considering a cut-off date i.e. 01 January 2019. The lease liabilities are presented in the note 12.a.2 of these financial statements.

#### The Bank as Lessor

Amount due from lessees under finance leases are recorded as receivables at the amount of the Bank's net investment in the leases (Note-7.03). Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Bank's net investment outstanding in respect of the leases.

### 2.2.9 Non-Banking Assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgaged property. However, the bank has no non-banking assets.

### 2.3 Liabilities and provision

#### 2.3.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest bearing borrowing redeemable at call, on-demand and short-term deposits lodged for periods of less than 6 months. These items are brought to account at the gross value of the outstanding balance. Interest paid or payable on these borrowings is charged to the profit and loss account.

#### 2.3.2 Deposits and other accounts

Deposits and other accounts include non-interest bearing current deposit redeemable at call, interests bearing on demand and short term deposits, savings deposit, term deposit, margin, bills payable etc. These items are brought to account at the gross value of the outstanding balances.

#### 2.3.3 Other liability

Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank and Income-tax Ordinance, 1984. IAS 37 and internal policy of the banks. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event. It is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### 2.3.4 Employee benefit scheme

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with provisions of IAS 19: Employee Benefits. Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

##### a) Provident Fund

Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. Accordingly, a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone 3, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(62), read with the provisions of part-B of the First Schedule of Income-tax Ordinance, 1984. The recognition took effect from 30 April 2001. The Fund is operated by a Board of Trustees consisting of 5 (five) members. All confirmed employees of the Bank contribute 10% of their basic salary as a subscription to the fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investment is credited to the members' account on yearly basis.

#### b) Gratuity

The Bank operates a funded gratuity scheme approved by the National Board of Revenue. The Gratuity Fund is managed separately by 'Mutual Trust Bank Limited Employees Gratuity Fund' and any investment decision out of this fund is also made by this trust.

As per gratuity scheme every permanent employee will get gratuity benefit as per following policy that rendering their service without break:

Completed years of Service	Payment of Gratuity
8 years & above	2.00 basic for each year of service in MTB
7 years	1.70 basic for each year of service in MTB
6 years	1.35 basic for each year of service in MTB
5 years	1.00 basic for each year of service in MTB

#### c) MTB Employees' Welfare Fund

The welfare fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund from time to time. The fund has been established to provide a token of appreciation or financial assistance to the employees and their family members for education, funeral function etc. The fund is governed and administered by the Board of trustees consisting of four (04) members.

#### d) MTB Employees' Medical Assistance Fund

Medical Assistance fund is subscribed by the employees as per policy. The Bank also contributes to the fund from time to time. The fund has been established to provide medical assistance to the employees with dependents. The fund is governed and administered by the Board of trustees consisting of four (04) members.

#### e) MTB Employees' Hospitalization and Group Life Policy

The Bank, as an employer, has introduced group life insurance in the banking industry and to strengthen its corporate culture, introduced the Group Life and Hospitalization policy for its employees and their dependents (spouse and kids) effective from 01 January 2019.

#### f) MTB Employees' Death Benefit Plan

The plan has been formed to provide financial benefit to the bereaved family of a deceased employee. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of four (04) members. In case of death of an employee while in active service, financial benefit is paid to the nominee of the deceased employee at a prescribed amount ranging from BDT 3 (three) lacs to 10 (ten) lacs.

#### g) MTB Foundation

The Bank, as part of corporate social responsibility, has established MTB Foundation for the benefit of the community in which it operates and as part of its said responsibility it commits itself to human development, poverty alleviation and overall national economic development. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of nine (09) members.

#### h) Incentive Bonus

Mutual Trust Bank Limited has started an incentive bonus scheme for its employees. This bonus amount is distributed among the employees based on their performance. The bonus amount is paid annually and costs are accounted for the period to which it relates.

### 2.3.5 Debt securities

The Bank holds a contingent-convertible Perpetual bond as additional Tier-1 capital having received required approval from Bangladesh Bank and BSEC through private placement and bank issued 7-year non-convertible floating rate subordinated debts in two phases mainly to increase Tier-2 capital having received required approval from Bangladesh Bank and BSEC. Outstanding balance stated in the Bondsare stated in the financial statements at principal amount and interest payable of which is reported under other liabilities. Details of debt securities is given in note no. 13.a& annexure-D of the financial statements.

### 2.3.6 Taxation

#### a. Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other period or are never taxable or deductible. Bank's liability for current tax is calculated using tax rates that have been enacted the reporting period. Tax provision of the Group entities is made on taxable income of subsidiaries at different rates applicable as per the ITO 1984 and the tax authority of the country where it is incorporated.

#### b. Deferred tax

The Bank recognizes the current and deferred tax in the financial statements using the provisions of the prevailing tax laws applicable in Bangladesh, as per IAS12 (Income Taxes) and BRPD Circular no. 11 dated 12 December 2011. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred Tax liabilities are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates which are expected to apply in the period when the liability is settled or the asset is realized. Details of deferred tax assets or liabilities and amount recognized in profit and loss account for deferred tax income or expense are given in note 5.a,4.2.1 in the financial statements.

### 2.3.7 Provision for Nostro Accounts

As per instructions contained in the Circular Letter # FEPD (FEMO)/01/2005-677, dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, the Bank is not required to make a provision regarding the un-reconciled debit balance of Nostro accounts as on the reporting date in these financials as there are no un-reconciled entries which are outstanding more than 3 months.

### 2.4 Capital and shareholders' equity

#### 2.4.1 Capital management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives; exceed regulatory thresholds and meet longer-term internal capital targets, maintain strong credit rating, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the board approved capital management planning from time to time. Senior management develops the capital strategy and oversees the capital management planning of the Bank. The Bank's finance and risk management department are key to implementing the Bank's capital strategy and managing capital. Capital is managed by using both regulatory control measure and internal matrix.

#### 2.4.2 Paid-up capital

Paid-up capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings. In the event of a winding-up of the company ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

#### 2.4.3 Statutory reserve

The Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Companies Act, 1991 (and amendment thereon).

#### 2.4.4 Share Premium

Share premium is the capital that the Bank raises upon issuing shares that is in excess of the nominal value of the shares. The share premium shall be utilized in accordance with provisions of section 57 of the Companies Act, 1994 and as directed by Bangladesh Securities and Exchange Commission in this respect.

#### 2.4.5 Revaluation Reserve on Govt. Securities

Revaluation reserve represent revaluation on Treasury bond (HFT and HTM) in accordance with the DOS Circular # 05 dated 26 May 2008 & DOS Circular # 05, dated 28 January 2009.

#### 2.4.6 Non-Controlling Interest

Non-Controlling Interest business is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent.

### 2.5 Off Balance Sheet Items

Under general banking transactions, liabilities against acceptance, endorsements and other obligations and bills against which acceptance has been given and claims exist there against have been shown as Off Balance Sheet items. Provision for off balance sheet items is made as per BRPD Circular #14 dated 23 September 2012 and BRPD Circular # 01 dated 03 January 2018.

### 2.6 Memorandum items

Memorandum items are maintained for those items for which the Bank has only a business responsibility and no legal commitment.

### 2.7 Revenue recognition

The Revenue during the period has been recognized according to the provision of IFRS15: Revenue from Contracts with Customers, as well as Bangladesh Bank guidelines.

### 2.7.1 Interest income

In terms of the provisions of the IFRS15: Revenue from Contracts with Customers, the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified.

- Interest on unclassified loans and advances (except SMA) has been accounted for as income on accrual basis and calculated on daily product basis but charged and accounted for quarterly and in some cases yearly;
- Interest on classified loans and advances has been credited to interest suspense account with actual receipt of interest there from having credited to income as and when received as per instruction of Bangladesh Bank;
- No interest is charged on loans and advances which have been classified as badloss;
- Commission and discount on bills purchased and discounted are recognized at the time of realization; and
- Recovery of written off loans and advances are taken into income in the period of its receipts from the defaulting borrowers.

### 2.7.2 Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

- Income on investment in treasury bills, bonds, preference shares and debenture etc. other than equity shares has been accounted for on accrual basis.
- Govt. securities (HTM) are revalued on accrual basis and effect of such revaluation gain has been credited to Asset Revaluation Reserve account.
- Dividend on equity shares is recognized during the period in which it is declared and duly approved.
- Net increase in securities held to maturity during the period due to the valuation at mark-to-market basis has been credited to income statement.

### 2.7.3 Fees and commission income

- Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.
- Fees and Commissions on bills discounted, purchased & others are recognized at the time of realization.
- Foreign currency transactions are converted into BDT at prevailing on the dates of such transactions and exchange gains or losses arising out of such transactions are recognized as income or expense for the period and dealt with exchange account.

### 2.7.4 Dividend income on shares

Dividend income on shares is recognized during the period in which it is declared and ascertained.

### 2.7.5 Other operating income

Other operating income is recognized at the time when it is realized.

### 2.7.6 Interest paid on deposits and borrowings

Interest paid on deposits, borrowing and other expenses are recognized on accrual basis.

### 2.7.7 Operating expenses

Expenses incurred by the bank are recognized on accrual basis. Expenses incurred by the Bank shown in these financial statements are inclusive of VAT where applicable as per the Value Added Tax Act, 2012.

### 2.7.8 Other comprehensive income

Other comprehensive income is not prepared in accordance with IAS1: Presentation of Financial Statements. However, elements of other comprehensive income, if any, are shown in the statement of changes in equity.

### 2.8 Earnings per share

#### Basic earnings per share

Basic earnings per share have been calculated in accordance with IAS 33: Earnings per Share which has been shown on the face of statement of profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

#### Weighted average number of ordinary shares

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year. The basis of computation of number of shares is in line with the provision of IAS 33: Earnings per Share.

#### Diluted earnings per share

No diluted earnings per share is reported to be calculated for the year as there was no scope for dilution during the year under review.

### 2.9 Reconciliation of inter-branch/inter-branch account

Accounts with regard to inter-branch (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly. Un-reconciled entries/balances in the case of inter-branch transactions as on the reporting date are not material.

### 2.10 Proposed dividend

Dividend is recognized when it is approved by the shareholders in AGM. However, the proposed dividend for the year 2021 has not been recognized as a liability in the balance sheet in accordance with IAS 10: Events after the Reporting Period. Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

### 2.11

#### Operating segment

















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## Mutual Trust Bank Ltd.

