IAMUNABANK

FINANCIAL STATEMENT 2017

For the year ended 31 December 2017

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF Jamuna Bank Limited

We have audited the accompanying consolidated financial statements of Jamuna Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Jamuna Bank Limited (the "Bank") which comprise the consolidated and separate Balance Sheets as at 31 December 2017, consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs) as explained in Note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Companies Act, 1991(as amended in the year 2013) and the local central bank (Bangladesh Bank) Regulations 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and the separate financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements of the Group and also separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2017, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) as explained in note 2.

Report on Other Legal and Regulatory Requirements

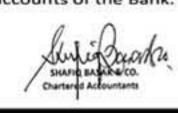
In accordance with the Companies Act 1994, Securities, and Exchange Rules 1987, the Bank Companies Act 1991(as amended in the year 2013) and the rules and regulations issued by Bangladesh Bank, we also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank 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 Notes 2 to the financial statements appeared to be materially adequate; and
 - 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 Bank and its related entities other than matters disclosed in these financial statements;
- financial statements of all subsidiaries of the Bank have been audited by other auditors and have been properly reflected in the consolidated financial statements;
- 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;
- 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;
- the expenditure incurred was for the purpose of the Bank's business; the consolidated financial statements of the Group and the separate financial
- statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh provisions as explained in note 8.8.1 and 13 have been made for the loan and
- advances, other assets, and off balance sheet items which are, in our opinion, doubtful
- the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

the information and explanations required by us have been received and found

we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 6,453 person hours for the audit of the books and accounts of the Bank.

Place: Dhaka 26 April, 2018



1,316,198,424

74,533,433,144

74,533,433,144

390,533,907

56,810,351,087

56,810,351,087

Consolidated	Balance	Sheet
As at 31 De	cember 201	7

As at 31 Decem	ber 2017		
	Notes	31.12.2017 Taka	31.12.2016 Taka
PROPERTY AND ASSETS		,	383300
Cash	4(a)	11,483,138,074	10,460,741,392
Cash in hand (including foreign currencies)	4.1(a)	1,837,675,045	1,679,484,758
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	4.2(a)	9,645,463,028	8,781,256,635
Balance with other banks and financial institutions		11,823,779,799	5,701,915,057
In Bangladesh	5.1(a)	10,902,128,523	4,644,129,389
Outside Bangladesh	5.2(a)	921,651,276	1,057,785,668
Money at call on short notice	6(a)		
Investments	7(a)	26,240,786,690	30,315,152,478
Government	7.1(a)	25,795,188,968	29,747,268,180
Others	7.2(a)	445,597,722	567,884,298
Loans and advances	8(a)	143,488,806,522	118,293,779,461
Loans, Cash credit, Overdrafts, etc.	8.1(a)	135,410,697,990	106,608,386,514
Bills purchased & discounted	8.2(a)	8,078,108,532	11,685,392,946
Fixed Assets including premises, furniture and fixtures	9(a)	2,791,931,883	2,514,969,994
	2000	23 13 13	
Other assets	10(a)	1,840,755,985	1,893,757,307
Non-Banking assets Total assets		197,669,198,952	169,180,315,689
Liabilities	9.7	883	
Borrowings from other banks, financial institutions and agents	11(a)	2,095,668,273	2,727,513,390
Deposits and other accounts	12(a)	167,563,846,183	141,505,954,043
Current/Al-wadeeah current accounts and other accounts	12.2(a)	23,592,326,890	19,749,454,389
Bills payable	12.3	7,320,014,898	10,914,338,305
Savings/Mudaraba savings bank deposits		14,973,379,158	12,729,966,705
Fixed/Mudaraba fixed Deposits	12(b)	72,646,951,187	51,600,389,749
Bearer certificates of deposit	Street Control of		(2)
Short notice deposits	12(c)	9,767,338,427	7,523,877,711
Deposit under special scheme		38,715,364,893	38,402,419,319
Foreign currency deposit	2550 DOM	548,470,730	585,507,866
Other liabilities	13(a)	7,585,128,752	7,162,593,722
Subordinated Debt	13 (c)	5,000,000,000	2,000,000,000
Total Liabilities		182,244,643,208	153,396,061,155
Capital / shareholders' equity			
Paid up capital	14	6,141,193,860	6,141,193,860
Statutory reserve	15	4,697,568,094	3,998,297,071
Dividend equalization fund	16.3.(a)	2/12/20/12/20/20	30,705,969
Other reserve	16(a)	3,239,487,133	4,416,826,009
Minority interest	16(b)	1,778	1,691
Retained earnings		1,346,304,877	1,197,229,934
Total shareholders' equity		15,424,555,743	15,784,254,534
Total liabilities and shareholders' equity		197,669,198,952	169,180,315,689
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	18(a)		
Acceptances & endorsements		23,611,575,773	20,190,652,767
Letters of guarantee		17,942,145,561	14,083,198,100
Irrevocable letters of credit		20,500,715,649	14,201,676,615
Other contingent liabilities		11,162,797,737	7,944,289,697

