

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Particulars	Note	2019 Taka	2018 Taka
31 Other Expenses			
Local Conveyance		863,724	-
Fuel expenses		1,951,410	-
Staff Traveling		639,815	-
Professional fees		2,232,559	1,880,504
Office refreshment		1,808,665	-
Promotional expenses		1,778,164	-
Books, news papers and periodicals		20,013	-
VAT & excise duty		300,000	-
Staff training and development		1,385,177	-
Staff recruitment		3,766,986	-
Cash carrying charges		27,674	-
Bank charges		49,401	-
Utensils		398,568	-
IT enabled expenses		2,877,997	-
Security expense		1,255,382	-
Cleaning expense		499,528	-
ATM maintenance expense		35,156	-
Debit/Credit card expenses		219,790	-
AGM expenses		180,000	-
Banking License Fees		-	1,000,000
Registration costs at RJSC		-	11,558,031
Allotment cost for Paid-up Capital at Bangladesh Security and Exchange Commission		-	905,000
Other expense		71,859	-
		20,361,868	15,343,535
32 Provisions			
For Loans & Advances:			
For classified loans & advances		-	-
For unclassified loans & advances		7,537,515	-
		7,537,515	-
For Off Balance Sheet Items		-	-
For diminution in value of Investments		-	-
Other provision		-	-
		7,537,515	-
33 Income Tax			
33.1 Provision for Income Tax			
Current year		13,551,815	-
Adjustment for prior year		-	-
		13,551,815	-
33.2 Deferred tax expense/(income) (net)			
Net deferred Tax liability/(asset) originated for temporary differences		12,821,169	(13,081,304)
		12,821,169	(13,081,304)
34 Earnings Per Share			
Earnings per share (EPS) has been computed by dividing the profit after tax (PAT) by the weighted average number of ordinary shares outstanding as on 31 December 2019 as per IAS 33: Earnings Per Share. Diluted EPS was not required to calculate as there was no dilution possibilities during the year.			
Profit after taxation		20,273,093	(19,621,955)
Profit attributable for distribution to ordinary shareholders		20,273,093	(19,621,955)
Number of shares outstanding		400,000,000	-
		0.05	-
35 Cash & Cash Equivalent			
Cash in hand (including foreign currency)		430,576,682	-
Balance with Bangladesh Bank and its agents banks (including foreign currency)		160,063,424	-
Balance with other banks and financial institutions		4,481,501,232	-
Money at call on short notice		50,000,000	-
Prize bond		5,000	-
		5,122,146,338	-
36 Receipts from other operating activities			
Miscellaneous Income		240,035	-
		240,035	-
37 Payment for other operating activities			
Rent, taxes, insurance, electricity etc.		43,428,136	-
Legal expense		364,150	-
Audit fees		345,000	-
Directors fees & expenses		952,200	-
Repair & maintenance		8,056,603	-
Other expenses		20,066,868	-
		73,212,957	-
38 General Disclosure			
38.1 Audit Committee			

38.2 Related Party/(ies) Transactions
 i) Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24. The Bank in normal course of business had transactions with other entities that fall within the definition of 'Related Party' as contained in International Accounting Standards 24: Related party disclosures and as defined in the BRPD circular no 14, dated 25 June 2003. The significant related party transactions during the year were as follows:

Name of the Related Parties	Relationship	Nature of transactions	Transaction made in 2019	Outstanding as at 31 Dec 2019
Bangladesh Police Kallan Trust (BPKT)	Parent	Rental payment for CBBL office premises at Police Plaza Concord, Tower-2, Gulshan, Dhaka, (5th Floor, 10th Floor and 11th Floor)	31,446,604	Nil
PKT Securities	A unit of parent	Payment for security services at Police Plaza Concord, Tower-2, Gulshan, Dhaka, (5th Floor, 10th Floor and 11th Floor)	874,431	Nil
Bangladesh Police Kallan Trust (BPKT)	Parent	Preliminary Expenses including formation cost	Nil	79,967,588
Bangladesh Police Kallan Trust (BPKT)	Parent	Current deposit made with CBBL	21,308,588	21,308,588
Bangladesh Police Kallan Trust (BPKT)	Parent	Short term deposit made with CBBL	53,961,155	53,961,155
Bangladesh Police Kallan Trust (BPKT)	Parent	Fixed deposit made with CBBL	864,338,749	864,338,749

ii) Name of Directors and the entities in which they have interest as on 31 December 2019