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# Financial Statements 2021

a) Lease agreement made with the Directors	Purpose	Name of Director and Related	Remarks
Nature of contract	Pabna Branch Palma Branch ATM Booth Square Hospital ATM Booth Square Fashions ATM Booth Square Datta Center ATM Booth Square Tower ATM Booth ABC House ATM Booth ABC Heritage ATM Booth ABC BPL ATM Booth Pragati Sales Branch Pragati Sales Branch ATM Booth Apex Ashish Footwear Ltd. ATM Booth	Ms. Anika Chowdhury Mr. Rashid Ahmed Chowdhury Mr. Md. Wakiuddin Mr. Syed Manzoor Bhai	Approved by Board of MTB Approved by Board of MTB Approved by Board of MTB Approved by Board of MTB

b) Insurance agreement made with the Directors					
Name of Party	Nature of contract	Purpose	Name of Director and Related by	Remarks	
Pioneer Insurance Company Limited (1. Mr. M Anis Udd Dowl 2. Mr. Tapan Chowdhury 3. A.K.M. Rahmatullah,MP)	Insurance Contract	Premier, Cash in Promise, Cash in Transit, Bank Locker Insurance	Dr. Arif Dowl Ms. Anika Chowdhury Mr. Md. Hedayatullah	Approved by Board	
Guardian Life Insurance Ltd. (Mr. Samuel S Chowdhury)	Insurance Contract	Group Life Insurance, Depository Insurance	Ms. Anika Chowdhury	Approved by Board	

vii) Business with subsidiary:				
	Name of party	Relationship	Nature of transaction	Outstanding
	MTB Securities Limited	Subsidiary Company	Loan facility	275.19
			Deposits	1,160.67
	MTB Capital Limited	Subsidiary Company	Loan facility	218.72
			Deposits	13.85
	MTB Exchange (UK) Limited	Subsidiary Company	Receivable from MTB Exchange (UK)	34.96

vii) Relationship with Funds:	2021	2020
Employees Provident Fund:	12,057.363	167,827.658
Employees Gratuity Fund:	177,102.295	136,865.961

47.00 Key Management personnel compensation  
Transaction with key management personnel of the Bank for the period ended 31 December 2021 is as follows:  
Particulars  
Short-term employee benefit  
Key Management personnel includes Managing Director, Additional Managing Director, Deputy Managing Director, Head of Internal Control & Compliance Division, Group Financial Officer and Company Secretary.

48.00 Verification of financial statements through Document Verification System (DVS)  
Pursuant to BRPD circular letter no. 4 dated 14 January 2021 Banks are required to preserve the updated statutory audit report of the clients in loan file during approval/renewal of the facilities. As per BRPD circular letter no. 35 dated 05 July 2021, the statutory audit report and Financial Statements to be verified through the Document Verification System (DVS) developed by the Institute of Chartered Accountants of Bangladesh (ICAB). Financial Reporting Control (FRC) vide letter no. 178/RC/AR/2021/27/23 dated 07 December 2021 has instructed to develop the procedure to ensure the compliance of these BRPD Circulars.  
The financial statements of the Bank, the master access on the DVS system was given to the Bank representative on 02 August 2021. The Bank has started implementing the compliance upon receiving the master access on DVS system.

49.00 Consolidated Net Asset Value (NAV) per share	2021	2020
Total net assets value	19,654,773.315	17,011,160.723
Number of shares outstanding	24.19	28.34
Net Asset Value (NAV) per share (2020 Restated)	-	-

49.a Net Asset Value (NAV) per share	2021	2020
Total net assets value	19,180,905.981	16,521,532.499
Number of shares outstanding	812,485.659	812,485.659
Net Asset Value (NAV) per share (2020 Restated)	23.58	20.46

50.00 Consolidated Net Operating Cash Flows Per Share	2021	2020
Total net operating cash flows	11,563,598.761	(277,973.777)
Number of shares outstanding	812,485.659	812,485.659
Net Operating Cash Flows Per Share (2020 Restated)	-	-

50.a Net Operating Cash Flows Per Share	2021	2020
Total net operating cash flows	11,563,598.761	(277,973.777)
Number of shares outstanding	812,485.659	812,485.659
Net Operating Cash Flows Per Share (2020 Restated)	13.77	(0.87)

51.00 Events after the Balance Sheet Date  
Subsequent to the Balance Sheet Date, The Board of Directors recommended 10% (ten percent) Stock Dividend for the year 2021 which will be recognized in the accounts as and when approved by the Shareholders in the upcoming Annual General Meeting (AGM).

52.00 Financial Highlights as at 31 December 2021 are shown in Annexure-F

Balance with other Banks-Out Side Bangladesh (NOSTRO Account)  
As at 31 December 2021  
Currency wise position and Exchange rate applied for conversion of Balance with other Banks in Foreign Currency into Local currency as at 31 December 2021.

Name of the Bank	Currency	Foreign Currency Amount	Exchange Rate	BDT	Foreign Currency Amount	Exchange Rate	BDT
Mashreq Bank, New York	US\$	5,172.365	85.80	443,788.878	1,192.094	84.80	101,091.959
Standard Chartered Bank, New York	US\$	4,340.569	85.80	372,420.813	4,295.313	84.80	364,251.320
Habib American Bank, New York	US\$	419.685	85.80	36,008.955	4,756.950	84.80	403,398.862
Commerzbank Bank, Germany	EUR	361.525	85.80	31,018.624	386.363	84.80	32,768.068
Mashreq Bank, London	US\$	-	-	-	47.130	84.80	3,996.725
KB Kookmin Bank, London	US\$	241.946	85.80	20,758.959	798.548	84.80	67,716.495
JP Morgan, New York	US\$	4,534.516	85.80	389,061.432	226.915	84.80	19,242.826
ICICI, Hong Kong	US\$	316.068	85.80	27,118.598	246.941	84.80	20,941.116
Standard Chartered Bank, Singapore	SGD	97.636	62.82	6,133.864	153.211	56.50	8,692.814
JP Morgan, London	GBP	66.602	115.73	7,707.625	62.885	114.50	7,200.063
Standard Chartered Bank, London	GBP	352.889	115.73	40,738.747	106.481	114.50	12,381.603
Habib American Bank, Zurich	CHF	96.062	83.72	9,050.217	190.162	91.35	17,371.305
Standard Chartered Bank, Tokyo	JPY	12,947.068	0.75	9,663.692	22,709.809	0.78	17,713.651
UBAF, Tokyo	JPY	-	-	-	711.149	0.78	554.697
Standard Chartered Bank, Germany	EUR	440.578	97.38	42,904.788	31,003	97.38	3,129.994
ICICI, Mumbai	EUR	6.164	97.38	600.309	6.164	103.87	640.297
United Bank, Germany	EUR	140.483	97.38	13,680.835	199.162	103.87	18,532.143
Commerzbank Bank, Germany	EUR	1,055.600	97.38	102,797.452	548.478	103.87	56,970.472
United Bank of India, Kolkata	EUR	4.226	97.38	411.497	4.226	103.87	438.908
HOFC Bank, Mumbai	ACU	128.115	85.80	10,992.285	387.668	84.80	32,875.000
Standard Chartered Bank, Kolkata	ACU	500.482	85.80	42,941.396	500.482	84.80	42,441.914
Standard Chartered Bank, Pakistan	ACU	323.531	85.80	27,758.960	258.868	84.80	21,952.563
Standard Chartered Bank, Colombo	ACU	154.725	85.80	13,275.444	107.618	84.80	9,075.387
Sonal Bank, Kolkata	ACU	44.610	85.80	3,827.594	86.265	84.80	7,315.446
Habib Metropolitan	ACU	251.315	85.80	21,562.866	152.448	84.80	12,927.756
Mashreq Bank, Mumbai	ACU	429.510	85.80	36,851.944	437.275	84.80	37,081.756
AB Bank, Mumbai	ACU	1,130.783	85.80	97,021.150	502.709	84.80	42,630.713
Axis Bank, Mumbai	ACU	534.259	85.80	45,839.396	410.045	84.80	34,772.639
ICICI, Mumbai	ACU	638.823	85.80	54,790.973	226.204	84.80	19,352.133
Himabanyan Bank Ltd., Kathmandu	ACU	109.490	85.80	9,394.242	109.490	84.80	9,284.971
Nepal Bangladesh Bank Ltd.	ACU	131.974	85.80	11,323.378	131.974	84.80	11,191.668
United Bank of India, Kolkata	ACU	82.430	85.80	7,072.522	51.274	84.80	4,348.167
HOFC Bank, Mumbai	ACU	669.110	85.80	57,409.664	261.540	84.80	22,179.152
EMIRATES ISLAMIC BANK	AED	431.678	23.36	10,083.686	2,811.630	21.10	59,328.492
MASREQ BANK UAE	AED	2,220.100	23.36	51,859.978	4,048.631	21.10	85,426.107
Commerzbank Bank, Germany	AUD	44.446	62.20	2,764.364	54.438	59.44	3,019.070
Bank Al-Bilad	SAR	397.115	22.85	9,075.716	500.044	19.52	9,760.863
Bank Al Rajhi	SAR	220.000	22.85	5,027.902	-	-	-
Riyadi Bank	SAR	105.000	22.85	2,399.680	-	-	-
ICICI Bank Ltd., Mumbai	INR	-	-	-	28,032.607	-	-
		39,341.497		2,120,406.147	47,792.007		4,667,389.742

Investment in Shares										Annexure-B
As at 31 December 2021										Amount in BDT
Sl. No.	Name of the Company	Face Value	No. of Shares Held	Cost Holding	Average Cost	Quoted Rate Per Share as at 31 December 2021	Total Market Value as at 31 December 2021	Unrealized Gains/Loss		

No.	Name of the Company	Face Value	No. of Shares	Cost Accounting	Dividend	Share 31 December 2019	Value on 31 December 2019	Gain/Loss
A	Quoted Shares							
1	Bank of Brunei Limited	10	4,110.962	203,844.041	49.59	55.30	227,327.306	23,483.264
2	BRAC Bank Limited	10	319.718	15,168.481	50.00	50.00	11,587.881	1,889.600
3	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
4	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
5	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
6	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
7	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
8	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
9	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
10	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
11	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
12	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
13	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
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100	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
101	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
102	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
103	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
104	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
105	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
106	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
107	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
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110	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
111	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
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114	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
115	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
116	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
117	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
118	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.000	8,279.240
119	Standard Chartered Bank Limited	10	66.000	3,249.760	29.30	179.50	11,529.	





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## Mutual Trust Bank Ltd.

