

**Independent auditor's report  
and  
audited consolidated & separate  
financial statements  
of  
National Credit and Commerce Bank  
and its Subsidiaries**

**As at & for the year ended 31 December 2019**

**Independent auditor's report  
to the shareholders of National Credit and Commerce Bank**

**Report on the audit of the consolidated and separate financial statements**

**Opinion**

We have audited the consolidated financial statements of National Credit and Commerce Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of National Credit and Commerce Bank (the "Bank"), which comprise the consolidated and separate balance sheet as at 31 December 2019, and the consolidated and separate profit and loss account, consolidated and separate statement of changes in equity and consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank (the "financial statements") give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2019, and of its consolidated and separate profit and loss accounts, consolidated and separate statement of changes in equity and its consolidated and separate cash flow statement for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) 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 auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), rules & regulations issued by Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-laws. 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 the audit of the financial statements for the financial year 2019. These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for 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 risks of material misstatements of the financial statements. These 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.

Key audit matter	How our audit addressed the key audit matter
<p><b>01. Transition to International Financial Reporting Standard 16 Leases (IFRS 16) from International Accounting Standard 17 Leases (IAS 17)</b></p>	
<p>With reference to Note 2 and 14.12 to the financial statements, 'IFRS 16 Leases' becomes effective for annual reporting beginning on or after 01 January 2019 which replaces the existing standard IAS 17. National Credit and Commerce Bank Limited decided to implement the modified retrospective approach for the transition accounting. The application of new lease standard resulted in the recognition, for the 31 December 2019 closing balance sheet, right of use assets of BDT 41,380,539 (net value) and an increase in lease liabilities of BDT 24,900,312 to the financial statements of the Group.</p> <p>We considered the implementation of IFRS 16 Leases as a key audit matter, since the balances recorded are material, management had to apply several judgments and estimates such as lease term, discount rates, measurement basis among others and undertake a significant data extraction to summarize the lease data for input into their lease calculation model.</p>	<p>We obtained an understanding of the management's processes for implementing IFRS 16 including financial controls designed by the management to mitigate the risks assessed us independently. We adopted a substantive strategy for lease accounts. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included understanding of the management processes and controls for leases, performing walkthrough procedures and substantive audit procedures, including:</p> <ul style="list-style-type: none"> <li>▪ Obtained and read the accounting policy for compliance with IFRS 16 Leases;</li> <li>▪ Obtained listing of all contracts from the management and tested the contracts to determine the impact under IFRS 16. In respect of the testing lease agreements and related right of use assets and lease liabilities: <ul style="list-style-type: none"> <li>- Obtained and read bank borrowing rates correspondence;</li> <li>- Tested the assumptions used in the calculation model for the sample contracts selected for testing;</li> <li>- Tested the completeness of additions and changes to the leases population</li> <li>- Performed test of details for measurement and valuation of the right of use asset and lease liability;</li> <li>- Assessed the disclosure within the financial statements.</li> </ul> </li> </ul>
<p><b>02. Measurement of provision for loans and advances</b></p>	
<p>With reference to Note 14.5 to the financial statements, the process for calculating the provision for loans and advances portfolio associated with credit risk is significant and complex. The bank calculates provision for loans and advances by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>▪ Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>▪ Tested the controls related to provision for loans and advances;</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised</p>

Key audit matter	How our audit addressed the key audit matter
<p>In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provision for additional non-performing loans in line with guidelines of the central bank. The bank identifies impaired loan accounts and calculates required provision manually. Furthermore, management has incentive to maintain lower provision for loan and advances to overstate profit.</p> <p>Considering these factors, we have considered measurement of provision for loans and advances as significant risk as well as a key audit matter.</p> <p>At year end of 2019 the Group reported total gross loans and advances of BDT 181.96 billion (2018: BDT 176.87 billion) and the Bank reported total gross loans and advances of BDT 179.04 billion (2018: BDT 173.87 billion) whereas at the year end of 2019 the Group and the Bank reported total provision for loans and advances of BDT 7.62 billion (2018: BDT 6.21 billion).</p>	<p>the following:</p> <ul style="list-style-type: none"> <li>▪ Tested the Group and the Bank’s general and specific provisions;</li> <li>▪ Assessed quarterly classification ledger of loans and advances (CL);</li> <li>▪ Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information;</li> </ul> <p>Assessed the presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>