Consolidated Profit and Loss Account

	Notes	2017 Taka	2016 Taka
Interest Income & profit on investment	20(a)	11,472,092,844	9,709,005,665
Less: Interest/profit on deposits and borrowings, etc.	21(a)	7,625,479,385	7,139,635,205
Net interest income/net profit on investments	-	3,846,613,459	2,569,370,460
Investment income	22(a)	2,604,788,463	3,748,123,446
Commission, exchange and brokerage	23(a)	1,847,048,894	1,427,409,701
Other operating income	24(a)	573,127,782	446,743,292
		5,024,965,139	5,622,276,439
Total operating income (A)		8,871,578,598	8,191,646,899
Salary and allowances	26(a)	2,722,590,945	2,507,148,284
Rent, Taxes, Insurance, Electricity, etc.	27(a)	614,517,838	530,639,870
Legal expenses	enterior d	8,100,898	5,270,465
Postage, Stamps, Telecommunication, etc.	28(a)	93,721,936	93,440,474
Stationery, Printings, Advertisements, etc.	29(a)	137,085,724	128,372,192
Managing Director's salary & fees	30(a)	15,080,000	12,150,000
Directors' fees	31(a)	8,373,436	8,688,406
Auditors' fees	32(a)	782,000	632,500
Charges on loan losses	2012	2	1d
Depreciation and repairs of bank's assets	33(a)	238,985,065	202,758,736
Other expenses	34(a)	642,464,565	475,124,677
Operating expenses (B)	25(a)	4,481,702,406	3,964,225,605
Profit before provision (C = A-B)		4,389,876,192	4,227,421,294
Provision for loans and advances/investments	35(a)	699,873,949	1,236,932,348
Provision for off balance sheet exposures	36(a)	125,797,147	101,775,000
Other provisions		60,788,071	12,471,756
Provision for diminution in value of investments	37(a)	(83,890,237)	(35,357,704)
Total provision (D)		802,568,930	1,315,821,400
Profit before taxation (C-D)		3,587,307,262	2,911,599,893
Contribution to Jamuna Bank Foundation	38(a)	104,890,653	89,238,038
Provision for taxation	5.535553-077 (a)	remaining the second of the se	FIRST Land Control of the Control of
Current tax	13.7(a)	1,384,959,516	1,033,519,550
Deferred tax	13.7.2	20,872,164	(4,913,299)
	-	1,405,831,680	1,028,606,251
Net profit after taxation Attributable to:	-	2,076,584,929	1,793,755,604
Shareholders of JBL		2,076,584,738	1,793,755,732
Minority interest		191	(127)
Appropriations:			100mmin H

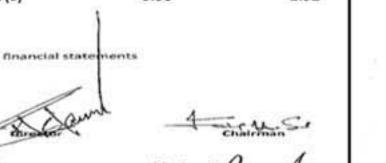
1,377,313,906 1,198,835,352 Retained surplus during the year 3.38 2.92 Earnings per share (EPS) tegral part of the financial statements The annexed notes 01 to 51 form an

As per our report of the same date.