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# Financial Statements 2021

Off Shore Banking Unit (OBU) Profit and Loss Account For the Year ended 31 December 2021									
Particulars	Notes	2021				2020			
		USD	BDT	EURO	BDT	USD	BDT	EURO	BDT
Interest Income	10	9,839,084	761,036,029	12,971	1,268,320	8,207,389	698,533,669	-	-
Interest paid on deposits and borrowings etc.	11	6,687,773	569,369,552	9,246	904,037	6,113,943	518,869,528	-	-
<b>Net Interest Income</b>		<b>2,251,311</b>	<b>191,667,374</b>	<b>3,726</b>	<b>364,283</b>	<b>2,093,452</b>	<b>177,664,142</b>	-	-
Commissions, Exchange and Brokerage		-	-	-	-	-	-	-	-
Other Operating Income	12	-	-	-	-	90	7,652	-	-
<b>Total Operating Income</b>		<b>2,251,311</b>	<b>191,667,374</b>	<b>3,726</b>	<b>364,283</b>	<b>2,093,452</b>	<b>177,671,795</b>	-	-
<b>Less: Operating Expenses:</b>									
Salary and Allowances		-	-	-	-	-	-	-	-
Rent, Taxes, Insurance, Electricity etc.		-	-	-	-	-	-	-	-
Legal Expenses		-	-	-	-	-	-	-	-
Postage, Stamps, Telecommunication etc.		-	-	-	-	-	-	-	-
Stationery, Printings, Advertisements etc.		-	-	-	-	-	-	-	-
Auditor's Fees		-	-	-	-	-	-	-	-
Depreciation and repair of bank's assets		-	-	-	-	-	-	-	-
Other Expenses	13	192,432	16,382,861	491	47,989	218,487	18,542,276	-	-
<b>Total operating expenses</b>		<b>192,432</b>	<b>16,382,861</b>	<b>491</b>	<b>47,989</b>	<b>218,487</b>	<b>18,542,276</b>	-	-
<b>Profit before provision</b>		<b>2,058,879</b>	<b>175,284,512</b>	<b>3,235</b>	<b>316,294</b>	<b>1,875,055</b>	<b>159,129,517</b>	-	-
<b>Less: Provision for Loans, Investment &amp; Other</b>									
Specific provision		-	-	-	-	-	-	-	-
General provision		-	-	-	-	-	-	-	-
Provision for diminution in value of investments		-	-	-	-	-	-	-	-
Other provision		-	-	-	-	-	-	-	-
<b>Total provision</b>		<b>2,058,879</b>	<b>175,284,512</b>	<b>3,235</b>	<b>316,294</b>	<b>1,875,055</b>	<b>159,129,517</b>	-	-
<b>Total profit before taxes</b>		<b>2,058,879</b>	<b>175,284,512</b>	<b>3,235</b>	<b>316,294</b>	<b>1,875,055</b>	<b>159,129,517</b>	-	-
<b>Less: Provision for Taxation</b>									
Current tax		-	-	-	-	-	-	-	-
Deferred tax		-	-	-	-	-	-	-	-
<b>Net profit after taxation</b>		<b>2,058,879</b>	<b>175,284,512</b>	<b>3,235</b>	<b>316,294</b>	<b>1,875,055</b>	<b>159,129,517</b>	-	-
Retained earnings brought forward from previous years		<b>2,058,879</b>	<b>175,284,512</b>	<b>3,235</b>	<b>316,294</b>	<b>1,875,055</b>	<b>159,129,517</b>	-	-

Off Shore Banking Unit (OBU) Notes to the Financial Statements For the Year ended 31 December 2021									
<b>1.00 Status of the unit</b>									
The Bank obtained the Offshore Banking Unit ("the Unit") permission vide letter No. BRPD/P-3/J44/105/2009-4470 dated December 3, 2009. The Bank commenced operation of this unit from December 07, 2009. The Offshore Banking Unit is governed under the rules and guidelines of the Bangladesh Bank. Its office is located at 26, MTB center, Gulshan South Avenue, Gulshan Circle 1, Dhaka 1212.									

<b>1.01 Principal activities</b>									
The principal activities of the units are to provide all kinds of commercial banking services to its customers through its off-shore Banking Units in Bangladesh.									

<b>2.01 Significant accounting policies and basis of preparation of financial statements</b>									
The Offshore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Bank Companies Act, 1991, International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and other applicable directives issued by The Bangladesh Bank, in particular, Banking regulations and policy department (BRPD) Circular No. 14 dated 25 June 2003.									

<b>2.02 Use of estimates and judgments</b>									
The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.									
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.									

<b>2.03 Foreign currencies transaction</b>									
Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per AS-21 "The Effects of Changes in Foreign Exchange Rates". The financial statements of the Unit are presented in US Dollar (USD) and Bangladesh Taka where USD is the functional currency and Taka are the Unit's presentation currency. Entities functional currency is Bangladesh Taka.									
Foreign currency transactions are recorded in the presentation currency using the rate of exchange at average rate of inter-bank market as determined by The Bangladesh Bank on the closing date of every month. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the balance sheet date.									

<b>2.04 Reporting period</b>									
These financial statements cover from 01 January 2021 to 31 December 2021.									

<b>2.05 Loans and advances / investments</b>									
a) Loans and advances of Off-shore Banking Units are stated in the balance sheet on gross basis.									
b) Interest is calculated on a daily product basis but charged and accounted on an accrual basis. Interest is not charged on bad and loan losses as per guidelines of the Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.									
c) Provision for Loans and Advances has been made on the basis of measurement required and as per instructions by the Bangladesh Bank, BRPD Circular 14 and 19 dated 23 September 2012 and 27 December 2012 respectively.									

<b>2.06 Provision for liabilities</b>									
A provision is recognized in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".									

<b>2.07 Interest income</b>									
In terms of the provisions of the FRS-15 "Revenue from contracts with customers", the interest income is recognized on accrual basis.									

<b>2.08 Interest paid and other expenses</b>									
In terms of the provisions of the IAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.									

<b>2.09 Allocation of common expense</b>									
Operating expenses in the nature of salary, rent, rates and taxes, management expenses, printing, stationery, etc. are not allocated in the current year due to insignificant amount.									

<b>2.10 General</b>									
a) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.									
b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1:Taka 84,802.0 & Euro = Taka 97,383.0 (closing rate as at 31 December 2021) and BDT 84,808.0 & 97,776.0 (average rate which represents at the period end).									
c) Fixed assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit & Loss Accounts of the main operation of the bank.									

Annexure-H									
Particulars	Notes	2021				2020			
		USD	BDT	EURO	BDT	USD	BDT	EURO	BDT

<b>3.00 Balance with other banks and financial institutions</b>									
In Bangladesh		577,345	49,536,273	407	39,594	562,473	47,699,173	-	-
Outside Bangladesh		977,345	49,536,273	407	39,594	562,473	47,699,173	-	-

<b>4.00 Loans and advances</b>									
i) Loans, cash credits, overdrafts, etc.		23,907,559	2,051,268,541	-	-	31,133,087	2,640,214,108	-	-
Term Loan		23,907,559	2,051,268,541	-	-	31,133,087	2,640,214,108	-	-
Advance Payable at Sight (APAS)		23,907,559	2,051,268,541	-	-	31,133,087	2,640,214,108	-	-
ii) Bills purchased and discounted		23,907,559	2,051,268,541	-	-	31,133,087	2,640,214,108	-	-
Payable inside Bangladesh		23,907,559	2,051,268,541	-	-	31,133,087	2,640,214,108	-	-
Payable outside Bangladesh		23,907,559	2,051,268,541	-	-	31,133,087	2,640,214,108	-	-

Outside Bangladesh	577,345	49,536,232	407	39,594	562,473	47,698,873	-	-
	577,345	49,536,232	407	39,594	562,473	47,698,873	-	-
4.00 Loans and advances								
i) Loans, cash credits, overdrafts etc.								





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## Mutual Trust Bank Ltd.

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# Financial Statements 2021

### Independent Auditor's Report MTB SECURITIES LIMITED Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **MTB SECURITIES LIMITED** which comprise the Statement of Financial Position as at December 31, 2021, Statements of Profit or Loss and other comprehensive income, Statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of **MTB SECURITIES LIMITED** as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance with these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditors' Responsibilities of the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

#### Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially 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 and 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 either 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 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 company so far as it appeared from our examination of these books;
- The statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.
- Capital to Risk-Weighted Asset Ratio (CRAR) as required by law has been maintained adequately during the year.
- The required Liquid Capital Balance has been maintained adequately during the year.

Place: Dhaka  
Date: February 07, 2022

MTB SECURITIES LIMITED				
Statement of Financial Position				
As at December 31, 2021				
Particulars	Notes	Amount in BDT		
		December 31, 2021	December 31, 2020	
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, plant & equipment	4	176,227,139	61,828,914	
Investment in Stock Exchange	5	54,113,290	54,113,290	
Investment in securities under Strategic & SFCM	6	256,893,234	40,382,014	
		<b>487,233,663</b>	<b>156,324,218</b>	
<b>Current assets</b>				
Advances and prepayments	7	37,122,716	12,549,544	
Investment in Marketable securities	8	957,823,897	917,259,318	
Margin loan to clients	9	3,200,807,474	2,758,173,678	
Security Deposit for CSE TREC		30,000,000	-	
Accounts receivable	10	9,056,367	66,745,258	
Advance Income Tax (AIT)	11	228,970,188	148,889,081	
Cash & cash equivalents	12	1,424,705,401	853,809,508	
		<b>5,888,486,043</b>	<b>4,757,426,387</b>	
		<b>6,375,719,706</b>	<b>4,913,750,605</b>	
<b>Total Assets</b>				
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity</b>				
Share capital	13	3,250,000,000	3,250,000,000	
Retained earnings	14	131,573,175	321,894,832	
Dividend payable		227,500,000	-	
Capital reserved for investment in DSE Share	15	48,113,290	48,113,290	
		<b>3,657,186,465</b>	<b>3,620,008,122</b>	
<b>Liabilities</b>				
<b>Long Term Lease Liability</b>				
		<b>105,433,386</b>	<b>-</b>	
<b>Current Liabilities</b>				
Accounts payable	16	1,176,076,377	764,974,766	
Loan from MTB	17	275,189,243	20,708,246	
Liabilities for expenses	18	29,521,954	25,189,231	
Provision for income tax	19	261,900,110	94,084,956	
Deferred tax liability	20	4,750,202	4,796,493	
Provision for margin loan	21	655,688,791	313,988,791	
Provision for diminution in value of Investments	22	198,300,000	70,000,000	
Current Portion Lease Liability		11,673,178	-	
		<b>2,613,099,855</b>	<b>1,293,742,483</b>	
		<b>6,375,719,706</b>	<b>4,913,750,605</b>	
<b>Total equity and liabilities</b>				
<b>Net Assets Value (NAV) per share</b>	23	<b>11.58</b>	<b>11.14</b>	

The annexed notes form an integral part of these financial statements.

MTB SECURITIES LIMITED				
Statement of Profit or Loss and Other Comprehensive Income				
For the year ended December 31, 2021				
Particulars	Notes	Amount in BDT		
		31.12.2021	31.12.2020	
Operating Income		919,129,042	364,556,173	
Brokerage commission	24	473,830,370	203,510,873	
Interest income	25	232,395,343	91,308,510	
Income from investment	26	200,396,369	59,671,993	
Margin account maintenance	27	684,505	608,940	
Depository participant	28	11,212,305	9,089,722	
Other operating income	29	610,150	366,135	
Less: Operating expenses		221,327,952	178,823,752	
Laga charge		32,937,725	12,813,167	
CDBL charge	30	18,900,000	14,364,650	
Sales Associate Commission		21,963,636	14,391,133	
Office & administrative expenses	31	147,526,591	137,254,802	
Net operating income		697,801,090	185,732,421	
Less: Financial expenses	32	22,853,884	2,702,519	
Profit before provision		674,947,206	183,029,902	
Less: Provision for margin loan	33	341,700,000	80,000,000	
Less: Provision for diminution in value of Investments	34	128,300,000	10,000,000	
		470,000,000	90,000,000	
Net profit before income tax		204,947,206	93,029,902	
Less: Income tax expenses	35	167,768,863	24,671,447	
Net profit after tax		37,178,343	68,358,455	
Other Comprehensive Income:				
Unrealized Gain / (Loss) from Investment In DSE Shares		-	-	
TOTAL COMPREHENSIVE INCOME		37,178,343	68,358,455	
Earnings Per Share (EPS)	36	0.11	0.21	
The annexed notes form an integral part of these financial statements.				