**Other information**

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements does not cover 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 identified above when it becomes available 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the consolidated and separate financial statements and internal controls**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the Rules and Regulations issued by the Bangladesh Bank, the Rules and Regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) 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. The Banking Companies Act, 1991 (as amended up to date) and the Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control and risk management

functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Group's and the Bank'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 Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

#### **Auditor's responsibilities for the audit of the consolidated and separate 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 ISA 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 ISA, 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.
- 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 Group's and the Bank'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 Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group's and Bank's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


#### **Report on other legal and regulatory requirements**

In accordance with the Companies Act, 1994, the Banking Companies Act, 1991, and the rules and regulations issued by Bangladesh Bank, the Securities and Exchange Rules 1987, we also report that:

- I. 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;
- II. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
  - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
  - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and the Bank;
- III. financial statements of National Credit and Commerce Bank Limited's subsidiaries namely, NCCB Capital Limited has been audited by Hoda Vasi Chowdhury & Co., Chartered Accountants and NCCB Securities and Financial Services Limited has been audited by Shafiq Mizan Rahman & Augustine, Chartered Accountants and have been properly reflected in the consolidated financial statements;
- IV. in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- V. the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- VI. the expenditures incurred and payments made were for the purpose of the Group's and Bank's business for the year;
- VII. the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- VIII. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- IX. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- X. the information and explanations required by us have been received and found satisfactory;

- XI. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 1,500man hours; and
- XII. capital to risk-weighted asset ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dated, Dhaka  
27 April 2020

  
A. Qasem & Co.  
Chartered Accountants

**National Credit and Commerce Bank Limited and its Subsidiaries**  
**Consolidated Balance Sheet**  
**As at 31 December 2019**

	Note	Amounts in BDT	
		2019	2018
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	5(a)	<b>15,550,729,091</b>	<b>13,301,479,272</b>
In hand (including foreign currencies)		2,125,589,092	1,950,802,816
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		13,425,139,999	11,350,676,456
<b>Balance with other banks and financial institutions</b>	6(a)	<b>9,161,085,244</b>	<b>5,300,946,504</b>
In Bangladesh		8,716,069,012	4,615,866,121
Outside Bangladesh		445,016,232	685,080,383
<b>Money at call and short notice</b>	7	<b>1,278,900,000</b>	<b>3,725,350,000</b>
<b>Investments</b>	8 (a)	<b>38,035,230,003</b>	<b>33,673,573,079</b>
Government		32,906,771,568	28,866,685,498
Others		5,128,458,435	4,806,887,581
<b>Loans and advances</b>	9(a)	<b>181,957,691,470</b>	<b>176,869,945,883</b>
Loans, cash credits, overdrafts, etc.		175,764,869,329	171,149,202,123
Bills purchased & discounted		6,192,822,141	5,720,743,760
<b>Fixed assets including premises, furniture and fixtures</b>	10(a)	<b>2,745,991,575</b>	<b>2,628,394,770</b>
<b>Other assets</b>	11(a)	<b>9,564,752,765</b>	<b>6,495,722,945</b>
<b>Non-banking assets</b>		-	-
<b>TOTAL ASSETS</b>		<b>258,294,380,149</b>	<b>241,995,412,453</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12 (a)	<b>14,337,350,370</b>	<b>13,484,241,991</b>
Subordinated Bonds		4,000,000,000	4,000,000,000
Other Borrowings		10,337,350,370	9,484,241,991
<b>Deposits and other accounts</b>	13 (a)	<b>199,807,729,254</b>	<b>191,225,226,974</b>
Current deposits and other accounts		20,650,794,739	18,336,811,826
Bills payable		4,624,831,463	4,371,957,363
Savings bank deposits		22,697,671,086	21,547,713,675
Fixed deposits		90,463,947,068	87,021,136,409
Term deposits		61,370,484,899	59,947,607,701
<b>Other liabilities</b>	14(a)	<b>24,659,790,252</b>	<b>19,488,906,542</b>
<b>TOTAL LIABILITIES</b>		<b>238,804,869,876</b>	<b>224,198,375,507</b>
<b>Shareholders' equity</b>			
Paid up capital	15.2	9,273,789,030	8,832,180,030
Statutory reserve	16	8,034,003,780	7,238,030,105
General reserve	17	10,162,348	10,162,348
Non-controlling (Minority) interest	15.8	209	209
Other reserve including assets revaluation reserve	18	465,724,171	468,110,718
Foreign currency translation gain/(loss) reserve	19.3	301,360	242,340
Surplus in profit and loss account	19(a)	1,705,529,375	1,248,311,196
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>19,489,510,273</b>	<b>17,797,036,946</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>258,294,380,149</b>	<b>241,995,412,453</b>
<b>NET ASSETS VALUE PER SHARE</b>		<b>21.02</b>	<b>19.19</b>