Dhaka, 26 April 2018

Managing Director

Statutory reserve



594,920,252

699,271,023

Consolidated Cash Flow Statement For the year ended 31 December 2017

	2017	2016
Particulars	Taka	Taka
Cash flows from operating activities		
Interest receipts	11,495,296,405	9,719,286,305
Interest payments	(7,302,983,504)	(7,301,599,719
Dividend receipts	8,247,891	7,605,745
Income received from investments	2,645,410,906	3,836,908,517
Fees and commission receipts	1,847,048,894	1,427,409,70
Recoveries on loans previously written off	94,617,278	28,898,093
Payments to employees	(2,737,670,945)	(2,519,298,284
Payments to suppliers	(219,809,376)	(1,143,082,64)
Income taxes paid	(1,343,339,431)	(421,274,54
Receipts from other operating activities	478,510,504	446,743,292
Payments to other operating activities	(1,318,772,594)	(475,124,67)
(i) Operating profit before changes in operating assets and liabilities	3,646,556,027	3,606,471,779
Increase /Decrease in operating assets & liabilities		
Loans and advances	(25,195,027,061)	(29,864,977,45)
Other assets	24,437,871	(110,954,33
Deposit from other banks	10,891,007,439	2,138,586,56
Deposit from customers	14,818,850,105	20,523,369,384

Purchase of property, plant & equipment Net cash flow from investing activities (B) Cash flows from financing activities

Increase/ (Decrease) of long term borrowings

(ii) Cash received from operating assets and liabilities

Net cash flow from operating activities (A)=(i+ii)

Proceeds from sale/purchase of Govt. securities

Proceeds/ (Payments) for purchase of securities

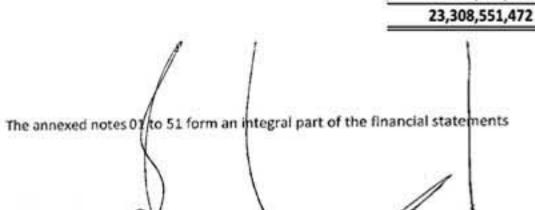
Cash flows from investing activities

Other current liabilities

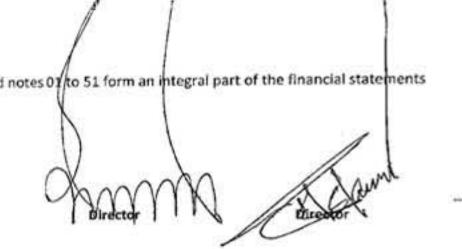
Dividend paid
Issue of subordinated bond
Net cash flow from financing activities (C)
Net Increase/ Decrease in cash and cash equivalents D = (A+B+C)
Cash and cash equivalents at beginning of the year (E)

Cash and cash equivalents at end of the year (D+E) (*)

(*) Closing cash & cash equivalent Cash in hand (including foreign currency) Balance with Bangladesh bank and its agent banks Balance with other bank's and financial institutions Money at call on short notice Prize bond in hand









(1,742,797,085)

(1,203,528,731)

2,443,027,296

3,951,722,212

122,286,576

(482,341,699)

(631,845,117)

(1,258,944,844)

3,000,000,000

1,109,210,039

7,143,904,424

16,164,647,048

23,308,551,473

1,837,675,045

9,645,463,028

11,823,779,799

1,633,600

3,591,667,089

(759,461,461)

(8,073,437,305)

(4,466,965,526)

4,605,925,718

5,261,546

(175,220,160)

4,435,967,104

1,622,788,496

(1,197,532,802)

425,255,694

394,257,272

15,770,389,776

16,164,647,048

1,679,484,757

8,781,256,634

5,701,915,056

16,164,647,049

1,990,600

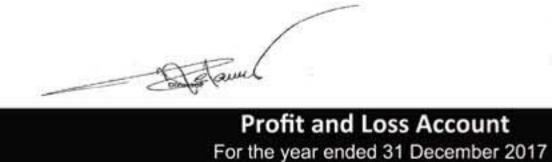
Consolidated Statement of Changes in Equity For the year ended 31 December 2017