The annexed notes form an integral part of these financial statements.

MTB SECURITIES LIMITED Statement of Changes in Equity For the year ended December 31, 2021				
Particulars	Paid up capital	Retained Earnings	Capital Reserved for DSE Investment	Dividend Payable A/C
<b>Balance as on 01 January, 2021</b>	<b>3,250,000,000</b>	<b>321,894,832</b>	<b>48,113,290</b>	<b>-</b>
Add: Net profit/(Loss) after tax for the period	-	37,178,343	-	37,178,343
Less: Interim Dividend payable		(227,500,000)		(227,500,000)
Addition During the Year Dividend Payable A/C				227,500,000
<b>Balance as on 31 December, 2021</b>	<b>3,250,000,000</b>	<b>131,573,175</b>	<b>48,113,290</b>	<b>227,500,000</b>

MTB SECURITIES LIMITED Statement of Cash Flows For the year ended December 31, 2021				
Particulars	Paid up capital	Retained Earnings	Capital Reserved for DSE Investment	Total
<b>Balance as on 01 January, 2020</b>	<b>3,250,000,000</b>	<b>253,536,377</b>	<b>48,113,290</b>	<b>3,551,649,667</b>
Add: Net profit/(Loss) after tax for the year	-	68,358,455	-	68,358,455
<b>Balance as on 31 December, 2020</b>	<b>3,250,000,000</b>	<b>321,894,832</b>	<b>48,113,290</b>	<b>3,620,008,122</b>

MTB SECURITIES LIMITED Statement of Cash Flows For the year ended December 31, 2021				
Particulars	Paid up capital	Retained Earnings	Capital Reserved for DSE Investment	Total
<b>Balance as on 01 January, 2020</b>	<b>3,250,000,000</b>	<b>253,536,377</b>	<b>48,113,290</b>	<b>3,551,649,667</b>
Add: Net profit/(Loss) after tax for the year	-	68,358,455	-	68,358,455
<b>Balance as on 31 December, 2020</b>	<b>3,250,000,000</b>	<b>321,894,832</b>	<b>48,113,290</b>	<b>3,620,008,122</b>

MTB SECURITIES LIMITED Statement of Cash Flows For the year ended December 31, 2021				
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Add: Net profit/(Loss) after tax for the year	-	68,358,455	-	68,358,455
<b>Balance as on 31 December, 2020</b>	<b>3,250,000,000</b>	<b>321,894,832</b>	<b>48,113,290</b>	<b>3,620,008,122</b>

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<b>Balance as on 31 December, 2020</b>	<b>3,250,000,000</b>	<b>321,894,832</b>	<b>48,113,290</b>	<b>3,620,008,122</b>

MTB SECURITIES LIMITED																					
Notes to the Financial Statements																					
For the period ended December 31, 2021																					
1.00	Company and its activities																				
1.01	Legal status of the company																				
MTB Securities Limited was incorporated in Bangladesh as a private limited company on March 01, 2010 vide its registration No. 8286870 and converted into public Ltd. company in the year 2015 under The Companies Act 1994. The company has started its commercial operation on September 23, 2010 after getting approval from the Bangladesh Securities and Exchange Commission (BSEC) as a separate entity. The Brokerage registration is REG 3.1/DSE-197/2010/427 and the Broker registration is REG 3.1/DSE-197/2010/428.																					
1.02	Nature of business																				
The main object of MTB Securities Limited is to act as a TREC holder of stock exchange, the depository participant of the Central Depository System (CDS) and to carry on business of broker, or dealers in stocks, securities, bonds, debentures etc. The company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stocks, and fixed income securities																					
2.00	Significant accounting policies																				
2.01	Basis of preparation of financial statements																				
The Financial Statement of MTB Securities Limited includes the Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and notes to the Financial Statements and disclosures. This Financial Statement have been prepared under the historical cost convention on a going concern basis in accordance with International Financing Reporting Standards (IFRS), The Companies Act 1994, Securities and Exchange Rules, 1987, Income Tax Ordinance 1984 and other Laws and Regulations applicable to the company.																					
2.02	Leases																				
The Company follows IFRS 16 which has been effective from 01 January 2019. As IFRS 16 supersedes IAS 17: Leases, the Company has made recognition, measurement and disclosure in the financial statements of 31 December, 2021 both as Lessee and Lessor as per IFRS 16.																					
2.03	Statement of cash flows																				
Cash flow statement is prepared in accordance with the International Accounting Standards (IAS – 7): "Statement of Cash Flows" and the cash flows from operating activities have been presented under indirect method.																					
2.04	Property and equipment																				
Depreciation of fixed asset is charged using reducing balance method as per IAS- 16 "Property, Plant and Equipment". Depreciation of an asset begins, when it is available for use. The rates of depreciation used to write off the amount of assets are as follows:																					
<table><thead><tr><th>Category of assets</th><th colspan="2">Rate of depreciation</th></tr></thead><tbody><tr><td>Furniture</td><td colspan="2">10%</td></tr><tr><td>Office equipment</td><td colspan="2">10%</td></tr><tr><td>Furniture and fixtures</td><td colspan="2">10%</td></tr><tr><td>Premises</td><td colspan="2">5%</td></tr></tbody></table>				Category of assets	Rate of depreciation		Furniture	10%		Office equipment	10%		Furniture and fixtures	10%		Premises	5%				
Category of assets	Rate of depreciation																				
Furniture	10%																				
Office equipment	10%																				
Furniture and fixtures	10%																				
Premises	5%																				
2.05	Revenue recognition																				
Revenue which comprises of brokerage commission, interest income and other income are recognized in accordance with International Financial Reporting Standard (IFRS) 15: "Revenue from Contracts with Customers".																					
2.06	Provision for income tax																				
Provision for income tax has been calculated based on Income Tax Ordinance, 1984 and Finance Act 2021.																					
2.07	Provision for expenses																				
Provision for expenses is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the present obligations and reliable estimate of the amount can be measured.																					
2.08	Cash and cash equivalent																				
Cash and cash equivalent includes cash at bank which are held and are available for use by the Company																					
2.09	Reporting period																				
The financial statement covers for the period from January 07, 2021 to December 31, 2021.																					
2.10	Events after Reporting period																				
This report passed in the board meeting dated February 07, 2022 where approved 7% Final Dividend (7% cash interim dividend) for the year 2021.																					
3.00	General																				
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.																					
<table><thead><tr><th colspan="2">Amount in BDT</th></tr><tr><th>31.12.2021</th><th>31.12.2020</th></tr></thead></table>				Amount in BDT		31.12.2021	31.12.2020														
Amount in BDT																					
31.12.2021	31.12.2020																				
4.00	Property, plant & equipment																				
Cost:																					
Opening Balance																					
Add: Addition during the year																					
Less: Disposal during the year																					
Total Cost:																					
Depreciation:																					
Opening Balance																					
Add: Depreciation during the year																					
Less: Depreciation of Disposal assets																					
Total Accumulated depreciation																					
Written down value																					
The detail has shown in Annexure – A.																					
5.00	Investment in DSE																				
Dhaka Stock Exchange Limited (DSE)																					
Total																					
As per the provisions of the Exchanges Demutualization Act 2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization scheme, MTB Securities Limited received the following ordinary shares at face value of BDT 10 each against the membership of DSE respectively :																					
<table><thead><tr><th>Shares issued by</th><th>No. of Shares</th><th>Amount (BDT)</th></tr></thead><tbody><tr><td>Shares received from Dhaka Stock Exchange Limited (DSE) (A)</td><td>7,215,106</td><td>72,151,060</td></tr><tr><td>Shares sold to the Strategic Investors by DSE (B)</td><td>1,803,777</td><td>18,037,770</td></tr><tr><td>Remaining Balance C = (A-B)</td><td>5,411,329</td><td>54,113,290</td></tr><tr><td>Floated Shares (53.33%)</td><td>2,886,041</td><td>28,860,410</td></tr><tr><td>Blocked Shares (46.67%)</td><td>2,525,288</td><td>25,252,880</td></tr></tbody></table>				Shares issued by	No. of Shares	Amount (BDT)	Shares received from Dhaka Stock Exchange Limited (DSE) (A)	7,215,106	72,151,060	Shares sold to the Strategic Investors by DSE (B)	1,803,777	18,037,770	Remaining Balance C = (A-B)	5,411,329	54,113,290	Floated Shares (53.33%)	2,886,041	28,860,410	Blocked Shares (46.67%)	2,525,288	25,252,880
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Floated Shares (53.33%)	2,886,041	28,860,410																			
Blocked Shares (46.67%)	2,525,288	25,252,880																			
6.00	Strategic Investment in Securities:																				
Strategic Investment in Securities																					
Special Fund Investment in Securities																					
Total																					
6.01	Strategic Investment in Securities																				
As per Income Tax Ordinance, 1984, S. R. O. No. 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 net sale proceeds to avail the tax incentive by the NBR. Accordingly, the proceeds have been invested by the Company in the Capital Market.																					
<table><tbody><tr><td></td><td>45,075,634</td><td>40,382,014</td></tr><tr><td></td><td>45,075,634</td><td>40,382,014</td></tr></tbody></table>					45,075,634	40,382,014		45,075,634	40,382,014												
	45,075,634	40,382,014																			
	45,075,634	40,382,014																			
6.02	Special Fund Investment in Securities under SFCM:																				
Investment under SFCM represents the cost value of securities in which has invested the company under Special Fund for Investment in Capital Market (SFCM) (BB DOST Circular-01, Dt. 10.02.2020)																					
<table><tbody><tr><td></td><td>211,817,600</td><td>-</td></tr><tr><td></td><td>211,817,600</td><td>-</td></tr></tbody></table>					211,817,600	-		211,817,600	-												
	211,817,600	-																			
	211,817,600	-																			
7.00	Advances and prepayments																				
Office Rent																					
Advance to Employees-Car																					
Advance to CSE for Membership																					
Advance to DSE for DSE Tower																					
Investment in IPO Share																					
Advance to suppliers																					
Total																					
8.00	Investment in securities (Annexure-B)																				
Quoted share																					
Unquoted share (Placement share)																					
Total																					
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 2021.																					
Opening Balance																					
Add: Addition during the year																					
Add: Interest during the year																					
Less: Written off during the year																					
Less: Adjustment during the year																					
Total																					
10.00	Accounts receivable																				
Receivable from (DSE) Broker (Note 10.01)																					
Receivable from (DSE) Dealer (Note 10.02)																					
Dividend receivable																					
Total																					
10.01	Receivable from Dhaka Stock Exchange (DSE)-Broker																				
This amount represents receivable from Dhaka Stock Exchange Limited (DSE) arising from daily transactions in Customer Accounts maintained with MTB Securities Limited.																					
10.02	Receivable from Dhaka Stock Exchange (DSE)-Dealer																				
This amount represents receivable from Dhaka Stock Exchange Limited (DSE) arising from daily transactions in Dealer Account.																					
11.00	Advance income tax																				
Opening balance																					
Add: Addition during the year ( Note 11.01)																					
Less: Adjusted during the year																					
Total																					
11.01	Addition during the year																				
Brokerage commission																					
Bank interest																					
Dividend income																					
Advance Tax																					
Total																					
12.00	Cash and cash equivalents																				
FDR																					
Mutual Trust Bank Limited																					
Union Capital Limited																					
SND																					
A/C No.																					
Mutual Trust Bank Ltd (SND)																					
Mutual Trust Bank Ltd (SND)																					
Mutual Trust Bank Ltd (CCA)																					
Mutual Trust Bank Ltd (CCA)																					
Mutual Trust Bank Ltd (SND)																					
Mutual Trust Bank Ltd (SND)																					
Mutual Trust Bank Ltd (SND)																					
Mutual Trust Bank Ltd (Dealer)																					
Mutual Trust Bank Ltd (Strategic)																					
Mutual Trust Bank Ltd (Special Fund)																					
Mutual Trust Bank Ltd (IPO)																					
IFIC Bank limited (Dealer)																					
IFIC Bank limited (CA)																					
Standard Chartered (CCA)																					
Standard Chartered (SND)																					
Cash in hand (Cheque in hand)																					
Total																					





# মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড™

## Mutual Trust Bank Ltd.

*you can bank on us*

# Financial Statements 2021

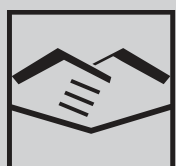
		Amount in BDT	
		31.12.2021	31.12.2020
<b>13.00 Share capital</b>			
<b>13.01 Authorized capital</b>			
500,000,000 ordinary shares of Taka 10 each.		5,000,000,000	5,000,000,000
<b>13.02 Issued, subscribed and paid-up capital</b>			
325,000,000 ordinary shares of Taka 10 each fully paid.		3,250,000,000	3,250,000,000
<b>13.03 Shareholding Position of the Company</b>			
Share Holders	Number of Share	Percentage	
Mutual Trust Bank Limited	324,994,000	99.998%	
Mr. Chowdhury Akhtar Asif	1,000		
Mr. Md. Hashem Chowdhury	1,000		
Mr. Goutam Prosad Das	1,000	0.002%	
Md. Khalid Mahmood Khan	1,000		
Mr. Abdul Mannan	1,000		
Mr. Md. Nazrul Islam Mazumder	1,000		
<b>Total</b>	<b>325,000,000</b>	<b>100.00%</b>	
<b>14.00 Retained earnings</b>			
Opening balance	321,894,832	253,536,377	
Net profit during the year	37,178,343	68,358,455	
Dividend paid during the year	(227,500,000)	-	
<b>Total</b>	<b>131,573,175</b>	<b>321,894,832</b>	
<b>15.00 Capital reserve for investments with DSE</b>			
Shares issued by DSE	48,113,290	48,113,290	
<b>Total</b>	<b>48,113,290</b>	<b>48,113,290</b>	
<b>16.00 Accounts Payable</b>			
It represents money deposited by client for trading purpose. The details are as follows:			
Payable to clients (Note 16.01)	1,058,794,149	674,458,998	
Payable to (DSE) (Note 16.02)	45,985,794	2,364,256	
Payable to (DSE)-dealer (Note 16.02)	-	108,823	
IPO Payable (Note 16.03)	58,670,000	59,087,200	
Suppliers/Vendors & Others Payable (Note 16.04)	12,626,434	28,955,489	
<b>Total</b>	<b>1,176,076,377</b>	<b>764,974,766</b>	
<b>16.01 Payable to clients</b>			
This balance represents the clients' sale proceed of securities and deposit against securities purchase which is currently lying with the Company's bank account.			
<b>16.02 Payable to Dhaka Stock Exchange (DSE)</b>			
This amount represents payable to Dhaka Stock Exchange Limited (DSE) arising from daily transactions in Customer Accounts maintained with MTB Securities Limited & arising from daily transactions in Dealer Account.			
<b>16.03 IPO payable</b>			
This balance represents payable to IPO issuers. IPO Submission date closed 30.12.2021 accordingly fund was transferred to the IPO account on the following working date i.e 03.01.2022.			
<b>16.04 Suppliers/Vendors &amp; Others Payable</b>			
This balance represents payable to various suppliers, cheques issued to various client but not yet cleared.			
<b>17.00 Loan from MTB</b>			
Short Term Overdraft (SOD-General) facility maintained with Mutual Trust Bank Limited (MTB). The funds availed from this facility is used for extending margin loan customers, Investment in securities and other operating purpose for MTB Securities Limited			
Opening balance	20,708,246	-	
Add: During the year	943,483,567	20,708,246	
Less: Cash paid during the year	(689,002,570)	-	
<b>Total</b>	<b>275,189,243</b>	<b>20,708,246</b>	
<b>18.00 Liabilities for expenses</b>			
Salary & Allowances	15,550,055	10,627,518	
Office rent	2,908,528	2,933,590	
Electricity bill	516,107	583,426	
Mobile & T&T bill	37,500	41,500	
Advertisement	80,892	122,306	
Audit Fee	69,000	69,000	
Repair & Maintenance	65,316	209,873	
Office Maintenance	49,697	316,184	
Cleaning of Office Premises	275,044	211,969	
Utility bill	645,885	1,057,473	
Entertainment	1,186	93,004	
Security Service Bill	543,455	381,828	
CDBL Charge	1,814,658	1,600,662	
Software Maintenance	337,700	337,700	
Marketing & Business Development cost	1,042,455	1,042,455	
Provision for foreign trade commission repatriation	5,312,744	4,671,353	
Travelling expenses	-	150,000	
Professional Fees	173,000	115,000	
Others Expenses	98,732	624,390	
<b>Total</b>	<b>29,521,954</b>	<b>25,189,231</b>	
<b>19.00 Provision for income tax</b>			
Opening balance	94,084,956	71,973,559	
Addition during the year (Note: 19.01)	167,815,154	24,954,315	
Payment during the year	-	(2,842,918)	
<b>Total</b>	<b>261,900,110</b>	<b>94,084,956</b>	
<b>19.01 Addition during the year</b>			
Current tax expenses (Note: 35)	167,815,154	24,954,315	
<b>20.00 Deferred Tax Liability</b>			
Deferred tax is calculated on the difference between tax base of asset & Opening Balance	4,796,493	5,079,361	
Deferred tax income during the year (Annexure-E)	(46,291)	(282,868)	
<b>Total</b>	<b>4,750,202</b>	<b>4,796,493</b>	
<b>21.00 Provision for margin loan:</b>			
Opening balance	313,988,791	308,474,160	
Add: Addition during the year (Note: 33)	341,700,000	80,000,000	
Less: Written off during the year	-	74,485,369	
<b>Total</b>	<b>655,688,791</b>	<b>313,988,791</b>	
This provision is made as per BSEC guideline against Margin loan in Negative Equity Client Accounts.			
<b>22.00 Provision for diminution in value of Investments:</b>			
Opening balance	70,000,000	60,000,000	
Addition during the year (Note: 34)	128,300,000	10,000,000	
<b>Total</b>	<b>198,300,000</b>	<b>70,000,000</b>	
This provision is made as per BSEC guideline against unrealized loss in Dealer Account.			
<b>23.00 Net Assets Value (NAV) per share</b>			
Net Assets (23.01)	3,762,619,851	3,620,008,122	
Number of ordinary shares outstanding	325,000,000	325,000,000	
	<b>11.58</b>	<b>11.14</b>	
<b>23.01 Net Assets</b>			
Total Assets	6,375,719,706	4,913,750,605	
Less: Liabilities	2,613,099,855	1,293,742,483	
<b>Total</b>	<b>3,762,619,851</b>	<b>3,620,008,122</b>	
<b>24.00 Brokerage commission</b>			
Brokerage commission	473,830,370	203,510,873	
The amount is charged on daily turnover during the year as per rate decided by the management of the company.			
<b>25.00 Interest Income</b>			
Interest Income Comprises of Interest on margin loan and Interest on bank deposit placed with various bank.			
Interest on margin loan	222,962,727	70,953,888	
Interest on bank deposit with MTB	8,826,790	14,992,277	
Interest on bank deposit with other Bank	605,826	5,362,345	
<b>Total</b>	<b>232,395,343</b>	<b>91,308,510</b>	
<b>26.00 Income From Investment</b>			
Gain/ (loss) on sale of securities -Dealer	102,176,078	41,021,557	
Gain/ (loss) on sale of Strategic Investment	3,666,197	39,006	
Gain/ (loss) on sale of securities -Special Fund	51,928,662	-	
Dividend Income on investment-Dealer	31,890,054	18,007,220	
Dividend Income on Strategic Investment	1,204,952	604,210	
Dividend Income on Special Investment	7,907,027	-	
Dividend Income from DSE	1,623,399	-	
<b>Total</b>	<b>200,396,369</b>	<b>59,671,993</b>	
<b>27.00 Margin account maintenance</b>			
Margin account maintenance	684,505	608,940	
<b>Total</b>	<b>684,505</b>	<b>608,940</b>	
The amount represents service charges on margin account, which were received from the customer during the year.			
<b>28.00 Depository participant</b>			
BO maintenance fees	10,622,350	9,002,700	
Dematerialization charges	1,371	2,000	
CDS charges	588,584	85,022	
<b>Total</b>	<b>11,212,305</b>	<b>9,089,722</b>	
This amount Comprises of BO maintenance, demate charge and CDS charges.			
<b>29.00 Other operating income</b>			
Other Income	610,150	366,135	
<b>Total</b>	<b>610,150</b>	<b>366,135</b>	
Other income represents Cheque return charge & IPO application fee charged on the customer.			