Particulars	Amounts in BDT		
	2019	2018	
<b>OFF BALANCE SHEET ITEMS:</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements	20.1	27,981,371,607	24,437,201,560
Letters of guarantee	20.2	31,545,272,385	28,877,215,450
Letters of credit issued	20.3	24,345,999,613	22,744,441,325
Bills for collection	20.4	154,971,974	117,732,750
<b>Other commitments</b>			
Claims against the bank not acknowledged as debt		-	-
Capital commitments		-	-
Export development fund (EDF)		11,225,324	2,116,261
<b>TOTAL OFF BALANCE SHEETS ITEMS INCLUDING CONTINGENT LIABILITIES</b>		<b>84,038,840,903</b>	<b>76,178,707,346</b>

These financial statements should be read in conjunction with the annexed notes from 1 to 46.

  
Chairman


  
Director

  
Director

  
Managing Director & CEO

See annexed auditor's report to the Shareholders of the date.

Dated, Dhaka  
27 April 2020

  
A. Qasem & Co.  
Chartered Accountants


**National Credit and Commerce Bank Limited and its Subsidiaries**  
**Consolidated Profit and Loss Account**  
**For the year ended on 31 December 2019**

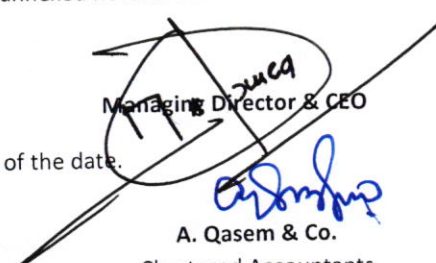
	Note	Amounts in BDT	
		2019	2018
Interest income	22(a)	20,406,677,494	17,655,874,260
Less: Interest paid on deposits and borrowings	23(a)	14,021,516,462	12,015,579,635
<b>Net interest income</b>		<b>6,385,161,031</b>	<b>5,640,294,625</b>
Income from investments	24(a)	2,895,294,121	2,856,783,733
Commission, exchange and brokerage	25(a)	1,755,481,926	1,449,310,512
Other operating income	26(a)	604,810,167	558,600,021
<b>Total operating income</b>		<b>11,640,747,245</b>	<b>10,504,988,891</b>
Salary and allowances	27(a)	2,877,121,476	2,631,074,952
Rent, taxes, insurance, electricity etc.	28(a)	491,513,872	549,546,816
Legal expenses	29(a)	15,585,005	18,965,345
Postage, stamp, telecommunication etc.	30(a)	63,894,699	62,977,368
Stationery, printing, advertisement etc.	31(a)	90,893,631	85,371,009
Chief Executive Officer's salary and allowances	32	13,555,000	13,151,613
Director's fees & other meeting related expenses	33(a)	5,751,331	5,202,591
Auditors' fees	34(a)	639,250	408,250
Charges on loan losses		493,118,858	-
Repairs, maintenance, amortization and depreciation of bank's assets	35(a)	459,112,253	401,871,469
Other expenses	36(a)	389,924,514	495,448,921
<b>Total operating expenses</b>		<b>4,901,109,888</b>	<b>4,264,018,334</b>
<b>Profit before provision</b>		<b>6,739,637,357</b>	<b>6,240,970,557</b>
Provision for loans and advances		2,298,782,354	2,330,201,174
Specific provision	14.5.1(a)	2,032,675,476	1,643,315,511
General provision	14.5.1(b)	266,106,878	686,885,663
Provision for off-balance sheet exposures	14.6	78,228,943	217,050,288
Provision for off-shore banking unit	14.7	4,006,372	(16,029,890)
Provision for investment fluctuation in shares	8.3(a)	311,817,711	190,660,792
Provision for other assets	14.2	30,219,690	(2,187,173)
Provision for nostro accounts	14.11	-	-
<b>Total provision</b>		<b>2,723,055,070</b>	<b>2,719,695,191</b>
<b>Profit after provision for loans &amp; advances and others items</b>		<b>4,016,582,287</b>	<b>3,521,275,366</b>
Contribution to NCC Bank's CSR Fund	14.9	20,000,000	35,000,000
<b>Profit before tax</b>		<b>3,996,582,287</b>	<b>3,486,275,366</b>
<b>Provision for tax</b>		<b>1,862,108,022</b>	<b>1,661,044,646</b>
Current tax	14.4	1,978,221,847	1,727,635,863
Deferred tax	14.4.1	(116,113,825)	(66,591,217)
<b>Profit after tax for the year</b>		<b>2,134,474,264</b>	<b>1,825,230,720</b>
<b>Attributable to:</b>			
Shareholders' of the bank		2,134,474,264	1,825,230,720
Non-controlling (Minority) interest		-	-
Balance of profit brought forward from last year	19.2	365,093,195	113,901,692
<b>Total profit available for distribution</b>		<b>2,499,567,459</b>	<b>1,939,132,411</b>
<b>Appropriations:</b>			
Statutory reserve		795,973,675	692,806,436
General reserve		-	-
		795,973,675	692,806,436
<b>Retained earnings</b>		<b>1,703,593,784</b>	<b>1,246,325,976</b>
<b>Earnings per share (EPS)</b>	42(a)	<b>2.30</b>	<b>1.97</b>


These financial statements should be read in conjunction with the annexed notes from 1 to 46.

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

  
A. Qasem & Co.  
Chartered Accountants

See annexed auditor's report to the Shareholders of the date.

**National Credit and Commerce Bank Limited and its Subsidiaries**  
**Consolidated Cash Flow Statement**  
**For the year ended on 31 December 2019**

