



**FINANCIAL STATEMENTS (UNAUDITED)  
OF  
TRUST BANK LIMITED  
FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**TRUST BANK LIMITED**  
**and its subsidiary**  
**Consolidated Balance Sheet (Unaudited)**  
**As of 30 June 2014**

	Notes	30.06.2014 (Unaudited) Taka	31.12.2013 (Audited) Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
	3		
Cash in hand (including foreign currencies)		2,345,562,125	2,437,947,691
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		8,138,678,903	7,114,882,019
		10,484,241,028	9,552,829,710
<b>Balance with other banks and financial institutions</b>			
	4 (a)		
In Bangladesh		2,299,720,981	2,297,984,760
Outside Bangladesh		485,257,959	1,271,572,444
		2,784,978,940	3,569,557,204
<b>Money at call and short notice</b>			
	5	3,650,000,000	250,000,000
<b>Investments</b>			
	6 (a)		
Government		16,932,187,523	17,179,471,760
Others		1,718,670,906	1,880,672,683
		18,650,858,429	19,060,144,443
<b>Loans and Advances/Islami Banking Investments</b>			
	7 (a)		
Loans, Cash Credit, Overdrafts etc./ Investment		96,688,802,347	82,337,313,951
Bills purchased and discounted		4,575,157,528	1,461,099,297
		101,263,959,875	83,798,413,248
<b>Fixed assets including premises, furniture and fixtures</b>			
	8 (a)	612,921,209	498,214,234
<b>Other assets</b>			
	9 (a)	1,963,884,648	1,579,339,428
<b>Non-banking assets</b>			
		-	-
<b>Total Assets</b>		<b>139,410,844,129</b>	<b>118,308,498,267</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	10 (a)	5,068,147,721	3,669,284,921
<b>Deposits and other accounts</b>			
	11 (a)		
Current / Al-wadeeah Current Accounts and other Accounts		17,246,878,809	13,603,953,133
Bills Payable		1,444,920,179	1,082,668,864
Savings Bank / Mudaraba Savings Deposits		9,693,005,408	8,880,854,696
Fixed Deposits / Mudaraba Term Deposits		91,050,904,781	78,956,397,391
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		119,435,709,177	102,523,874,084
<b>Other liabilities</b>			
	12 (a)	7,340,792,482	4,915,136,514
<b>Total Liabilities</b>		<b>131,844,649,380</b>	<b>111,108,295,519</b>
<b>Capital/Shareholders' Equity</b>			
Paid up Capital	13.2	4,262,061,660	3,805,412,200
Minority Interest	13 (a)	805	789
Share Premium Account		75,576,040	532,225,500
Statutory Reserve	14	2,373,074,798	2,169,218,210
Other Reserve	15	16,581,997	37,023,453
Retained Earnings	16 (a)	838,899,449	656,322,596
<b>Total Shareholders' Equity</b>		<b>7,566,194,749</b>	<b>7,200,202,748</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>139,410,844,129</b>	<b>118,308,498,267</b>

Notes	30.06.2014 (Unaudited) Taka	31.12.2013 (Audited) Taka
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**OFF-BALANCE SHEET ITEMS**

**Contingent Liabilities**

17

	46,311,201,342	31,672,787,874
Acceptances and endorsements	13,496,572,313	8,657,249,978
Letter of Guarantees	10,082,654,152	7,935,554,690
Irrevocable Letter of Credits	19,145,814,459	12,234,899,460
Bills for collection	3,586,160,418	2,845,083,746

**Other Contingent Liabilities**

Value of travelers' cheques in hand

**Total:**

-	-
<b>46,311,201,342</b>	<b>31,672,787,874</b>

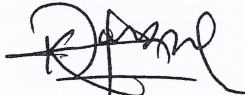
**Other commitments**

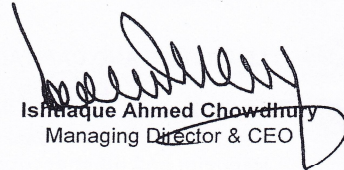
Documentary Credit and short term trade -related transactions  
 Forward assets purchased and forward deposits placed  
 Undrawn note issuance and revolving facilities  
 Undrawn formal standby facilities, credit lines and other commitments

-	-
-	-
-	-
-	-

**Total Off-Balance Sheet items including contingent liabilities**


<b>46,311,201,342</b>	<b>31,672,787,874</b>
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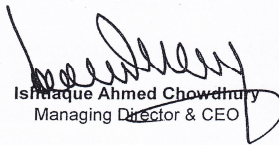
  
 Khaled Mahbub Morshed  
 Chief Financial Officer

  
 Ishtiaque Ahmed Chowdhury  
 Managing Director & CEO

**TRUST BANK LIMITED**  
and its subsidiary  
**Consolidated Profit and Loss Account (Unaudited)**  
For the period from January to June 2014

Notes	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka
Interest income / Profit on Investment	18 (a) 6,010,993,337	4,954,467,206	3,114,122,452	2,561,667,526
Interest / Profit paid on deposits and borrowings etc.	19 (a) 4,784,584,153	4,237,111,203	2,440,620,444	2,203,709,866
<b>Net interest income</b>	<b>1,226,409,184</b>	<b>717,356,003</b>	<b>673,502,008</b>	<b>357,957,660</b>
Income from investments	20 (a) 857,485,154	701,496,080	425,529,705	409,749,010
Commission, exchange and brokerage	21 (a) 501,952,831	345,659,014	263,244,496	201,562,014
Other operating income	22 (a) 256,051,382	193,044,288	132,070,872	116,562,152
	1,615,489,367	1,240,199,382	820,845,073	727,873,176
<b>Total operating income</b>	<b>2,841,898,551</b>	<b>1,957,555,385</b>	<b>1,494,347,081</b>	<b>1,085,830,836</b>
Salaries and allowances	23 (a) 480,264,810	395,662,579	243,066,308	198,821,395
Rent, taxes, insurance, electricity, etc.	24 (a) 178,581,786	135,059,800	96,759,684	66,149,869
Legal expenses	618,950	282,680	366,000	162,676
Postage, stamps, telecommunications, etc.	25 (a) 53,934,543	38,210,616	28,070,671	21,082,676
Stationery, printing, advertisement etc.	26 (a) 37,744,575	35,049,154	25,161,980	20,178,929
Managing Director's salary and benefits	5,115,000	4,171,159	2,557,500	2,557,500
Directors' fees	27 (a) 831,800	717,800	478,400	432,400
Auditors' fee	-	-	-	-
Charges on loan losses	-	-	-	-
Depreciation and repair of bank's assets	28 (a) 86,668,556	69,365,450	44,395,572	36,796,556
Other expenses	29 (a) 189,469,515	196,317,072	101,026,391	116,405,251
<b>Total operating expenses</b>	<b>1,033,229,535</b>	<b>874,836,310</b>	<b>541,882,506</b>	<b>462,587,252</b>
<b>Profit before provision</b>	<b>1,808,669,016</b>	<b>1,082,719,075</b>	<b>952,464,575</b>	<b>623,243,584</b>
Provision for loans & advances / Investments	30 (a) 477,226,000	252,995,000	255,857,000	102,469,000
Provision for Diminution in value of Investment	31 (a) 56,754,928	(37,786,954)	69,828,990	(54,245,266)
Other provision	32 (a) 142,786,138	35,347,273	87,043,486	30,367,702
	676,767,066	250,555,319	412,729,476	78,591,436
<b>Total Profit before Taxes</b>	<b>1,131,901,950</b>	<b>832,163,756</b>	<b>539,735,099</b>	<b>544,652,148</b>
Provision for Taxation				
Current tax	762,919,386	472,220,036	413,336,126	302,220,036
Deferred tax	(17,450,893)	(5,843,250)	(14,373,897)	(2,471,299)
	745,468,493	466,376,786	398,962,229	299,748,737
<b>Net Profit after Taxation</b>	<b>386,433,457</b>	<b>365,786,970</b>	<b>140,772,870</b>	<b>244,903,411</b>
<b>Appropriations</b>				
Statutory Reserve	203,856,588	94,799,793	109,307,189	71,959,042
General reserve	-	-	-	-
	203,856,588	94,799,793	109,307,189	71,959,042
<b>Retained surplus</b>	<b>182,576,869</b>	<b>270,987,177</b>	<b>31,465,681</b>	<b>172,944,369</b>
Earning per share (EPS)	33 (a) 0.91	0.96	0.33	0.64