		Amount in BDT	
		31.12.2021	31.12.2020
<b>30.00 CDBL charges</b>			
CDBL charges	18,900,000	14,364,650	
	18,900,000	14,364,650	
The amount comprises of BO opening, maintenance, CDS charge and other expenses charged by CDBL.			
<b>31.00 Office &amp; administrative expenses</b>			
Salary & Allowances	92,741,437	83,982,337	
Office rent	17,352,203	26,782,188	
Insurance expenses	159,416	274,757	
Electricity bill	2,446,480	2,148,674	
Postage & telegraph	215,818	190,437	
Mobile & T&T bill	476,750	542,400	
Table/Petty stationery	739,299	317,254	
Computer stationery	1,301,236	305,955	
Advertisement -Company's Own	189,130	47,320	
Directors' fees	840,400	525,800	
Audit fee	126,500	69,000	
Depreciation	6,015,583	5,963,672	
Repair & Maintenance	814,093	336,720	
Maintenance of office premises	471,604	313,996	
Car expenses	1,154,110	1,587,222	
Securities service	2,738,515	3,376,567	
Office cleaning	2,110,709	2,138,950	
Utility bill	2,839,395	3,648,075	
Conveyance	301,101	170,494	
Entertainment -Refreshment/Party Diner	1,381,218	777,057	
Periodical, Magazine, News paper	29,630	38,278	
Bank charge & excise duty	316,734	345,090	
Traveling expenses	211,515	150,000	
Software maintenance	188,307	378,500	
Business Development Expenses	11,313	250,000	
Foreign trade commission repatriation	641,391	-	
Registration charge, fees & renewal	1,535,704	1,355,072	
CSE New TREC Registration Fees	10,000,000	-	
IPO Apply charge	27,000	28,000	
Loss on sales of Fixed Assets	-	862,832	
Professional fees	150,000	348,155	
<b>Total</b>	<b>147,526,591</b>	<b>137,254,802</b>	
<b>32.00 Financial expenses</b>			
Interest on SOD (G) Business, Mutual Trust Bank Ltd.	20,443,567	2,702,519	
Interest on Lease Liability	2,410,317	-	
	<b>22,853,884</b>	<b>2,702,519</b>	
This amount comprises of interest expense on Loan from Mutual Trust Bank (MTB) and apply of interest on lease liability as per IFRS-16.			
<b>33.00 Provision for margin loan made during the year</b>			
This provision is made as per BSEC guideline against Margin loan in Negative Equity Client Accounts.			
Provision for margin loan	341,700,000	80,000,000	
	<b>341,700,000</b>	<b>80,000,000</b>	
<b>34.00 Provision for investment in securities made during the year</b>			
This provision is made as per BSEC guideline against unrealized loss in Dealer Account			
Provision for investment in securities	128,300,000	10,000,000	
	<b>128,300,000</b>	<b>10,000,000</b>	
<b>35.00 Income tax expenses made during the year</b>			
Current tax	167,815,154	24,954,315	
Deferred tax	(46,291)	(282,868)	
<b>Total</b>	<b>167,768,863</b>	<b>24,671,447</b>	
Income Tax Expenses is calculated as per guideline of Income Tax Ordinance and Rules.			
<b>36.00 Earnings Per Share (EPS)</b>			
Net profit after tax	37,178,343	68,358,455	
Number of ordinary shares outstanding	325,000,000	325,000,000	
<b>Earnings Per Share (EPS)</b>	<b>0.11</b>	<b>0.21</b>	
<b>37.00 Net operating cash flows per share (NOCFPS)</b>			
Net operating cash flows	1,061,104,912	485,348,553	
Number of shares	325,000,000	325,000,000	
	<b>3.26</b>	<b>1.49</b>	
<b>38.00 Related party transactions</b>			
Name of the party	Nature of transactions	Taka	
Mutual Trust Bank Limited	Loan from MTB	275,189,243	
<b>39.00 Number of employees</b>			
The number of employees engaged for the whole year or part thereof, who received a total remuneration of Taka 42,000 or above, were 58 persons.			

		Amount in BDT	
		31.12.2021	31.12.2020
<b>MTB SECURITIES LIMITED</b>			
<b>Schedule of Property, Plant &amp; Equipment</b>			
<b>For the year ended December 31, 2021</b>			
Particulars	Balance as on 01.01.2021	Cost	Depreciation
		Addition during the year	Charge for the year
		Disposal during the year	Disposal for the year
Furniture	1,396,798	35,712	526,933
Fixture & fittings	47,336,765	3,148,905	24,104,021
Office equipment	30,487,123	2,480,579	23,722,538
Premises	46,365,000	-	15,481,280
Sub Total	125,585,686	5,665,194	63,756,772
Right Of User Assets as per IFRS-16	114,748,614	-	704,323
Balance as on December 31, 2021	125,585,686	120,413,808	64,461,095

		Amount in BDT	
		31.12.2021	31.1





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## Mutual Trust Bank Ltd.

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# Financial Statements 2021

MTB Capital Ltd. Statement of Financial Position As at 31 December 2021			
Particulars	Notes	Amount in BDT	
		31.12.2021	31.12.2020
ASSETS			
Non-Current Assets		14,392,150	3,708,919
Property, Plant & Equipment	4.00	14,392,150	3,708,919
Current Assets		825,108,947	638,561,529
Investment in Securities	5.00	289,960,749	262,994,112
Investment in Securities under SFCM	6.00	82,170,334	-
Margin Loan to Clients	7.00	380,471,869	291,557,048
Accounts Receivable	8.00	42,488,490	37,630,614
Advance and Prepayments	9.00	16,159,109	27,821,003
Cash & Cash Equivalents	10.00	13,858,396	18,558,752
Total Assets		839,501,097	642,270,448
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity		396,412,615	377,328,638
Share Capital	11.00	374,727,700	356,883,500
Retained Earnings	12.00	21,684,915	20,445,138
LIABILITIES			
Non-Current Liabilities		111,079	123,123
Deferred Tax Liability	13.00	111,079	123,123
Current Liabilities		442,977,403	264,818,687
Short Term Loan	14.00	218,715,684	133,621,742
Accounts Payable	15.00	17,247,140	20,848,881
Provision for diminution in value of Investments	16.00	67,000,000	22,000,000
Provision for Margin Loan	17.00	57,000,000	32,000,000
Provision for Current Tax	18.00	40,410,659	36,675,383
Other Liabilities	19.00	31,015,121	19,672,681
Lease Liability	20.00	11,588,799	-
Total Liabilities		443,088,482	264,941,810
Total Shareholders' Equity and Liabilities		839,501,097	642,270,448
Net Assets Value (NAV) per share	21.00	105.79	105.73

The annexed notes are integral part of these Financial Statements.

MTB Capital Ltd. Statement of Profit or Loss and other Comprehensive Income For the year ended 31 December 2021			
Particulars	Notes	Amount in BDT	
		2021	2020
<b>Operating income</b>		<b>147,919,376</b>	<b>46,820,723</b>
Interest Income	22.00	45,323,079	22,893,511
Income from Investment (EI offer Income, Capital Gain & Dividend Income)	23.00	77,185,733	12,784,445
Underwriting Commission	24.00	520,066	67,500
Issue Management Fees	25.00	8,809,783	3,436,000
Settlement Fees and Documentation Charges	26.00	8,070,264	2,829,715
Portfolio Management Fees	27.00	4,085,450	3,178,578
Trustee Fees	28.00	3,450,000	650,000
Other Operating Income	29.00	475,000	980,974
<b>Less: Operating Expense</b>		<b>21,142,700</b>	<b>20,659,394</b>
Office & Administrative Expenses	30.00	21,142,700	20,659,394
<b>Operating Profit</b>		<b>126,776,676</b>	<b>26,161,328</b>
Less: Interest Expense	31.00	16,036,186	3,352,742
<b>Profit before Provision and Tax</b>		<b>110,740,490</b>	<b>22,808,587</b>
<b>Provision</b>		<b>70,000,000</b>	<b>4,000,000</b>
Provision for Diminution in value of Investments	32.00	45,000,000	2,000,000
Provision for Margin Loan	33.00	25,000,000	2,000,000
<b>Net Profit before Tax</b>		<b>40,740,490</b>	<b>18,808,587</b>
<b>Income Tax Expenses</b>		<b>21,656,513</b>	<b>5,328,627</b>
Current Tax Expense	34.00	21,668,557	5,347,039
Deferred Tax Expense/(Income)		(12,044)	(18,412)
<b>Net Profit after Tax</b>		<b>19,083,977</b>	<b>13,479,960</b>
<b>Earning per share</b>	35.00	<b>5.09</b>	<b>3.78</b>

The annexed notes are integral part of these Financial Statements.

MTB Capital Ltd. Statement of Changes in Equity For the year ended 31 December 2021			
Particulars		Amount in BDT	
		Paid-up Capital	Retained Earnings
Balance as at January 01, 2021		356,883,500	20,445,138
Net profit for the year after tax		-	19,083,977
Stock Dividend		17,844,200	(17,844,200)
<b>Balance as at 31 December 2021</b>		<b>374,727,700</b>	<b>21,684,915</b>
<b>Balance as at 31 December 2020</b>		<b>356,883,500</b>	<b>20,445,138</b>

MTB Capital Ltd. Statement of Cash Flows For the year ended 31 December 2021			
Particulars		Amount in BDT	
		2021	2020
Net Profit during the year (after Tax)		19,083,977	13,479,960
<b>Add : Amount consider as Non Cash items :</b>			
Depreciation charged during the year		510,972	591,157
Depreciation charged during the year on ROU		1,232,156	-
Increase/(decrease) in Provision for diminution in value of Investments		45,000,000	2,000,000
Increase/(decrease) in Provision for Margin Loan		25,000,000	2,000,000
Increase/(decrease) in Provision for Income Tax		3,735,276	(15,042,395)
Increase/(decrease) in Deferred Tax Liability		(12,044)	(18,412)
Increase/(decrease) in Other Liabilities		11,342,440	18,507,181
<b>Sub-total of Non Cash items</b>		<b>86,808,799</b>	<b>7,837,531</b>
<b>Changes in Working Capital Components</b>			
Increase/(decrease) in Accounts Payable		(3,601,741)	9,998,449
(Increase)/decrease in Accounts Receivable		(4,857,876)	(20,188,917)
(Increase)/decrease in Advance & Prepayment		11,661,894	13,445,776
<b>A) Net Cash Flow from Operating Activities</b>		<b>109,095,052</b>	<b>24,572,800</b>
<b>Cash Flow from Investing Activities:</b>			
(Increase)/decrease in Investment in Securities		(26,966,638)	(97,933,937)
(Increase)/decrease in Investment in Securities under SFCM		(82,170,334)	-
(Increase)/decrease in purchase of Premises & Fixed Asset		(104,800)	-
(Increase)/decrease in Right of Use Assets		(12,321,558)	-
Increase/(decrease) in Lease Liability		11,588,799	-
(Increase)/decrease in Margin Loan to Clients		(88,914,822)	(50,443,041)
<b>B) Net Cash Flow from Investing Activities</b>		<b>(198,889,353)</b>	<b>(148,376,978)</b>
<b>Cash Flow from Financing Activities :</b>			
Increase/(decrease) in Short term Borrowings		85,093,943	133,621,742
<b>C) Net Cash Flow from financing activities</b>		<b>85,093,943</b>	<b>133,621,742</b>
<b>D) Net Cash increase / (decrease) (A+B+C)</b>		<b>(4,700,358)</b>	<b>9,817,563</b>
<b>E) Opening Cash and Cash Equivalents</b>		<b>18,558,752</b>	<b>8,741,189</b>
<b>F) Closing Cash and Cash Equivalents</b>		<b>13,858,396</b>	<b>18,558,752</b>
<b>Net Operating Cash Flow per Share (NOCFPS)(Note: 35.00)</b>		<b>29.11</b>	<b>6.89</b>