Particulars	Paid up Capital	Statutory Reserve	Revaluation Reserve of Securities	Assets Revaluation Reserve	Dividend equalization fund	Retained Earnings	Total	Minority interest	Total Equity
Balance as at 01 January 2017	6,141,193,860	3,998,297,071	3,353,328,455	1,063,497,554	30,705,969	1,197,229,934	15,784,252,844	1,690	15,784,254,535
Changes in accounting policy	*	((*)		*		24	1		1911
Restated balance as at 01 January 2017	6,141,193,860	3,998,297,071	3,353,328,455	1,063,497,554	30,705,969	1,197,229,934	15,784,252,844	1,690	15,784,254,535
Dividend equalization fund transferred to Retained earnings					(30,705,969)	30,705,969			1.5
Surplus/deficit on account of revaluation of properties			9						
Surplus/deficit on account of revaluation of investments			(1,177,338,876)			9	(1,177,338,876)		(1,177,338,876)
			*	-	(22 222 222)				***************************************
Net gains and losses not recognized in the income statement		(la:	(1,177,338,876)		(30,705,969)	30,705,969	(1,177,338,876)	140	(1,177,338,876)
Dividend (Cash)	2	(14)	-	*		(1,258,944,741)	(1,258,944,741)		(1,258,944,741)
Interim dividend (Cash)		(%)			()			(103)	(103)
Net profit for the year	8		- 5	- 3	1.5	2,076,584,738	2,076,584,738	191	2,076,584,929
Statutory reserve	*	699,271,023	· ·	*	190	(699,271,023)	-	140	A-1
						72			
Balance as at 31 December 2017	6,141,193,860	4,697,568,094	2,175,989,579	1,063,497,554		1,346,304,877	15,424,553,965	1,778	15,424,555,743
Balance as at 31 December 2016	6,141,193,860	3,998,297,071	3,353,328,455	1,063,497,554	30,705,969	1,197,229,934	15,784,252,843	1,690	15,784,254,533









Less: Interest/profit paid on deposits and borrowings, etc.

Interest income/profit on investment

Commission, exchange and brokerage

Rent, Taxes, Insurance, Electricity, etc.

Postage, Stamps, Telecommunication, etc.

Stationery, Printings, Advertisements, etc.

Depreciation and repairs of bank's assets

Profit/(loss) before provisions (C=A-B)

Provision for off balance sheet exposures

Contribution to Jamuna Bank Foundation

Statutory reserve (20% on pre-tax profit)

Retained Surplus during the year

Provision for diminution in value of investments

Provision for loans and advances

Total profit before taxes (C-D)

Provision for taxation for the year

Net profit after taxation

Earnings per share (EPS)

Managing Director's salary & fees

Net interest income

Investment income

Other operating income

Salary and allowances

Legal expenses

Directors' fees Auditors' fees

Other expenses

Others provision

Total provision (D)

Current tax

Deferred tax

Appropriations:

Charges on loan losses

Total operating Expenses (B)

Total operating Income (A)



2016

Taka

9,687,217,942

7,142,300,073

2,544,917,869

3,735,873,134

1,390,410,770

8,115,809,867

2,489,719,802

526,923,024

5,231,690

93,063,667

128,149,521

12,150,000

8,402,406

201,616,641

470,471,360

3,936,303,113

4,179,506,755

1,117,816,946

101,775,000

12,471,756

(27,158,209)

1,204,905,493

2,974,601,261

89,238,038

(4,913,299)

1,013,913,827

1,009,000,528

1,876,362,695

594,920,252

3.06

1,281,442,443

575,000

444,608,095

2017

Taka

11,424,651,068

7,625,479,385

3,799,171,684

2,615,201,460

1,800,940,490

570,683,893

8,785,997,526

2,703,870,717

610,714,463

7,915,148

93,352,921

136,872,698

15,080,000

8,079,036

237,836,964

636,175,083

4,450,587,029

4,335,410,497

691,172,090

125,797,147

60,788,071

(38,701,925)