  
Khaled Mahbub Morshed  
Chief Financial Officer

  
Ismaque Ahmed Chowdhury  
Managing Director & CEO

**TRUST BANK LIMITED**  
**and its subsidiary**  
**Consolidated Cash Flow Statements (Unaudited)**  
**For the period from January to June 2014**

	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka
<b>A. Cash flow from operating activities</b>		
Interest received in cash	5,970,123,971	4,587,265,573
Interest payments	(4,770,570,200)	(4,231,517,754)
Dividend receipts	21,594,384	9,865,123
Fees and commission receipts in cash	512,052,414	373,223,767
Recoveries of loans previously written off	-	-
Cash paid to employees	(635,737,980)	(490,967,048)
Cash paid to suppliers	(27,433,259)	(23,915,614)
Income Taxes paid	(326,344,031)	(343,776,150)
Received from other operating activities (item-wise)	1,138,233,701	873,454,886.00
Payments for other operating activities (item-wise)	(492,830,448)	(463,739,515)
<b>Operating profit before changes in operating Assets and Liabilities</b>	<b>1,389,088,552</b>	<b>289,893,268</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>		
Statutory Deposits	-	-
Net Investment in trading securities	162,001,777	159,474,591
Loan & advance to other banks	-	-
Loan & advance to customers	(17,086,964,354)	(11,875,538,520)
Other assets (item-wise)	88,226,505	127,373,730
Deposits from other banks	528,131,455	143,798,909
Deposits from customers	16,373,269,629	14,792,817,747
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	1,026,572,147	(78,535,642)
<b>Net cash from operating activities (A)</b>	<b>2,480,325,711</b>	<b>3,559,284,083</b>
<b>B. Cash flow from investing activities</b>		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(422,204,919)	(4,434,376,099)
Purchase of property, plant & equipment	(183,937,175)	(59,982,788)
Purchase of intangible assets	(419,228)	(3,321,982)
Sale of property, plant & equipment	1,947,941	2,414,726
<b>Net cash from investing activities (B)</b>	<b>(604,613,381)</b>	<b>(4,495,266,143)</b>
<b>C. Cash flow from financing activities</b>		
Increase/(Decrease) in Borrowing:		
Call loan	-	-
Re-Purchase agreement (REPO)	-	-
Other borrowings	1,035,794,511	(349,722,900)
Share Capital A/c	-	-
Share Premium A/c	-	-
Dividend paid in cash	-	-
<b>Net cash from financing activities (C)</b>	<b>1,035,794,511</b>	<b>(349,722,900)</b>
<b>D. Net increase in Cash and Cash Equivalent (A+B+C)</b>	<b>2,911,506,841</b>	<b>(1,285,704,960)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>	<b>(13,721,487)</b>	<b>(27,760,152)</b>
<b>F. Opening Cash and Cash Equivalent</b>	<b>14,025,219,614</b>	<b>21,873,736,813</b>
<b>G. Cash and cash equivalents at end of year (D+E+F)</b>	<b>16,923,004,968</b>	<b>20,560,271,701</b>

**TRUST BANK LIMITED**  
and its subsidiary  
**Consolidated Statement of changes in Equity (Unaudited)**  
For the period from January to June 2014

Particulars	Paid up Capital Taka	Share Premium Taka	Minority Interest Taka	Statutory Reserve Taka	Other Reserve Taka	Retained Earnings Taka	Total Taka
<b>Balance as at 01 January 2014</b>	3,805,412,200	532,225,500	789	2,169,218,210	37,023,453	656,322,596	7,200,202,748
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	(20,441,456)	-	(20,441,456)
Currency transaction difference	-	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	16	-	-	386,433,441	386,433,457
Statutory reserve	-	-	-	203,856,588	-	(203,856,588)	-
Dividends (Bonus Share)	456,649,460	(456,649,460)	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
<b>Balance as at 30 June 2014</b>	<b>4,262,061,660</b>	<b>75,576,040</b>	<b>805</b>	<b>2,373,074,798</b>	<b>16,581,997</b>	<b>838,899,449</b>	<b>7,566,194,749</b>

**Consolidated Statement of changes in Equity (Unaudited)**  
For the period from January to June 2013

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 1 January 2013</b>	3,459,465,640	532,225,500	779	1,966,008,097	8,567,858	883,514,075	6,849,781,949
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	13,405,529	-	13,405,529
Currency transaction difference	-	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the period after tax	-	-	48	-	-	365,786,922	365,786,970
Statutory reserve	-	-	-	94,799,793	-	(94,799,793)	-
Dividend (Bonus Share)	345,946,560	-	-	-	-	(345,946,560)	-
Dividend (Cash)	-	-	-	-	-	-	-
Issue of Share Capital (Right Share)	-	-	10	-	-	-	10
<b>Balance as at 30 June 2013</b>	<b>3,805,412,200</b>	<b>532,225,500</b>	<b>837</b>	<b>2,060,807,890</b>	<b>21,973,387</b>	<b>808,554,644</b>	<b>7,228,974,458</b>

**TRUST BANK LIMITED**

**Balance Sheet (Unaudited)  
As of 30 June 2014**

	Notes	30.06.2014 (Unaudited) Taka	31.12.2013 (Audited) Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
	3		
Cash in hand (including foreign currencies)		2,345,562,125	2,437,947,691
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		8,138,678,903	7,114,882,019
		10,484,241,028	9,552,829,710
<b>Balance with other banks and financial institutions</b>			
	4		
In Bangladesh		2,125,666,032	2,296,044,905
Outside Bangladesh		485,257,959	1,271,572,444
		2,610,923,991	3,567,617,349
<b>Money at call and short notice</b>			
	5	3,650,000,000	250,000,000
<b>Investments</b>			
	6		
Government		16,932,187,523	17,179,471,760
Others		1,584,379,914	1,844,021,486
		18,516,567,437	19,023,493,246
<b>Loans and Advances/Islami Banking Investments</b>			
	7		
Loans, Cash Credit, Overdrafts etc./ Investment		91,892,956,560	77,631,514,303
Bills purchased and discounted		4,575,157,528	1,648,063,304
		96,468,114,088	79,279,577,607
<b>Fixed assets including premises, furniture and fixtures</b>			
	8	598,667,308	483,785,223
<b>Other assets</b>			
	9	4,963,599,200	4,582,270,713
<b>Non-banking assets</b>			
		-	-
<b>Total Assets</b>		<b>137,292,113,052</b>	<b>116,739,573,848</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	10	5,034,467,062	3,664,026,268
<b>Deposits and other accounts</b>			
	11		
Current / Al-wadeeah Current Accounts and other Accounts		17,166,679,639	13,547,752,319
Bills Payable		1,444,920,179	1,082,668,864
Savings Bank / Mudaraba Savings Deposits		9,693,005,408	8,880,854,696
Fixed Deposits / Mudaraba Term Deposits		91,050,904,781	78,956,397,391
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		119,355,510,007	102,467,673,270
<b>Other liabilities</b>			
	12	5,740,281,516	3,742,093,197
<b>Total Liabilities</b>		<b>130,130,258,585</b>	<b>109,873,792,735</b>
<b>Capital/Shareholders' Equity</b>			
Paid up Capital	13.2	4,262,061,660	3,805,412,200
Share Premium Account		75,576,040	532,225,500
Statutory Reserve	14	2,373,074,798	2,169,218,210
Other Reserve	15	16,581,997	37,023,453
Retained Earnings	16	434,559,972	321,901,750
<b>Total Shareholders' Equity</b>		<b>7,161,854,467</b>	<b>6,865,781,113</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>137,292,113,052</b>	<b>116,739,573,848</b>