	Note	Amounts in BDT	
		2019	2018
<b>A) Cash flows from operating activities</b>			
Interest receipts		23,069,607,416	20,026,451,721
Interest payments		(13,522,239,206)	(13,269,061,408)
Dividend receipts		81,959,767	85,585,773
Fees & commission receipts		939,959,176	920,599,460
Recoveries of loans previously written off		36,504,490	16,904,117
Cash paid to employees		(2,584,326,077)	(2,600,173,400)
Cash paid to suppliers		(215,344,965)	(217,961,061)
Income taxes paid		(1,743,307,088)	(1,286,417,952)
Receipts from other operating activities	37(a)	1,420,932,917	1,077,207,624
Payments for other operating activities	38(a)	(938,751,303)	(1,154,906,869)
<b>Operating cash flow before changes in operating assets and liabilities</b>		<b>6,544,995,126</b>	<b>3,598,228,005</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities:</b>			
Purchase & sale of trading securities		(4,924,990,976)	(1,118,105,489)
Loans and advances to customers (Other than banks)		(5,580,864,445)	(27,236,112,003)
Other assets	39(a)	(1,218,846,239)	(96,974,976)
Deposits and borrowings from other banks		(4,230,407,826)	2,199,275,748
Deposits from customers (Other than banks)		13,748,626,512	28,852,024,394
Other liabilities account of customers		(1,483,041,401)	(1,371,451,835)
Other liabilities	40 (a)	1,414,741,747	218,973,632
<b>Net Cash receipts from operating activities</b>		<b>4,270,212,499</b>	<b>5,045,857,476</b>
<b>B) Cash flows from investing activities</b>			
Proceeds from sale of securities		502,928,007	388,201,369
Payment for purchase of securities		(232,271,074)	(3,361,653,824)
Purchase of property, plant and equipment		(374,749,071)	(433,984,856)
Sales proceeds of fixed assets		1,185,057	11,169,463
<b>Net cash used in investing activities</b>		<b>(102,907,081)</b>	<b>(3,396,267,848)</b>
<b>C) Cash flows from financing activities</b>			
Borrowings from other bank's, financial institutions and agents		(62,832,377)	817,038,689
Issue of non-convertible subordinated bonds		-	4,000,000,000
Dividend paid		(441,609,002)	(1,148,183,404)
<b>Net cash receipts/(payments) from financing activities</b>		<b>(504,441,379)</b>	<b>3,668,855,285</b>
<b>D) Net (decrease)/ increase in cash (A+B+C)</b>		<b>3,662,864,039</b>	<b>5,318,444,913</b>
E) Effects of exchange rate changes on cash and cash-equivalents		59,020	(1,619,834)