MTB Capital Ltd. Statement of Cash Flows For the year ended 31 December 2021			
Particulars		Amount in BDT	
		2021	2020
Net Profit during the year (after Tax)		19,083,977	13,479,960
<b>Add : Amount consider as Non Cash items :</b>			
Depreciation charged during the year		510,972	591,157
Depreciation charged during the year on ROU		1,232,156	-
Increase/(decrease) in Provision for diminution in value of Investments		45,000,000	2,000,000
Increase/(decrease) in Provision for Margin Loan		25,000,000	2,000,000
Increase/(decrease) in Provision for Income Tax		3,735,276	(15,042,395)
Increase/(decrease) in Deferred Tax Liability		(12,044)	(18,412)
Increase/(decrease) in Other Liabilities		11,342,440	18,507,181
<b>Sub-total of Non Cash items</b>		<b>86,808,799</b>	<b>7,837,531</b>
<b>Changes in Working Capital Components</b>			
Increase/(decrease) in Accounts Payable		(3,601,741)	9,998,449
(Increase)/decrease in Accounts Receivable		(4,857,876)	(20,188,917)
(Increase)/decrease in Advance & Prepayment		11,661,894	13,445,776
<b>A) Net Cash Flow from Operating Activities</b>		<b>109,095,052</b>	<b>24,572,800</b>
<b>Cash Flow from Investing Activities:</b>			
(Increase)/decrease in Investment in Securities		(26,966,638)	(97,933,937)
(Increase)/decrease in Investment in Securities under SFCM		(82,170,334)	-
(Increase)/decrease in purchase of Premises & Fixed Asset		(104,800)	-
(Increase)/decrease in Right of Use Assets		(12,321,558)	-
Increase/(decrease) in Lease Liability		11,588,799	-
(Increase)/decrease in Margin Loan to Clients		(88,914,822)	(50,443,041)
<b>B) Net Cash Flow from Investing Activities</b>		<b>(198,889,353)</b>	<b>(148,376,978)</b>
<b>Cash Flow from Financing Activities :</b>			
Increase/(decrease) in Short term Borrowings		85,093,943	133,621,742
<b>C) Net Cash Flow from financing activities</b>		<b>85,093,943</b>	<b>133,621,742</b>
<b>D) Net Cash increase / (decrease) (A+B+C)</b>		<b>(4,700,358)</b>	<b>9,817,563</b>
<b>E) Opening Cash and Cash Equivalents</b>		<b>18,558,752</b>	<b>8,741,189</b>
<b>F) Closing Cash and Cash Equivalents</b>		<b>13,858,396</b>	<b>18,558,752</b>
<b>Net Operating Cash Flow per Share (NOCFPS)(Note: 35.00)</b>		<b>29.11</b>	<b>6.89</b>

MTB Capital Ltd. Statement of Cash Flows For the year ended 31 December 2021			
Particulars		Amount in BDT	
		2021	2020
Net Profit during the year (after Tax)		19,083,977	13,479,960
<b>Add : Amount consider as Non Cash items :</b>			
Depreciation charged during the year		510,972	591,157
Depreciation charged during the year on ROU		1,232,156	-
Increase/(decrease) in Provision for diminution in value of Investments		45,000,000	2,000,000
Increase/(decrease) in Provision for Margin Loan		25,000,000	2,000,000
Increase/(decrease) in Provision for Income Tax		3,735,276	(15,042,395)
Increase/(decrease) in Deferred Tax Liability		(12,044)	(18,412)
Increase/(decrease) in Other Liabilities		11,342,440	18,507,181
<b>Sub-total of Non Cash items</b>		<b>86,808,799</b>	<b>7,837,531</b>
<b>Changes in Working Capital Components</b>			
Increase/(decrease) in Accounts Payable		(3,601,741)	9,998,449
(Increase)/decrease in Accounts Receivable		(4,857,876)	(20,188,917)
(Increase)/decrease in Advance & Prepayment		11,661,894	13,445,776
<b>A) Net Cash Flow from Operating Activities</b>		<b>109,095,052</b>	<b>24,572,800</b>
<b>Cash Flow from Investing Activities:</b>			
(Increase)/decrease in Investment in Securities		(26,966,638)	(97,933,937)
(Increase)/decrease in Investment in Securities under SFCM		(82,170,334)	-
(Increase)/decrease in purchase of Premises & Fixed Asset		(104,800)	-
(Increase)/decrease in Right of Use Assets		(12,321,558)	-
Increase/(decrease) in Lease Liability		11,588,799	-
(Increase)/decrease in Margin Loan to Clients		(88,914,822)	(50,443,041)
<b>B) Net Cash Flow from Investing Activities</b>		<b>(198,889,353)</b>	<b>(148,376,978)</b>
<b>Cash Flow from Financing Activities :</b>			
Increase/(decrease) in Short term Borrowings		85,093,943	133,621,742
<b>C) Net Cash Flow from financing activities</b>		<b>85,093,943</b>	<b>133,621,742</b>
<b>D) Net Cash increase / (decrease) (A+B+C)</b>		<b>(4,700,358)</b>	<b>9,817,563</b>
<b>E) Opening Cash and Cash Equivalents</b>		<b>18,558,752</b>	<b>8,741,189</b>
<b>F) Closing Cash and Cash Equivalents</b>		<b>13,858,396</b>	<b>18,558,752</b>
<b>Net Operating Cash Flow per Share (NOCFPS)(Note: 35.00)</b>		<b>29.11</b>	<b>6.89</b>

MTB Capital Ltd. Statement of Cash Flows For the year ended 31 December 2021			
Particulars		Amount in BDT	
		2021	2020
Net Profit during the year (after Tax)		19,083,977	13,479,960
<b>Add : Amount consider as Non Cash items :</b>			
Depreciation charged during the year		510,972	591,157
Depreciation charged during the year on ROU		1,232,156	-
Increase/(decrease) in Provision for diminution in value of Investments		45,000,000	2,000,000
Increase/(decrease) in Provision for Margin Loan		25,000,000	2,000,000
Increase/(decrease) in Provision for Income Tax		3,735,276	(15,042,395)
Increase/(decrease) in Deferred Tax Liability		(12,044)	(18,412)
Increase/(decrease) in Other Liabilities		11,342,440	18,507,181
<b>Sub-total of Non Cash items</b>		<b>86,808,799</b>	<b>7,837,531</b>
<b>Changes in Working Capital Components</b>			
Increase/(decrease) in Accounts Payable		(3,601,741)	9,998,449
(Increase)/decrease in Accounts Receivable		(4,857,876)	(20,188,917)
(Increase)/decrease in Advance & Prepayment		11,661,894	13,445,776
<b>A) Net Cash Flow from Operating Activities</b>		<b>109,095,052</b>	<b>24,572,800</b>
<b>Cash Flow from Investing Activities:</b>			
(Increase)/decrease in Investment in Securities		(26,966,638)	(97,933,937)
(Increase)/decrease in Investment in Securities under SFCM		(82,170,334)	-
(Increase)/decrease in purchase of Premises & Fixed Asset		(104,800)	-
(Increase)/decrease in Right of Use Assets		(12,321,558)	-
Increase/(decrease) in Lease Liability		11,588,799	-
(Increase)/decrease in Margin Loan to Clients		(88,914,822)	(50,443,041)
<b>B) Net Cash Flow from Investing Activities</b>		<b>(198,889,353)</b>	<b>(148,376,978)</b>
<b>Cash Flow from Financing Activities :</b>			
Increase/(decrease) in Short term Borrowings		85,093,943	133,621,742
<b>C) Net Cash Flow from financing activities</b>		<b>85,093,943</b>	<b>133,621,742</b>
<b>D) Net Cash increase / (decrease) (A+B+C)</b>		<b>(4,700,358)</b>	<b>9,817,563</b>
<b>E) Opening Cash and Cash Equivalents</b>		<b>18,558,752</b>	<b>8,741,189</b>
<b>F) Closing Cash and Cash Equivalents</b>		<b>13,858,396</b>	<b>18,558,752</b>
<b>Net Operating Cash Flow per Share (NOCFPS)(Note: 35.00)</b>		<b>29.11</b>	<b>6.89</b>

MTB Capital Ltd. Notes to the Financial Statements For the year ended 31 December 2021			
<b>1.00 Legal Status of the Company</b>	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, 1993 on December 06, 2010 as a full fledged merchant bank and obtained registration No. C-80040 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.		
<b>2.00 Nature of Business</b>	The registered office of the company is situated at Chandrashila Svastu Tower, 69/1, Panthapath, Dhaka.		
<b>3.00 Depreciation</b>	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.		
<b>3.01 Basis of preparation of Financial Statements</b>	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 Financing 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.		
<b>3.02 Statement of Cash Flows</b>	Statement of cash flows has been prepared in accordance with the International Accounting Standard (IAS) - 7 "Statement of Cash Flows".		
<b>3.03 Property, Plant and Equipment</b>	Recognition and measurement:		
<b>3.03.1</b>	Property, plant and equipments are measured at cost less accumulated depreciation and accumulated impairment losses, if any.		
<b>3.03.2</b>	Cost includes expenditure that is directly attributable to the acquisition of asset and bringing to the location and conditioned necessary for it to be capable of operating in the intended manner.		
<b>3.04 Depreciation</b>	Depreciation is charged using reducing balance 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.





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## Mutual Trust Bank Ltd.

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# Financial Statements 2021

		Amount in BDT	
		31.12.2021	31.12.2020
<b>35.00 Earning per share</b>			
Net Profit after tax		19,083,977	13,479,960
Number of ordinary shares outstanding		3,747,277	3,568,835
		<b>5.09</b>	<b>3.78</b>
<b>36.00 Net Operating cash flows per share (NOCFPS)</b>			
Net Operating cash flows		109,095,052	24,572,800
Number of shares		3,747,277	3,568,835
		<b>29.11</b>	<b>6.89</b>
<b>37.00 Related Party Transaction</b>			
<b>Name of Party</b>	<b>Nature of Transactions</b>		
Mutual Trust Bank Ltd.	SOD Loan	218,715,684	133,621,742
		<b>218,715,684</b>	<b>133,621,742</b>

<b>38.00 Number of employees</b>	
The number of employees engaged for the whole year or part there of, who received a total remuneration of Taka 36,000 or above were 07 persons.	
<b>39.00 Events after the balance sheet date</b>	
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 2021									
Annexure-A									
(Amount in BDT)									
Particulars	Cost			Rate (%)	Depreciation				Written Down Value as on 31.12.2021
	Opening Balance	Addition during the period	Disposal during the period		Opening Balance	Charged during the period	Disposal for the period	Accumulated Depreciation	
Furniture & Fixture	1,367,694	-	-	-	1,367,694	10%	581,053	78,664	659,717
Office Equipment	8,565,556	104,800	-	-	8,670,356	20%	7,276,360	268,999	7,545,359
Interior Decoration	2,765,639	-	-	-	2,765,639	10%	1,132,557	163,308	1,295,865
<b>Sub Total</b>	<b>12,698,889</b>	<b>104,800</b>	<b>-</b>	<b>-</b>	<b>12,803,689</b>	<b>10%</b>	<b>8,989,970</b>	<b>510,972</b>	<b>9,500,941</b>
Right of Use Assets as per IFRS 16	-	12,321,558	-	-	12,321,558	10%	-	1,232,156	1,232,156
<b>Total December 2021</b>	<b>12,698,889</b>	<b>12,426,358</b>	<b>-</b>	<b>-</b>	<b>25,125,247</b>	<b>10%</b>	<b>8,989,970</b>	<b>1,743,127</b>	<b>10,733,097</b>
<b>Total December 2020</b>	<b>12,698,889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,698,889</b>	<b>10%</b>	<b>8,398,812</b>	<b>591,157</b>	<b>8,989,970</b>