Notes	30.06.2014 Taka	31.12.2013 Taka
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**OFF-BALANCE SHEET ITEMS**

**Contingent Liabilities**

17

Acceptances and endorsements  
Letter of Guarantees  
Irrevocable Letter of Credits  
Bills for collection

13,496,572,313	8,657,249,978
10,082,654,152	7,935,554,690
19,145,814,459	12,234,899,460
3,586,160,418	2,845,083,746
<b>46,311,201,342</b>	<b>31,672,787,874</b>

**Other Contingent Liabilities**

Value of travelers' cheques in hand

**Total:**

-	-
<b>46,311,201,342</b>	<b>31,672,787,874</b>

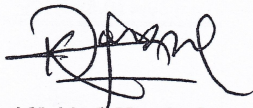
**Other commitments**

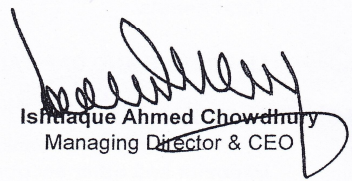
Documentary Credit and short term trade -related transactions  
Forward assets purchased and forward deposits placed  
Undrawn note issuance and revolving facilities  
Undrawn formal standby facilities, credit lines and other commitments

-	-
-	-
-	-
-	-

**Total Off-Balance Sheet items including contingent liabilities**

<b>46,311,201,342</b>	<b>31,672,787,874</b>
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Khaled Mahbub Morshed  
Chief Financial Officer

  
Ishaque Ahmed Chowdhury  
Managing Director & CEO



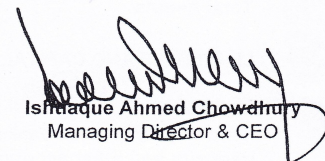
TRUST BANK LIMITED

Profit and Loss Account (Unaudited)  
For the period ended as of 30 June 2014

Notes	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka	
Interest income / Profit on Investment	18	5,939,733,130	4,602,845,146	3,094,282,324	2,371,799,106
Interest / Profit paid on deposits and borrowings etc.	19	4,783,128,796	4,215,776,483	2,397,850,556	2,182,849,728
<b>Net interest income</b>		<b>1,156,604,334</b>	<b>387,068,663</b>	<b>696,431,768</b>	<b>188,949,378</b>
Income from investments	20	851,534,381	699,357,553	424,987,704	408,560,778
Commission, exchange and brokerage	21	497,067,944	345,448,643	259,379,673	201,551,643
Other operating income	22	194,254,095	141,896,121	104,829,861	89,538,229
		1,542,856,420	1,186,702,317	789,197,238	699,650,650
<b>Total operating income</b>		<b>2,699,460,754</b>	<b>1,573,770,980</b>	<b>1,485,629,006</b>	<b>888,600,028</b>
Salaries and allowances	23	466,360,501	383,661,535	235,716,877	193,250,352
Rent, taxes, insurance, electricity, etc.	24	173,573,235	129,872,497	94,207,964	63,824,717
Legal expenses		618,950	282,680	366,000	270,676
Postage, stamps, telecommunications, etc.	25	52,901,219	36,948,121	27,358,209	20,465,448
Stationery, printing, advertisement etc.	26	37,380,886	34,877,521	24,913,640	20,086,590
Managing Director's salary and benefits		5,115,000	4,171,159	2,557,500	2,557,500
Directors' fees	27	768,800	645,800	439,400	384,400
Auditors' fee		-	-	-	-
Charges on loan losses		-	-	-	-
Depreciation and repair of bank's assets	28	84,608,602	66,945,416	43,367,299	35,336,249
Other expenses	29	182,083,555	191,811,966	97,436,698	114,087,870
<b>Total operating expenses</b>		<b>1,003,410,748</b>	<b>849,216,695</b>	<b>526,363,587</b>	<b>450,263,802</b>
<b>Profit before provision</b>		<b>1,696,050,006</b>	<b>724,554,285</b>	<b>959,265,419</b>	<b>438,336,226</b>
Provision for loans & advances / Investments	30	477,226,000	252,995,000	255,857,000	102,469,000
Provision for Diminution in value of Investment	31	56,754,928	(37,786,954)	69,828,990	(54,245,266)
Other provision	32	142,786,138	35,347,273	87,043,486	30,367,702
		676,767,066	250,555,319	412,729,476	78,591,436
<b>Total Profit before Taxes</b>		<b>1,019,282,940</b>	<b>473,998,966</b>	<b>546,535,943</b>	<b>359,744,790</b>
Provision for Taxation					
Current tax		720,000,000	320,000,000	400,000,000	210,000,000
Deferred tax		(17,231,870)	(5,843,250)	(14,154,874)	(2,582,597)
		702,768,130	314,156,750	385,845,126	207,417,403
<b>Net Profit after Taxation</b>		<b>316,514,810</b>	<b>159,842,216</b>	<b>160,690,817</b>	<b>152,327,387</b>
<b>Appropriations</b>					
Statutory Reserve		203,856,588	94,799,793	109,307,189	71,959,042
General reserve		-	-	-	-
		203,856,588	94,799,793	109,307,189	71,959,042
<b>Retained surplus</b>		<b>112,658,222</b>	<b>65,042,423</b>	<b>51,383,628</b>	<b>80,368,345</b>
Earning per share (EPS)	33	0.74	0.42	0.38	0.40



Khaled Mahbub Morshed  
Chief Financial Officer



Ismaque Ahmed Chowdhury  
Managing Director & CEO

**TRUST BANK LIMITED**

**Cash Flow Statements (Unaudited)**  
For the period ended as of 30 June 2014

	<b>1 January 2014 to 30 June 2014 Taka</b>	<b>1 January 2013 to 30 June 2013 Taka</b>
<b>A. Cash flow from operating activities</b>		
Interest received in cash	5,607,695,388	4,235,643,513
Interest payments	(4,769,114,843)	(4,210,183,034)
Dividend receipts	21,594,384	9,865,123
Fees and commission receipts in cash	478,605,747	373,013,396
Recoveries of loans previously written off	-	-
Cash paid to employees	(624,696,747)	(480,185,306)
Cash paid to suppliers	(27,125,073)	(23,775,143)
Income Taxes paid	(270,975,893)	(184,768,529)
Received from other operating activities (item-wise)	1,066,926,030	820,168,192
Payments for other operating activities (item-wise)	(631,711,747)	(451,882,686)
<b>Operating profit before changes in operating Assets and Liabilities</b>	<b>851,197,246</b>	<b>87,895,526</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>		
Statutory Deposits	-	-
Net Investment in trading securities	259,641,572	136,284,683
Loan & advance to other banks	-	-
Loan & advance to customers	(17,173,022,497)	(12,131,629,557)
Other assets (item-wise)	89,887,278	142,877,353
Deposits from other banks	528,131,455	143,798,909
Deposits from customers	16,349,271,273	14,760,399,036
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	1,032,404,057	(75,638,607)
<b>Net cash from operating activities (A)</b>	<b>1,937,510,384</b>	<b>3,063,987,343</b>
<b>B. Cash flow from investing activities</b>		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(422,204,919)	(4,434,376,099)
Purchase of property, plant & equipment	(181,185,125)	(59,919,498)
Purchase of intangible assets	(219,228)	(3,321,982)
Sale of property, plant & equipment	1,759,030	2,332,000
<b>Net cash from investing activities (B)</b>	<b>(601,850,242)</b>	<b>(4,495,285,579)</b>
<b>C. Cash flow from financing activities</b>		
Increase/(Decrease) in Borrowing:		
Call loan	-	-
Re-Purchase agreement (REPO)	-	-
Other borrowings	1,370,440,794	145,593,276
Share Capital A/c	-	-
Share Premium A/c	-	-
Dividend paid in cash	-	-
<b>Net cash from financing activities (C)</b>	<b>1,370,440,794</b>	<b>145,593,276</b>
<b>D. Net increase in Cash and Cash Equivalent (A+B+C)</b>	<b>2,706,100,936</b>	<b>(1,285,704,960)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>	<b>19,569,324</b>	<b>(27,760,152)</b>
<b>F. Opening Cash and Cash Equivalent</b>	<b>14,023,279,759</b>	<b>21,873,736,813</b>
<b>G. Cash and cash equivalents at end of year (D+E+F)</b>	<b>16,748,950,019</b>	<b>20,560,271,701</b>