F) Cash and cash-equivalents at the beginning of the year		22,334,919,176	17,018,094,096
<b>G) Cash and cash-equivalents at the end of the year (D+E+F)</b>	41(a)	<b>25,997,842,235</b>	<b>22,334,919,176</b>
<b>Net Operating Cash Flows Per Share</b>		<b>4.60</b>	<b>5.44</b>

These financial statements should be read in conjunction with the annexed notes from 1 to 46.

  
Chairman

  
Director

  
Director

  
Managing Director & CEO  
A. Qasem & Co.  
Chartered Accountants

Dated, Dhaka  
27 April 2020

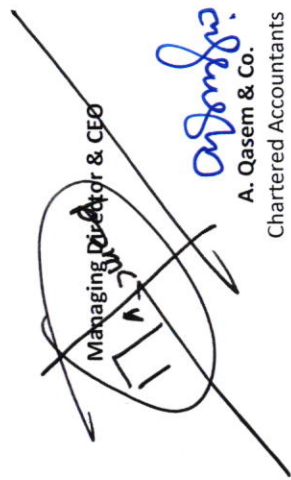
**National Credit and Commerce Bank Limited and its Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
**For the year ended on 31 December 2019**

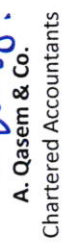
Particulars	Paid up capital	Statutory reserve	General reserve	Other reserve including asset revaluation reserve	F.C. Translation reserve	Non-controlling (Minority) interest	Surplus in profit and loss account	Amounts in BDT	
								Total	
<b>Balance as on 01 January 2019</b>	<b>8,832,180,030</b>	<b>7,238,030,105</b>	<b>10,162,348</b>	<b>468,110,718</b>	<b>242,340</b>	<b>209</b>	<b>1,248,311,196</b>	<b>17,797,036,946</b>	
Transferred from revaluation reserve against depreciation on revaluation of fixed assets	-	-	-	(1,935,591)	-	-	1,935,591	-	-
Transferred from Deferred tax liability agt. reverse deferred tax on revaluation on land & building	-	-	-	-	-	-	-	-	-
Revaluation of Govt. securities (treasury bills/bonds) HFT made during the period	-	-	-	(450,956)	-	-	-	(450,956)	
Currency translation gain/(loss) not recognized in the income statement	-	-	-	-	59,020	-	-	59,020	
Non-controlling (Minority) interest	-	-	-	-	-	-	-	-	-
Bonus share for the year 2018	441,609,000	-	-	-	-	-	(441,609,000)	-	-
Net profit for the period	-	795,973,675	-	-	-	-	2,134,474,264	2,134,474,264	
Transfer to statutory reserve	-	-	-	-	-	-	(795,973,675)	-	-
Cash dividend for the year 2018	-	-	-	-	-	-	(441,609,002)	-	(441,609,002)
<b>Balance as on 31 December 2019</b>	<b>9,273,789,030</b>	<b>8,034,003,780</b>	<b>10,162,348</b>	<b>465,724,171</b>	<b>301,360</b>	<b>209</b>	<b>1,705,529,375</b>	<b>19,489,510,273</b>	
<b>Balance as on 31 December 2018</b>	<b>8,832,180,030</b>	<b>7,238,030,105</b>	<b>10,162,348</b>	<b>468,110,718</b>	<b>242,340</b>	<b>209</b>	<b>1,248,311,196</b>	<b>17,797,036,946</b>	