SI No	Name of Director	Status with The Bank	Name of the firms/companies in which they have interest	Educational Qualification
1	Dr. Mohammad Javed Pathary, BPM (Bar) Inspector General, Bangladesh Police	Chairman	Bangladesh Police Kalyan Trust	MSS, Ph.D.
2	Dr. Benazir Ahmed, BPM (Bar) Additional Inspector General, Bangladesh Police & Director General, Rapid Action Battalion (RAB)	Director	Bangladesh Police Kalyan Trust	MA, LLB, Ph.D.
3	Dr. Md. Moirur Rahman Chowdhury, BPM (Bar) Additional Inspector General (A&O), Bangladesh Police	Director	Bangladesh Police Kalyan Trust	MSS, Ph.D.
4	Mr. Siddiqur Rahman, BPM Additional Inspector General- APBn, Bangladesh Police (PRL)	Director	Bangladesh Police Kalyan Trust	MA
5	Mr. Md. Mohsin Hossain ncd Additional Inspector General (Railway Police), Bangladesh Police	Director	Bangladesh Police Kalyan Trust	BSS (Hons)
6	Mr. Chowdhury Abdullah Al-Mamun, BPM, PPM Additional Inspector General (CID), Bangladesh Police	Director	Bangladesh Police Kalyan Trust	BSS (Hons), MSS
7	Mr. Abu Hasan Muhammad Tarique, BPM Deputy Inspector General (F&D), Bangladesh Police	Director	Bangladesh Police Kalyan Trust	B. Com (Hons), M.Com
8	Mr. Habibur Rahman, BPM (Bar), PPM (Bar) Deputy Inspector General (Dhaka Range), Bangladesh Police	Director	Bangladesh Police Kalyan Trust	Masters in Education
9	Dr. Shoeb Reaz Alam Additional Deputy Inspector General (Dev 1), Bangladesh Police	Director	Bangladesh Police Kalyan Trust	Ph.D., M.Sc (Engg.)
10	Mr. Md. Ferdoush Ali Chowdhury Assistant Inspector General (Welfare Trust), Bangladesh Police	Director	Bangladesh Police Kalyan Trust	B. Sc (Engg.)
11	Mr. Kazi Masihur Rahman	Independent Director		FCA, FCMA
12	Mr. Masud Khan FCA, FCMA	Independent Director	Advisor of Crown Cement Ltd.	FCA, FCMA
13	Professor Shibli Rubayat Ul Islam	Independent Director	Faculty of Business Studies, University of Dhaka and Chairman, Shadahan Bima Corporation	M. Com
14	Mr. Masihul Haq Chowdhury	Managing Director & CEO		MBA

- iii) Significant contracts where bank is a party and wherein Directors have interest: Nil
 iv) Shares issued to Directors and executives without consideration or exercisable at discount Nil
 v) Lending Policies to related parties: Nil
 vi) Lending to related parties is effected as per requirement of section 27(1) of the Bank Companies Act -1991. Nil
 vii) Loan and advances to Directors and their related concern: Nil
 viii) Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act-1991. Nil
 ix) Investment in the Securities of Directors and their related concern: Nil

38.3 Claim not Acknowledged as Debt
 There was no claim against the bank not acknowledged as debt as on 31.12.2019.

38.4 Number of Employees
 The number of Employees including contractual engaged for the whole year or part there of who received a total yearly remuneration of Tk. 36,000 or above were 255.

38.5 Post Balance Sheet Events:
 The Board of Directors in its 12th Board meeting held on 29 February, 2020 has proposed no dividend subject to the approval of the Shareholders at the next Annual General Meeting.

 Managing Director & CEO
 Director
 Director
 Chairman

Schedule of Fixed Assets As at 31 December 2019

Asset Class	Cost				Rate	Accumulated Depreciation & Amortization				Net Book Value as at 31 December 2019
	Balance as at 01 January 2019	Addition	Revaluation	Disposal		Balance as at 01 January 2019	Charge during the year	Disposal	Balance as at 31 December 2019	
Furniture and fixture	-	55,013,806	-	-	10%	-	1,745,640	-	1,745,640	53,268,166
Office equipments	-	45,456,867	-	-	20%	-	2,265,278	-	2,265,278	43,191,589
Motor vehicles	-	26,760,000	-	-	20%	-	2,419,867	-	2,419,867	24,340,133
IT software	-	27,593,307	-	-	20%	-	3,603,869	-	3,603,869	23,989,438
IT hardware	-	110,512,499	-	-	20%	-	8,175,690	-	8,175,690	102,336,809
Total	-	265,336,479	-	-		-	18,210,344	-	18,210,344	247,126,135

Annexure-B

Highlights on the overall activities As at 31 December 2019

Annexure-A

Amount in Taka unless otherwise specified

Sl no.	Particulars	2019	2018
1	Paid-up Capital	4,000,000,000	-
2	Total Capital	3,984,199,215	-
3	Capital (deficit)/surplus	3,719,073,697	-
4	Total Asset	7,034,550,651	22,149,304
5	Total Deposit	2,849,371,577	-
6	Total loans and advances	682,426,812	-
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	23.95%	-
9	Percentage of classified loans against total loans and advances	-	-
10	Profit after tax and provision	20,273,093	(19,621,955)
11	Amount of classified loans during current year	-	-
12	Provisions kept against classified loans	-	-
13	Provision surplus against classified loans	-	-
14	Cost of fund	5.16%	-
15	Interest earning assets	6,587,899,016	-
16	Non-interest earning assets	446,651,635	22,149,304
17	Return on investment (ROI) [PAT/(Shareholders' equity + Borrowing)]	1.02%	-
18	Return on assets (ROA) [PAT/ Average assets]	0.57%	-
19	Income from investment	5,646,380	-
20	Earnings per share	0.05	-
21	Net income per share	0.05	-
22	Price earning ratio	-	-

During the period 31 December 2019, the Audit Committee of the Board conducted 02 (Two) meetings in which among others, the following issues were discussed:
Facts Discussed
 - External Audit Report of the Bank and recommendations made there under.
 - Recommended the appointment of External Auditors of the Bank for the year 2019.
 - Implementation of amended Manual on Internal Control and Compliance Risk.
 - Implementation of Internal Audit Charter of the Bank.
 - Compliance Policy of the Bank.
 - Finance and Accounting policy of the Bank.



PROGRESS WITH PASSION

Business Account
 (Interest bearing non-individual Current Account)

FEATURES & BENEFITS

- Attractive deposit rate
- Unlimited transaction facility
- Interest accrued on daily basis
- Can be jointly operated
- Institutions/ Projects/ Charities can open account(s)*

AVAILABLE FACILITIES

- Call Center support
- Access to more than 9000 ATMs
- Free Internet banking for balance inquiry, e-statements print, fund transfers, etc.
- BEFTN, RTGS, BACPS and other banking services

*conditions apply

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