**TRUST BANK LIMITED**

**Statement of changes in Equity (Unaudited)  
For the period from January to June 2014**

Particulars	Paid up Capital Taka	Share Premium Taka	Statutory Reserve Taka	Other Reserve Taka	Retained Earnings Taka	Total Taka
<b>Balance as at 01 Jan 2014</b>	3,805,412,200	532,225,500	2,169,218,210	37,023,453	321,901,750	6,865,781,113
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	(20,441,456)	-	(20,441,456)
Currency transaction difference	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	316,514,810	316,514,810
Statutory reserve	-	-	203,856,588	-	(203,856,588)	-
Dividends (Bonus Share)	456,649,460	(456,649,460)	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-
Issue of Share Capital ( Rights Share)	-	-	-	-	-	-
<b>Balance as at 30 June 2014</b>	<b>4,262,061,660</b>	<b>75,576,040</b>	<b>2,373,074,798</b>	<b>16,581,997</b>	<b>434,559,972</b>	<b>7,161,854,467</b>

**Statement of changes in Equity (Unaudited)  
For the period from January to June 2013**

Particulars	Paid up Capital Taka	Share Premium Account Taka	Statutory Reserve Taka	Other Reserve Taka	Retained Earnings Taka	Total Taka
<b>Balance as at 1 January 2013</b>	3,459,465,640	532,225,500	1,966,008,097	8,567,858	546,623,857	6,512,890,952
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	13,405,529	-	13,405,529
Currency transaction difference	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-
Net profit/(loss) for the period after tax	-	-	-	-	159,842,216	159,842,216
Statutory reserve	-	-	94,799,793	-	(94,799,793)	-
Dividend (Bonus Share)	345,946,560	-	-	-	(345,946,560)	-
Dividend (Cash)	-	-	-	-	-	-
Issue of Share Capital (Right Share)	-	-	-	-	-	-
<b>Balance as at 30 June 2013</b>	<b>3,805,412,200</b>	<b>532,225,500</b>	<b>2,060,807,890</b>	<b>21,973,387</b>	<b>265,719,720</b>	<b>6,686,138,697</b>

**TRUST BANK LIMITED**

**Liquidity Statement  
(Asset and Liability Maturity Analysis)  
For the period from January to June 2014**

Amount in Taka

Particulars	Up to 01 Month	1- 3 Months	3-12 Months	1- 5 Years	More than 5 Years	Total
<b>Assets:</b>						
Cash in Hand	2,345,562,125	-	-	-	-	2,345,562,125
Balance with Bangladesh Bank and Sonali Bank	1,589,057,903	-	-	-	6,549,621,000	8,138,678,903
Balance with other banks and financial institutions	1,330,923,991	780,000,000	500,000,000	-	-	2,610,923,991
Money at call and short notice	3,650,000,000	-	-	-	-	3,650,000,000
Investments	2,422,464,931	3,630,955,405	3,727,490,397	4,571,472,294	4,164,184,410	18,516,567,437
Loans and Advances	12,819,883,939	16,039,081,053	39,000,758,614	21,554,635,325	7,053,755,157	96,468,114,088
Fixed Assets including premises, furniture and fixtures	-	-	-	-	598,667,308	598,667,308
Other assets	390,760,241	346,505,668	751,846,224	103,931,298	3,370,555,769	4,963,599,200
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>24,548,653,130</b>	<b>20,796,542,126</b>	<b>43,980,095,235</b>	<b>26,230,038,917</b>	<b>21,736,783,644</b>	<b>137,292,113,052</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	746,281,430	1,073,862,273	966,934,836	2,247,388,523	-	5,034,467,062
Deposits	19,040,260,874	31,177,495,772	25,694,342,707	21,454,921,465	14,093,519,845	111,460,540,664
Other accounts	7,894,969,343	-	-	-	-	7,894,969,343
Provision and other liabilities	571,954,684	660,405,293	3,371,436,259	828,599,869	307,885,411	5,740,281,516
<b>Total Liabilities</b>	<b>28,253,466,331</b>	<b>32,911,763,338</b>	<b>30,032,713,802</b>	<b>24,530,909,857</b>	<b>14,401,405,256</b>	<b>130,130,258,585</b>
<b>Net Liquidity Gap</b>	<b>(3,704,813,201)</b>	<b>(12,115,221,212)</b>	<b>13,947,381,433</b>	<b>1,699,129,060</b>	<b>7,335,378,388</b>	<b>7,161,854,467</b>

Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Bank

**TRUST BANK LIMITED**  
**Notes to the Financial Statements**  
**For the period from January to June 2014**

**1 The Bank Its Activities**

Trust Bank Limited is a scheduled commercial bank established under the Bank Company Act, 1991 and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 17 June 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank had Eighty Two (82) branches and six (6) SME Service Centers/Krishi Branch are operating in Bangladesh as at 30 June 2014. The Bank had no overseas branches as at 30 June 2014. The bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company for its general class of shares.

The registered office of the Bank is located at 36, Dilkusha Commercial Area, Dhaka - 1000.

Initially the bank has started its operation in the name of "The Trust Bank Limited" but on 12 November 2006 it was renamed as "Trust Bank Limited" by the Registrar of Joint Stock Companies. The new name of the bank was approved by Bangladesh Bank on 03 December 2006.

The Principal activities of the Bank to provide full range of banking services that include deposit banking, loans & advances, export, import and financing national and international remittance facilities etc.

**1.1 Off-shore Banking Unit**

The Bank obtained Off-shore Banking Unit Permission vide letter no. BRPB(P-3)744(116)/2010-2462 dated 2 June 2010. The Bank commenced its operation from 24 October 2013 through our Dilkusha Corporate Branch in Gulshan Corporate & CDA Avenue Branch. The Off-shore banking units are governed under the rules and guidelines of Bangladesh Bank. Separate financial statements of Off-shore banking are shown in Annex-E

**1.1.1 Subsidiaries of the Bank**

The Bank Has 2 (Two) Subsidiaries details of which are given below:

**1.1.2 Trust Bank Investment Limited**

Trust Bank Investments Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 9 September 2010 with an initial paid up capital of Taka 300 million upon receiving consent from SEC on 25 October 2010.

**1.1.3 Trust Bank Securities Limited**

Trust Bank Securities Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 7 February 2013 with an initial paid up capital of Taka 35 million having registered office is located at 28, Kafrul, Dhaka - 1206.

Trust Bank Investment Limited offers full range of Business of Stock Brokers that includes buy and sell of shares & securities, fixed income securities, Bonds Debenture etc.