MTB Capital Ltd.					
Investment in Quoted Securities					
As at 31 December 2021					

Name of the company	No. of shares	Total cost	Market rate per share	Market value	Difference
ACI Formulations Limited	85,000	14,782,917	147.10	12,503,500	(2,279,417)
ACI Limited	15,000	4,339,411	285.40	4,281,000	(58,411)
Baraka Power Limited	70,000	2,166,185	23.80	1,666,000	(500,185)
BBS Cables Ltd.	175,000	13,392,023	55.90	9,782,500	(3,609,523)
Beximco Pharma	1,500	287,073	192.70	289,050	1,977
Central Pharmaceuticals Ltd.	466,830	13,018,392	13.20	6,162,156	(6,856,236)
Confidence Cement Limited	66,000	9,842,192	121.90	8,045,400	(1,796,792)
City general Insurance	10,000	427,848	42.90	429,000	1,152
Dutch-Bangla Bank Limited	40,000	3,132,953	78.10	3,124,000	(8,953)
Energypac power generation	160,000	8,446,860	39.60	6,336,000	(2,110,860)
Familytex(BD) Limited	106,581	2,430,056	4.60	490,273	(1,939,783)
Fair Chemical Ind. Ltd.	157,758	3,929,130	11.20	1,766,890	(2,162,240)
Federal Insurance	40,000	1,678,400	35.80	1,432,000	(246,400)
Golden Harvest Agro Ind. Ltd.	110,000	2,525,179	16.50	1,815,000	(710,179)
Grameen Phone Limited	130,591	47,037,876	349.50	45,641,555	(1,396,321)
JMI syringes & Med. Device	33,000	12,207,950	333.70	11,012,100	(1,195,850)
Lankabangla Finance	688,529	27,121,371	37.30	25,682,132	(1,439,239)
Lafargeholcim Bangladesh	151,000	13,262,499	71.10	10,736,100	(2,526,399)
Linde Bangladesh Limited	1,125	1,756,428	1,579.80	1,777,275	20,847
LR GLOBAL BD Mutual fund	100,000	911,820	6.90	690,000	(221,820)
Meghna Petroleum Ltd.	56,469	13,807,853	196.80	11,113,099	(2,694,754)
Master Feed Agrotec Limited	26,649	266,490	15.80	421,054	154,564
Monno Ceramics	29,452	9,597,475	112.20	3,304,514	(6,292,960)
NIALCO alloys limited	128,984	2,344,619	18.00	2,321,712	(22,907)
Oryza agro Ind. Limited	27,192	271,920	10.60	288,235	16,315
Olympic Accessories Limited	100,073	1,784,731	11.30	1,130,825	(653,906)
Olympic Industries	25,000	6,091,509	160.60	4,015,000	(2,076,509)
Padma Oil	73,100	24,646,837	212.50	15,533,750	(9,113,087)
Power grid co. of BD	85,000	5,261,101	59.60	5,066,000	(195,101)
Ratanpur Steel Re-Rolling M	60,000	3,924,433	23.10	1,386,000	(2,538,433)
Ring Shine Textiles L	134	1,327	9.60	1,286	(41)
Robi Axiata Limited	230,000	10,486,932	34.60	7,958,000	(2,528,932)
Runner Automobiles Limited	44,440	3,769,395	51.30	2,279,772	(1,489,623)
Shasha Denims Limited	132,300	7,457,699	24.50	3,241,350	(4,216,349)
Square pharmaceuticals limited	109,000	24,427,572	214.30	23,358,700	(1,068,872)
Summit Power Limited	902,185	45,445,337	38.90	35,094,997	(10,350,340)
Titas Gas T & D Co. Ltd.	215,360	18,729,349	36.30	7,817,568	(10,911,781)
United power G & D Co	30,000	8,528,208	244.20	7,326,000	(1,202,208)
Western Marine Ship. Ltd	129,662	2,480,011	10.70	1,387,383	(1,092,628)
10 years BGTB 2001202	1,000	111,723	0.00	0	(111,723)
<b>Total</b>		<b>372,131,084</b>		<b>286,707,176</b>	<b>(85,423,908)</b>

MTB Capital Ltd.	
Calculation of Deferred Tax	
For the year ended 31 December, 2021	

Deferred Tax Expense/(Income)	2021	2020
Carrying amount of Property, Plant & Equipment	3,302,748	3,708,919
Less: Tax base Property, Plant & Equipment	3,006,537	3,380,591
<b>Taxable temporary difference</b>	<b>296,211</b>	<b>328,328</b>
Applicable Tax Rate	37.50%	37.50%
<b>Deferred Tax (Assets)/ Liabilities</b>	<b>111,079</b>	<b>123,123</b>
Less: Opening Balance	123,123	141,535
<b>Deferred Tax Expense/(Income)</b>	<b>(12,044)</b>	<b>(18,412)</b>

MTB EXCHANGE (UK) LIMITED Directors' Report For the year ended 31 December 2021									
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The directors present their annual report and the financial statements for the year ended 31 December 2021

**Principal activities**  
Principal activity of the company during the financial year was of financial intermediation.

**Directors**  
The directors who served the company throughout the year were as follows:  
Md. Hedayetullah  
Syed Manzur Elahi  
Mohamed Abdur Rouf  
Rashed Ahmed Chowdhury  
Syed Mahbubur Rahman

**Statement of directors' responsibilities**  
The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the board and signed on its behalf by:

Syed Mahbubur Rahman  
Director

MTB EXCHANGE (UK) LTD Accountants' Report For the year ended 31 December 2021									
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In order to assist you to fulfil your duties under Companies Act 2006, we have prepared for your approval the accounts of MTB EXCHANGE (UK) LIMITED for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at CIMA's website.

This report is made solely to the member of MTB EXCHANGE (UK) LIMITED, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of MTB EXCHANGE (UK) LIMITED and state those matters that we have agreed to state to the Board of MTB EXCHANGE (UK) LIMITED, as a body, in this report in accordance with the requirements of the Chartered Institute of Management Accountants and as detailed at its website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than MTB EXCHANGE (UK) LIMITED and its members as a body for our work or for this report.

It is your duty to ensure that MTB EXCHANGE (UK) LIMITED has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and Loss of MTB EXCHANGE (UK) LIMITED. You consider that MTB EXCHANGE (UK) LIMITED is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of MTB EXCHANGE (UK) LIMITED. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Chartered Management Accountants  
22 Osborn Street  
London  
E1 6TD  
25 January 2022

MTB Exchange (UK) Limited Income Statement For the Year Ended 31 December 2021			
	Notes	2021 £	2020 £
Turnover		-	27,458
Gross profit		-	27,458
Selling and Distribution costs		-	(2,605)
Administrative expenses		(9,158)	(158,126)
Other operating income	2	-	34,059
Operating Profit loss	3	(9,158)	(99,214)
Profit/(Loss) on ordinary activities before taxation		(9,158)	(99,214)
Tax on profit on ordinary activities	6	1,499	-
Profit/(Loss) for the financial year		(7,659)	(99,214)

MTB EXCHANGE (UK) LTD				
Statement of Financial Position				
As at 31 December 2021				
	Notes	2021 £	2020 £	
<b>Current assets</b>				
Debtors: amounts falling due within one year	7	-	13,240	
Cash at bank and in hand		21,170	77,147	
		<b>21,170</b>	<b>90,387</b>	
Creditors: amounts falling due within one year	8	(1,678)	(13,237)	
<b>NET CURRENT ASSETS</b>		<b>19,492</b>	<b>77,150</b>	
<b>Total assets less current liabilities</b>				
Creditors: Amounts falling due after more than one year	9	(288,309)	(338,308)	
<b>Net Assets liabilities</b>		<b>(268,817)</b>	<b>(261,158)</b>	
<b>Capital and reserves</b>				
Called up share capital	10	230,000	230,000	
Other Comprehensive Income	11	806	806	
Profit and loss account	12	(499,623)	(491,964)	
<b>Shareholders funds</b>		<b>(268,817)</b>	<b>(261,158)</b>	

For the year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the companies act 2006 relating to small companies.

**Directors' Responsibilities:**  
1 The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.  
2 The directors acknowledge their responsibilities for complying with the requirements of the companies act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors on 25 January 2022 and were signed on its behalf by:

Syed Mahbubur Rahman  
Director

MTB EXCHANGE (UK) LTD			
Statement of Changes in Equity			
For the Year Ended 31 December 2021			
	Equity share capital	Retained Earnings	Total
	£	£	£
At 01 January 2020	230,000	(392,750)	(162,750)
Profit for the year	-	(99,214)	(99,214)
Total comprehensive income for the year	-	(99,214)	(99,214)
Total investments by and distributions to owners	-	-	-
At 31 December 2020	230,000	(491,964)	(261,964)
At 01 January 2021	230,000	(491,964)	(261,964)
Profit for the year	-	(7,659)	(7,659)
Total comprehensive income for the year	-	(7,659)	(7,659)
Total investments by and distributions to owners	-	-	-
At 31 December 2021	230,000	(499,623)	(269,623)

MTB Exchange (UK) Limited Notes to the Accounts For the year ended 31 December 2021									
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**General Information**  
MTB EXCHANGE (UK) LIMITED is a private company, limited by shares, registered in England and Wales, registration number 07282261, registration address C/O Jahan & Co, 22 Osborn Street, LONDON, E1 6TD. The company ceased to trade in March 2020

**1. Accounting Policies**  
**Significant accounting policies**  
The accounts have been prepared under the historical cost convention and in accordance with FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland (as applied to small entities by Section 1A of the standard)

**Going concern basis**  
The company has stopped trading in March 2020. Thus it did not adopt the going concern basis of accounting in preparing the financial statements.

**Turnover**  
Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

**Government grants**  
Government grants received are credited to deferred income. Grants towards capital expenditure are released to the income statement over the expected useful life of the assets. Grants received towards revenue expenditure are released to the income statement as the related expenditure is incurred.

**Taxation**  
Taxation represents the sum of tax currently payable and deferred tax. Tax is recognised in the statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves.

The company's liability for current tax is calculated using the tax rates and laws that have been enacted or substantively enacted at the reporting date.  
Current and deferred tax assets and liabilities are not discounted

**Tangible fixed assets**  
Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

	2021	2020
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