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

  
A. Qasem & Co.  
Chartered Accountants

Dated, Dhaka  
27 April 2020

**National Credit and Commerce Bank Limited**  
**Consolidated Liquidity Statement**  
**(Asset and Liability Maturity Analysis)**  
**As on 31 December 2019**

Amounts in BDT

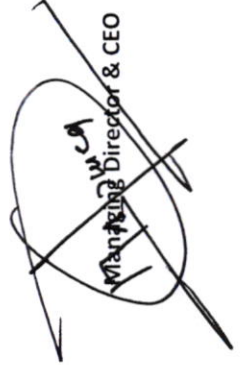
Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
<b>Assets:</b>						
Cash	4,337,515,025	-	-	-	11,213,214,066	15,550,729,091
Balances with other banks and financial institutions	3,946,085,244	5,215,000,000	-	-	-	9,161,085,244
Money at call & short notice	1,024,500,000	254,400,000	-	-	-	1,278,900,000
Investments	2,472,965,554	1,244,796,706	4,676,029,242	10,887,855,535	18,753,582,966	38,035,230,003
Loans & advances	32,262,095,890	32,887,331,712	57,074,982,618	39,681,272,979	20,052,008,271	181,957,691,470
Fixed assets including premises, furniture & fixtures	30,283,368	64,089,511	288,402,801	311,030,741	2,052,185,153	2,745,991,575
Other assets	190,672,316	958,505,736	2,124,176,322	6,084,360,035	207,038,357	9,564,752,765
Non-banking assets	-	-	-	-	-	-
<b>Total assets</b>	<b>44,264,117,397</b>	<b>40,624,123,665</b>	<b>64,163,590,982</b>	<b>56,964,519,290</b>	<b>52,278,028,813</b>	<b>258,294,380,149</b>
<b>Liabilities:</b>						
Borrowing from other banks, financial institutions & agents	5,738,911,361	1,005,024,176	1,640,136,705	4,141,619,010	1,811,659,118	14,337,350,370
Deposits	32,131,753,214	38,780,647,531	54,724,041,721	36,734,743,131	32,811,712,193	195,182,897,791
Bills payable	4,624,831,463	-	-	-	-	4,624,831,463
Provision & other liabilities	681,576,398	937,250,110	3,430,804,047	10,760,779,848	8,849,379,849	24,659,790,252
<b>Total liabilities</b>	<b>43,177,072,436</b>	<b>40,722,921,816</b>	<b>59,794,982,473</b>	<b>51,637,141,989</b>	<b>43,472,751,161</b>	<b>238,804,869,876</b>
<b>Net liquidity gap</b>	<b>1,087,044,962</b>	<b>(98,798,151)</b>	<b>4,368,608,509</b>	<b>5,327,377,301</b>	<b>8,805,277,653</b>	<b>19,489,510,273</b>

Net result of the liquidity statement represents the 'shareholders' equity' of the bank.

  
Chairman

  
Director



  
Managing Director & CEO