**1.2 Islami Banking Activities**

Islamic banking refers to a system of banking or banking activity that is consistent with Islamic law (Sharia) as stated in the Holy Qur'an and Sunnah of the Prophet Muhammad, pbuh. The most important feature of Sharia is (i) the prohibition of Riba, the collection & payment of interest, and (ii) prohibition of investment in business which are Haram (unlawful) in Islam. Islamic banking is a trade based operation and structured on the basis of the underlying contract of sale or investment between the bank and the client in compliance of Sharia guidelines.

Trust Islamic Banking (TIB) started its operation from latter part of 2008 through 5 (five) Islamic banking windows at the TBL-Principal Br., Gulshan Br., Dilkusha Br. in Dhaka, CDA Br. in Chittagong & Sylhet Corporate branch in Sylhet. In addition to the above mentioned 5 (five) branches all TBL branches are now providing Islamic banking services to their clients under centralized on-line operation system. In addition to the Sharia guidelines, Trust Islamic banking operations are strictly complied with the Bangladesh Bank instructions regarding Islamic banking operations and adheres to the followings;

- Completely Separate Fund management – no mingling of fund with the conventional banking deposits of the Bank.
- Separate book-keeping, Profit & Loss Account by Islamic banking software.
- Investment from the Islamic banking deposits only.
- Profit sharing with the depositors at 80:20 ratios.

As of close of the Quarter ended 30 June 2014, total deposits of TIB stands at Tk.6,560.635 million & investments Tk.5,756.27 million showing a growth of 112% & 425% respectively from the corresponding position of 31 December 2013.

A separate Balance sheet Profits & Loss account and statement of Cash-Flows are shown in the Annexures. The figures appearing the Annexure have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

In spite of the substantial growth in 30 June 2014, TBL is yet to capitalize the full potentials of the Islamic banking market. Investment figures have been increased only in the last quarter of the year to a satisfactory level but the AD ratio is yet to reach the expected 82-85 level to ensure a healthy return. However, Islamic banking operations of the bank are expected to substantially improve its performance in the upcoming year considering the already attained business position.

### 1.3 Retail Banking Activities

Quarter 30 June 2014 was the year of transformation and steady growth of business for Retail Banking Unit (RBU). The change of business focus from liability to asset helped the bank to acquire new businesses and build a strong clientele. Different positive approaches have been taken and products were amended to cater the needs of different segment.

From 2006 till today RBU successfully designed and implemented customer focused products with the guidance of bank management. Competitive liability and asset products, dedicated Direct Sales team, strong back office team and different value added services have ensured customer satisfaction and a loyal customer base. Our continuous effort to provide quality financial services has inspired us to deliver the best.

#### **Deposit Campaign**

**Liability:** With a different business approach RBU designed a low cost deposit campaign 'CASA UTSHOB 2013'. The target was to generate low cost deposit to minimize bank's interest risk and maintain balance of overall deposit. The campaign surpassed the net growth target by BDT 283 Crore and reached a staggering amount BDT 583 Crore!

**Asset:** First ever asset campaign was launched in 2013. It created a positive vibe among all employees in the bank and the campaign saw a total disbursement of BDT 28 Crore within 3 months span!!

#### **Training & Development :**

Retail Banking carried out extensive training to the Direct Sales Representative (DSR) on retail products, current retail business market & our approaches towards customers.

#### **Product Development:**

Revision of Product Program Guideline (PPG) of Personal Loan, Loan Against Salary and Doctor's Loan has been made. A comprehensive Risk Fund Policy and Credit Card Policy were designed by RBU. Liability products were developed targeting the institutional customers

#### **Participation in First School Banking Conference:**

Trust Bank participated in the 'First School Banking Conference 2013' held at Bangladesh Bank Training Academy on April 2013. Bangladesh Bank arranged the whole conference where Trust Bank provided wholehearted support to make the event a great success.

#### **Trust Youniverse:**

Our relentless efforts continues to expand the horizon of 'Trust Youniverse' to serve our customers with a sweet topping on the ice cream! Last year we signed MoUs with prominent business entities like: BTI, Ocean Paradise Hotel & Resort, Fiore, Praasad Paradise etc. to allow our Credit & Debit Card Holders to enjoy discount facility while using our cards.

### **ASSET LIABILITY PERFORMANCE 2013**

**Liability/Deposit:** Different initiatives to boost the deposit growth have earned the bank a stable and strong liability position. The outcome of the low cost campaign, overall monitoring and guidance of the bank management and most importantly dedicated service towards our respected clients have ensured a mammoth yearend retail deposit balance which is 33% higher from 2012 !!

**Asset:** The asset campaign was a true success which can be resembled in the yearend asset balance. Total portfolio rose up to BDT 19080 Million!!

**Credit Card:** Trust Bank is putting emphasis on its Credit Card services. Already a Credit Card Policy has been designed and in near future the bank will come up with attractive features to provide multi level benefits to its Card Holders. Already we have 2075 Credit Card users with an outstanding amount of BDT 7.1 Crore.

### **RETAILS BANKING PRODUCTS AT A GLANCE**

#### **Deposit Products**

- Savings Accounts: Savings Bank Account, Trust Porua Account, Trust Sristi Account, Trust Privilege Account, Trust Unfixed Deposit, Trust Payroll
- Current Account: Current Deposit Account, Defence Personnel Salary Account (DPSA)
- Deposit Scheme Account: Trust Assurance Deposit Scheme (TADS), Trust Maxmill, Trust Echo, Trust Echo Plus, Trust Jhinuk, Trust Smart Savers Scheme (TSSS), Lakhopoti Saving Scheme, Trust Money Double Scheme (TMDS), Trust Kotipati Scheme and Trust Kotipati Plus.
- Fixed Deposit Receipt (FDR) with several convenient Tenors
- Student File
- Trust Mobile Money

#### **Loan Products**

- **Unsecured Loan:** Personal Loan, Loan Against Salary, Education Loan, Doctor's Loan, Trust Digital Loan. Any Purpose Loan for Defence Officers, Motor Cycle Loan for Defence Personnel, Marriage Loan for Defence Personnel, House Hold Durable Loan for Defence Officers, CNG Conversion Loan Defence Officers, OD Against Salary for Defence Officers, RRDH for JCO's and Others.
- **Secured Loan:** Car Loan, Apon Nibash Loan (House Finance), HBL against Registered Mortgage for Defence Officers, Army Officers Housing Loan Scheme, Trust Thikana- Home Loan, Loan against Commutation Benefits for Defence Personnel.

#### **Credit Card**

- **Credit Card Local:** VISA Classic and VISA Gold
- **Credit Card International:** VISA Classic and VISA Gold/Dual

### **1.4 SME Financing**

Small and Medium Enterprises have indeed become one universally agreed motif of the development landscape when it comes to sustainable, efficient and pro-poor growth of labor-surplus economies. SME's typically harness more workers per unit of output for production, relatively lower levels of labor productivity and lower rates of wages having smaller degrees of risk compared with larger enterprises. Considering all positive indicators, SME is recognized as engine of economic growth. The issue of fostering SME growth in Bangladesh can in no way be ignored as these industries have huge prospects for creating large scale employment opportunities and potentialities of innumerable income generation especially in semi-urban and rural areas. As such, the Bank is moving forward to SME customer segment with market approach to meet the credit need & considering the business potentials and return on investment. The business expansion and monitoring is carried out throughout its 89 no. country wide branches and 7 SME/ Krishi Branch / service centers with the full support of dedicated SME business division.