839,055,383

3,496,355,115

104,890,653

1,349,578,080

1,370,450,244

2,021,014,217

699,271,023

3.29

1,321,743,194

20,872,164

690,000

Notes

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13.7.1

13.7.2

39

Balance Sho	eet	
As at 31 December	er 2017	

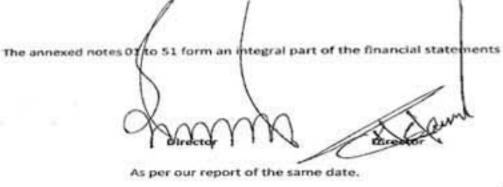
	Notes	31.12.2017 Taka	31.12.2016 Taka
PROPERTY AND ASSETS			
Cash	4	11,483,111,668	10,460,727,273
Cash in hand (including foreign currencies)	4.1	1,837,648,640	1,679,470,638
Balance with Bangladesh Bank and its agent banks (including		3.80.5	
foreign currencies)	4.2	9,645,463,029	8,781,256,635
Balance with other banks and financial institutions	5	11,823,779,799	5,701,915,057
In Bangladesh	5.1	10,902,128,523	4,644,129,389
Outside Bangladesh	5.2	921,651,276	1,057,785,668
Money at call on short notice	6		
nvestments:	7	26,061,920,030	30,113,968,184
Government	7.1	25,684,088,968	29,636,168,180
Others	7.2	377,831,063	477,800,004
loans and advances	8	142,252,938,595	117,099,608,427
Loans, Cash Credit, Overdrafts, etc.	8.01	134,174,830,062	105,414,215,481
Bills purchased & discounted	8.02	8,078,108,532	11,685,392,946
Fixed assets including premises, furniture and fixtures	9	2,509,809,253	2,231,612,798
Other assets	10	2,926,978,720	2,810,471,144
Non-banking assets	670	2,320,370,720	
Total assets		197,058,538,065	168,418,302,882
LIABILITIES AND CAPITAL			
Borrowings from other banks, financial institutions and agents	11	2,095,668,273	2,727,513,390
Deposits and other accounts	12	167,571,330,837	141,550,956,381
Current/Al-wadeeah current accounts and other accounts	12.2	23,574,272,832	19,739,425,306
Bills payable	12.3	7,320,014,898	10,914,338,305
Savings/Mudaraba savings bank deposits	20,000,00	14,973,379,158	12,729,966,705
Fixed/Mudaraba fixed deposits		72,646,951,186	51,600,389,749
Bearer certificates of deposit		10 1001 10	10 YEAR 02
Short notice deposits		9,792,877,139	7,578,909,132
Deposit under special scheme		38,715,364,893	38,402,419,319
Foreign currency deposit		548,470,730	585,507,866
Other liabilities	13	6,958,168,126	6,291,192,883
Subordinated Debt	13 (b)	5,000,000,000	2,000,000,000
Total liabilities		181,625,167,236	152,569,662,653
Capital/shareholders' equity	5500 FI	THE OWNER OF THE PARTY OF THE P	W. W
Paid up capital	14	6,141,193,860	6,141,193,860
Statutory reserve	15	4,697,568,094	3,998,297,071
Dividend equalization fund	16.3	527 LOGUTUS 200 (30 LOGUES)	30,705,969
Other reserve	16	3,239,487,133	4,416,826,009
Retained earnings	17	1,355,121,743	1,261,617,320
Total shareholders' equity		15,433,370,829	15,848,640,229
Total liabilities and shareholders' equity		197,058,538,065	168,418,302,882
OFF-BALANCE SHEET ITEMS			
Contingent liabilities Acceptances & endorsements		23,611,575,773	20,190,652,767
Letters of guarantee	18.1	17,942,145,561	14,083,198,100
Irrevocable letters of credit	18.2	20,500,715,649	14,201,676,615
B. 보니 : 변경에 자료되었다면서 되었다면 보다하다면서		44 465 767 767	7 2 4 4 2 2 2 2 2 2 2

Irrevocable letters of credit	18.2	20,500,715,649	14,201,6
Bills for collection	18.3	11,162,797,737	7,944,2
Other contingent liabilities		1,316,198,424	390,5
Total		74,533,433,144	56,810,3
Other commitments			
Documentary credits and short term trade related transactions		-	
Forward assets purchased and forward deposits placed		· ·	
Undrawn note issuance and revolving underwriting facilities			
Undrawn formal standby facilities, credit lines and other commitment	nts	9	
Total			
Total Off-Balance sheet items including contingent liabilities		74,533,433,144	56,810,3

The annexed notes 07 to 51 form an

611,575,773	20,190,652,767
942,145,561	14,083,198,100
500,715,649	14,201,676,615
162,797,737	7,944,289,697
316,198,424	390,533,907
533,433,144	56,810,351,086
-	
	1000





Dhaka, 26 April 2018

Managing Director

SHAFIQ BASAK & CO.

stegral part of the financial statements

Dhaka, 26 April 2018

Managing Director

Dhaka, 26 April 2018

Other contingent liabilities

Documentary credits and short term trade related transactions

Indrawn formal standby facilities, credit lines and other commitments

The annexed notes 01 to 51 form an integral part of the financial statements

As per our report of the same date.

Forward assets purchased and forward deposits placed

Indrawn note issuance and revolving underwriting facilities

Total Off-Balance Sheet items including contingent liabilities

Other commitments