Trust Bank has launched different products based on BB policy with cluster/ area approach and marketing these products matching with the customer need. Its especial emphasis is on:

- “Trust - Muldhon” Loan for shopkeepers and Traders
- “Trust - Projukti” Loan for light engineering,
- “Trust – Bunon” Loan for power loom and handloom and other allied industries,
- “Trust – Shufola” Loan for Bio-gas, Solar panel, Livestock, Fisheries & Agro- Processing units,

“Trust - Ekota” Group Loan with Cluster approach,  
“Loan for Women Entrepreneurship”,  
“Trust – Easy pay” Loan for Contractors to encourage service sectors  
“Peak seasons loan” and SME (others)

The bank is also financing under refinancing scheme of Bangladesh Bank, namely, ADB, JAICA, WE fund

During 2013, Trust Bank’s strategy was to focus on marketing the products to Cluster wise financing under the agreement with SME Foundation through branches network and outsourcing agent on area/ group approach to manufacturers, service, Agri and renewable energy sector to meet the requirement of business plan, growth and profitability and ultimately for the expansion of SME portfolio. Banks exposure is thus well diversified to different sectors viz. power loom, Handloom, light engineering, handicrafts, Nakshi kantha, garments accessories, Bio-gas, Bio-fertilizer, Irrigation by Bio gas , Fisheries, Poultry and other agri-business and the portfolio stands at TK. 53700.00 million resulting growth of 20% against the previous year. Disbursement for the year was TK.4469.00 million against the target of TK.3000.00 million under SME business. 4 – Cow model integrated farm model under Trust – Shufola covered 1502 farm families for Bio-gas plant. A number of 355 Women entrepreneurs have been financed whose outstanding stands at TK. 97.00 million.

This extension of SME financing has increasingly created the employment opportunity directly or indirectly throughout the country and expanding small enterprises and help minimizing the financial risk.

## **2 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF FINANCIAL**

### **2.1 Basis of preparation of the financial statements**

These consolidated financial statements have been prepared under the historical cost convention on a going concern basis in accordance with International Accounting Standards and International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Bangladesh, The Companies Act, 1994, The Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange's listing regulations and other laws and rules applicable in Bangladesh and in the format prescribed by Bangladesh Bank vide BRPD circular # 14 dated 25 June 2003 in accordance with the "First Schedule" (Sec-38) of the Bank Companies Act, 1991.

A separate set of records for consolidating the statements of affairs and income & expenditure statements of the branches are maintained at Head Office of the Bank in Dhaka based on which these financial statements have been prepared.

### **2.2 Basis of Consolidation**

The consolidated financial statements include the financial statements of Trust Bank Limited and its subsidiary Trust Bank Investment Limited made up to the end of the financial year. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard 27: *Consolidated and Separate Financial Statements*.

### **2.3 Subsidiary**

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary companies are consolidated using the purchase method of accounting.

### **2.4 Use of estimates and judgments**

The preparation of consolidated financial statements of the Bank 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 recognised in the period in which the estimate is revised and in any future periods affected.

### **2.5 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entities.



## **2.6 Transactions eliminated on consolidation**

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from transactions between Group are also eliminated on consolidation.

## **2.7 Foreign currencies**

Transactions in foreign currencies are translated into reporting currency at the rates of exchange prevailing on the date of such transactions and resulting gains or losses are credited or charged to profit & loss account as per BAS-21 "The Effects of Changes in Foreign Exchange Rates".

The assets and liabilities of foreign operations are translated to Bangladeshi Taka at exchange rates prevailing at the balance sheet date. The income and expenses of foreign operations are translated at average rate of exchange for the year.

## **2.8 Reporting Period**

These financial statements of the Bank and its subsidiaries cover First quarter from 1 January to 30 June 2014.

## **2.9 Statements of Cash Flows**

Statements of Cash flow has been prepared in accordance with Bangladesh Accounting Standard (BAS) 7 "Statement of Cash Flows" and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

## **2.10 Statements 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 Bangladesh Accounting Standard (BAS) 1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

## **2.11 Statement of liquidity**

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

## **2.12 Taxation**

The expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity.

### **2.12.1 Current Tax**

In compliance with BAS-12 "Income Taxes", provision for current income tax has been made @ 42.50% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the N.B.R.

### **2.12.2 Deferred taxation**

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognised in the profit and loss account as per BAS-12 "Income Taxes".

### **2.13 Provision and accrued expenses**

In compliance with BAS-37, provisions and accrued expenses are recognised 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.

**2.14 Provision for off-balance sheet exposures**

In compliance with Bangladesh Bank guidelines, off-balance sheet items have been disclosed under contingent liabilities. As per BRPD Circular no.10, dated 18 September 2007, the bank is required to maintain provision @ 1% against off-balance sheet exposures

**2.15 Provision for nostro accounts**

The Bank does not required to maintain provision for nostro accounts for the year 2012 in accordance with the guideline of Foreign Exchange Policy Department of Bangladesh Bank, FEPP Circular no. FEPPD (FEMO) / 01/2005-677 dated 13 September 2005.

**2.16 Assets and basis of their valuation**

**2.16.1 Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

**2.16.2 Loans and advances / Investments**

Effort for sustainable credit operation was constantly streamed throughout the Quarter ended 30 June 2014 to gaze better and beautiful Bangladesh with our little and limited span. This dream has led us forward through rocky road to reach the goal. But, in this journey, no compliance and risk management was spared to have good asset & retain healthy credit. So, conquering the wave of unrest situation and creating prudent path through sluggishness in the financial sector of the country, TBL with its team has been able to reach new height of credit rise in all inclusive manner. We have proved ourselves one of the leading banks in stand beside the entrepreneur with financial solution according to need. In return, TBL has succeeded to achieve significant credit growth of 45% touching to BDT79,279.278 million from the point of BDT54,616.060 million of 2012. In this flight, we have been new partner in progress through finance in Rice Bran Oil, Green Building, and Hospitality Service etc.

**2.16.3 Provision for loans And advances**

When a bank sanctions and disburses a loan, it anticipates that the loan will be repaid in due time but practically it does not happen. As such, all loans and advances are classified according to their condition. The objective of the system of the classification and provisioning is to strengthen the credit discipline and to improve the recovery position of loans and advances by the banks.line with the instructions contained in

The procedure of classification and provisioning for all types of bank loans & advances will be governed by the guidelines of BRPD circular on this aspect issued by Bangladesh Bank from time to time. It is now governed by Bangladesh Bank's BRPD's Circular # 14, dated September 23, 2012, BRPD Circular #19 dated 27.12.2012 and BRPD Circular #05 dated 29.05.2013.

TBL as its culture has maintained adequate provision as BDT 1,869.210 million in 2013 against required amount of BDT 1849.915 million for Loans and Advances. On the other hand, provision against off-balance sheet exposure for 2013 stands at BDT316.748 million. The provision amount for both aspects has rise from 2012 due to the bright growth of credit as well as foreign trade activities.

<b>General provision on</b>	<b>Provision Rate</b>
a. Consumer Financing (House Financing)	2%
b. Consumer Financing (Loans to Professional)	2%
c. Consumer Financing ( Other than a & b)	5%
d. Small and Medium Enterprise Financing (SMEF)	0.25%
e. Short Term Agriculture & Micro Credit	5%
f. Loans to BHs/ MBs/ Sds against Shares etc	2%
g. All other Credit	1%
h. Special Mention Account	0.25% to 5%

**Specific provision on**

a. Substandard Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
b. Doubtful Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
c. Bad/Loss Loans and Advances	100%

**2.16.4 Provision for off balance sheet exposures**

General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No. 8 and 10 dated August 07, 2007 and September 18, 2007 respectively issued by Bangladesh Bank.

**2.17 Investments**

Investments have been initially recognised at cost, including acquisition charges associated with the investment. Premiums have been amortised and discount accredited, using the effective or historical yield method. Government treasury Bills and Bonds (categorized as HFT or/and HTM) are accounted for as per Bangladesh Bank DOS circular letter no.05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009.

The valuation methods of investment used are:

**2.17.1 Held to maturity**

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity. The securities in HTM are to be held up till maturity. These securities in HTM must be amortized at the end of the year before maturity and the increase/decrease is to be accounted in the 'statement of changes in equity' (as Revaluation Reserve-HTM). According to Bangladesh Bank DOS Circular Letter No. 24 dated December 27, 2011 a bank can only hold securities of maximum 85% of the total SLR requirement (usually kept as approved government securities) as HTM category. These investment securities can be transferred to and/or re-categorized as HFT any time after getting approval from the Board of Directors of the Bank

**2.17.2 Held for trading**

Investments classified in this category are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week and any change in the fair value is recognized in the statement of capital (as Revaluation Reserve-HFT) for the period before next appreciation. According to Bangladesh Bank DOS Circular Letter No. 05 dated May 26, 2008, no dividend will be allowed to pay to its shareholders on the amount of increase and/or decrease in income generated out of revaluation of securities held for trading

Value of investments has been enumerated as follows :

Investment Class	Initial recognition	Subsequent Measurement	Recording of changes
Treasury Bill/Bond(HFT)	At Present Value	Market Value	Loss to Profit & Loss Account, gain to revaluation reserve
Treasury Bill/Bond(HTM)	At Present Value	Amortized Value	Increase in value to equity and decrease in value to Profit & Loss Account
Debenture	At cost	None	None
Prize bond	At cost	None	None
Shares	At cost	Cost	Any loss, charged in Profit & Loss, Unrealized gain, not recorded in accounts.

**2.18 Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation as per BAS-16 " Property, Plant and Equipment".

Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets

other than motor vehicles and office equipment, which are depreciated on straight-line method and no depreciation on land is charged.

Category of fixed assets	Rate
Land	Nil
Building	5% p.a.
Furniture & Fixtures	10% p.a.
Office Equipment	20% p.a.
Motor Vehicles	20% p.a.
Office Decoration	12% p.a.

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their acquisition and in case of sale upto the date of sale.

Repairs and maintenance costs of fixed assets are charged to profit & loss account, when incurred.

#### **2.18.1 Intangible assets**

Intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with BAS 38: "Intangible Assets".

Subsequent expenditure on intangible asset is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

The software used by TBL represents the value of computer application software licensed for the use of the bank. Software is carried at cost less accumulated amortisation and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customising the software for its intended use. Software is amortised using the straight line method over the estimated useful life of 5 (five) years commencing from the month at which the application software is made available for use.

#### **2.18.2 Non-Banking Assets**

As on balance sheet date TBL has not arisen any Non-Banking Assets failure from borrower to repay the loan/Investments.

#### **2.18.3 Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Advance tax paid and provision for tax of the bank is presented on net basis as a liability item if the liability is higher than asset and as an asset item if the asset is higher than liability.

### **2.19 Liabilities and Provisions**

#### **2.19.1 Retirement benefits to the employees**

##### **i) Provident fund**

Provident fund benefits are given to the confirmed staffs of the Bank in accordance with the locally registered Provident Fund Rules. The Commissioner of Income Tax, Taxes Zone - 6, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of sub-section 1 of section 2 read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984 w.e.f. 27 February 2003. The Fund is operated by a Board of Trustees consisting seven members from the employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount. Interest earned from the investments is credited to the members' account on yearly basis.

**ii) Gratuity fund**

The Bank has started making provision for liabilities of its employees' gratuity as per gratuity scheme of the Bank from the year 2004. Subsequently National Board of Revenue has approved the fund as recognized within the meaning of sections 2 and 3 read with the provision of part - C of the First Schedule of Income Tax Ordinance 1984 w.e.f. 20 November 2006. The Bank contributes to the Fund as per Gratuity Fund Rules as well as Service Rule of the bank.

**iii) Super annuation fund**

The Bank has also introduced a "Superannuation Fund" instead of group life insurance policy for the employees. Those employees, who will be able to fulfill the specific criteria mentioned in the policy of the fund, will be entitled to get the benefit of "Superannuation Fund". National Board of Revenue has approved the fund as recognized within the meaning of section 3 read with the provision of part - A of the First Schedule of Income Tax Ordinance 1984 w.e.f. 22 December 2004. The Bank pays Tk. 1,600,000 annually as bank's contribution to the Fund.

**2.19.2 Minority interest in subsidiaries**

Minority interest in business is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the minority interest in the subsidiary company is always less than 50% of outstanding shares, else the corporation would cease to be a subsidiary of the parent. Minority interest belongs to other investors and is reported on the consolidated balance sheet of the owning company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

**2.20 Revenue recognition**

**i) Interest income/Profit on TIB Investment**

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense in a memorandum account. Interest on classified advances is accounted for on a cash receipt basis.

**ii) Investment income/TIB Investment Income**

Income on investments is recognized on accrual basis except from Government Securities which are recognized on the basis of BRPD Circular 15 Dated 31 October 2005 issued by Bangladesh Bank.

**iii) Fees and commission income**

Fees and commission income arises on services provided by the Bank are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

**iv) Dividend income**

Dividend income from investments is recognised at the time when it is declared, ascertained and right to receive the payment is established.

**v) Interest paid on borrowings and deposits**

Interest paid on borrowings and deposits are calculated on 360 days in a year and recognised on accrual basis

**vi) Management and other expenses**

Expenses incurred by the Bank are recognised on actual and accrual basis. recognized on accrual basis.

## **2.21 Reconciliation of inter-bank and inter-branch account**

Accounts with regard to inter-bank (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 case of inter-branch transactions as on the reporting date are not material.

## **2.22 Risk Management**

Risk management policy or process of Trust Bank encompasses risk appreciation basing on the risk appetite for the particular sector/segment of the customers and subsequent risk identification, measurement and controlling of risk components to safeguard the interest of the bank and to keep the business portfolio performing to the maximum extent.

We always prioritize to ensure risk–return tradeoff on all business transactions. The focus group as constituted by Bangladesh Bank has selected 06 core risks namely (a) Credit Risk (b) Asset liability/Balance sheet Risk (c) Foreign Exchange Risk (d) Internal control and compliance Risk (e) Money laundering Risk and (f) IT risk management in order to impart internationally accepted best practices in the Banking and Financial system. Banks as a financial intermediary (ies) are exposed to multidimensional risks but those risks are to be examined and quantified for acceptance in line with the risk appetite and credit policy of our bank.

### **2.22.1 Credit risk management**

The bank believes that risk management is the core function that makes its business sustainable. Ability to generate profit consistently and sustainably is a function of risk management and the bank is breaklessly pursuing continuous improvement in this area. One of the prime risks the bank is exposed arises from credit facility to extended customers through lending operations. In this regard, objective of risk management is to maximize risk-adjusted returns lasting within own risk appetite. TBL Risk management strategy is based on a clear understanding of various risk, disciplined assessment, measurement and continuous monitoring of such risks. The policies and procedures established for the purpose are constantly reviewed to adopt regulatory changes and improvements. Bank's Board of Directors is first and foremost responsible for establishing risk appetites, approving related strategies and policies and overseeing policy compliance and the effectiveness of the risk management framework through reports from Internal Control and Compliance Department.

Credit risk policy covers corporate, retail, small and medium enterprise exposure. Policies and procedures together have structured and standardized credit risk management process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure in the bank that covers Industry/ Business risk, management risk, infra-structure & technical risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk. To ascertain better internal control and check, and to reduce conflict of interest, Credit risk management function is self-regulating of business originating functions. The Head of Credit Risk Management (HoCRM) has clear responsibility for management of credit risk.

### **2.22.2 Asset liability risk management**

Asset Liability Management (ALM) especially focuses on "Risk Management". It covers the widest range of the banking activities in day-to-day operation. Introduction of ALM in a bank simply ensures the existence of healthy and prudent asset liability management system in the institute. In the complex banking era, there are so many risk factors any one which is good enough to a negative growth. Therefore, identification of factors and effective control over them are important and essential. Under the ALM system, it is ensured

that then senior management would be attentive to balance sheet items for the great interest of the bank. As per Bangladesh Bank guideline, TBL (Trust Bank Limited) has formed a committee of Assets and Liability Management called ALCO (Assets Liability Management Committee).

ALM has been designed under main 4 (four) broader heads including (i) Understanding of Asset Liability Management (ALM), (ii) Strategic for ALM, (iii) Operational policy of ALM and (iv) Review, Monitoring &

Understanding part has described the ALM from different angle along with the major risk forces prevailing in the financial market. Strategic policy guideline that the TBL has set on some particular issues such as LD Ratio (Loan Deposit ratio), MCO (Maximum Cumulative Outflow), determination of interest rate on deposits, determination of Interest rate on Inter Bank General Account (TBL Gen A/C), Wholesale Deposit Guideline (WDG), Commitments, Placement Limit with other Banks, Liquidity Contingency Plan, Regulatory Compliance etc. Moreover a good number of specific reporting formats have been embodied covering almost every corner of information sector that will help the management to take their decision. Operational part explains the structure of ALCO along with meeting, Agendas, ALCO papers etc. need to be followed on regular basis by the Bank. Finally, last part includes overall monitoring and control measure purview of the stated policy guidelines of the Asset Liability Management of the Trust Bank Ltd.

### **2.22.3 Foreign exchange risk management**

Foreign Exchange Risk represents the fluctuation in exchange rate movements which may affect the bank's open position on some currency. Foreign exchange risk arises when the Bank deals in foreign currency transactions which lead to overbought or oversold foreign exchange position such as foreign exchange transaction, investments, loans, borrowings, contractual commitments, and the use of foreign exchange related derivatives. The Bank may incur gains or losses as a result of changes in foreign exchange rates.

Foreign exchange rate risk factors relate to the increasing volatility of foreign exchange rates for various reasons, such as global trade imbalance, the pace and size of international capital movements, fragile global economic recovery and foreign money market stress as well as the economic and political situation in Bangladesh. International Division independently conducts the transactions relating to Foreign Exchange and is responsible for verification of deals and passing of their entries in the books of account. Foreign exchange risk are measured and monitored by treasury division of our Bank. To address the issue, all foreign exchange activities have been segregated between front office, mid office, and back office which are responsible for currency transactions, deal verification, limit monitoring and settlement of transactions separately. Mid office acts to bridge between the front office and back office in terms of providing MIS, analytical observation/recommendation, projection of market trends, budget planning, contingency planning of both local and foreign currency. All foreign exchange transactions should be revalued at Market rate as determined by Bangladesh Bank in the daily basis. All nostro accounts are reconciled on monthly basis and outstanding entry is reviewed by the management for its settlement. The F.Ex position maintained by the bank at the end of the day has to be within the limit prescribed by the Bangladesh Bank.

### **2.22.4 Internal control and compliance risk management**

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the internal control processes are in place through establishment of Audit Committee as per the instructions of Bangladesh Bank, which reviews the internal and external audit reports and ensures that the management takes effective measures in case any deficiency/ lapse is found in the internal control system. The bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches, and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory, and which may pose a potential threat for the bank. In addition, the bank has also introduced 'Spot Inspection' in the branches in order to help avoiding any fraudulent activities. In setting out a strong internal control framework within the organization the bank has already brought out its Internal Control Manual, which focuses on monitoring the functions of various departments/divisions of Head Office

and branches of the bank periodically on regular basis. IC&C Division of the bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

In 2012 IC&C Division conducted comprehensive audit in 69 branches and 10 divisions /departments at Head Office of the bank. In the same year the internal audit team of IC&C division carried out 25 spot inspections in different branches. Also 20 special audits on different issues were conducted in the year 2012. In addition, audit was also conducted in 06 TBIL branches & Trust Bank Investment Ltd, Head Office in 2012

Each year the IC&C Division sets out an audit plan (internal) for the year which is approved by the Managing Director. At the end of the year a summary report on audit findings and corrective action taken, is placed in a meeting of the Audit Committee of the Board for information and necessary advice/suggestions. To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on September 17, 2012 to review the compliance/ implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

#### **2.22.5 Money laundering risk management**

Money Laundering is no more a local or regional issue that cannot be ignored – with the globalization of economy, we are living in a global village and are not immune to others problem. Money laundering & CFT is an issue that affects our nation, business, society and ultimately even the livelihood of individuals. As a member country of Asia Pacific & Egmont Group Bangladesh is committed to comply with the recommendations of Financial Action Task Force (FATF).

Bangladesh has enacted the Money Laundering Prevention Act, 2012 & Anti-Terrorism Act, 2012 which covers all the international standards and requirements and assigned BFIU of BB to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country safe & compliance. Trust Bank Limited (TBL) is as a compliant & responsible institution committed to the highest standards of Anti-Money Laundering (AML) compliance and adhere to the set rules & declared standards to prevent use of our products and services for money laundering purposes. In addition to the legal compliance, Trust Bank Limited considers AML & CFT compliance as part of its social responsibility & commitment

Like other banks and FSI (Financial Services Industry) across the globe TBL reckons that prevention of Money Laundering & Combating Terrorist Financing is the two challenges that confront the financial sector today.

The TBL Anti Money Laundering Policy Guidelines which is drafted in line the Bangladesh Bank Guidance notes on Prevention of Money Laundering and Terrorist Financing encompasses the following major issues as part of its AML measures;

1. Mandatory maintenance of KYC (Know Your Customer) Forms for all types of accounts
2. Maintenance & monitoring the TP (Transaction Profile) of the accounts/client. Monitoring of unusual/suspicious transaction and report to Bangladesh Bank if required
3. Submission of Cash Transaction Report (CTR) to Bangladesh Bank as per regulatory requirement
4. Keeping of records for 05 (five) years from the date of closing of any type of account
5. Appointment of Compliance Officer in every branch and Chief Compliance Officer at Head Office
6. Adequately train officials on Anti-Money Laundering and Combating Financing of Terrorism
7. Classification of customers on the basis of risk
8. Declared Customer Acceptance Policy.
9. Reporting of STR/SAR to Bangladesh Bank as and when detected.
10. Prohibition of opening of any anonymous or fictitious account
11. Prohibition of any numbered account.
12. Prohibition of establishing banking relationship with any shell company
13. Compliance of UN sanction list

For mitigating the risks the bank has a designated Chief Anti-Money Laundering Compliance Officer



(CAMLCO) & Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) at Head Office and Branch Anti Money laundering Compliance Officers (BAMLCO) at branches, who independently review the transactions on the accounts to verify suspicious transactions and other AML measures

#### **2.22.6 IT risk management**

Information Technology (IT) Risk is a growing component of total Operational Risk. As business increasingly depend on IT to automate processes and store information, IT Risk Management is emerging as a separate practice. Organizations across sectors and industries have begun to consolidate functions to develop a more comprehensive, focused approach to IT Risk. IT Risk includes security, availability, performance and compliance elements.

As IT has become widely and deeply interconnected with business operations, IT Risk has grown to prominence as a component of total operational risk. More than just specialty area of Operational Risk Management, IT Risk Management is emerging separate practice because of the unique role IT plays in today's organizations. Considering the circumstances the major factor of IT Risk Management includes Management of IT assets and configuration and change processes as particular problem areas Best-in-class. IT Risk management requires a disciplined approach that includes IT Risk awareness, quantification of business impacts, solution design and implementation across people, process, and technology, and creation of a sustained IT Risk Management program complete with performance measurement and a model for continuous improvement.

Compliance definitions

- a) Data Protection - securing confidentiality of private and personal information, for example against identity theft.
- b) Data Retention - ensuring that enterprise data is stored securely and retained for access by legitimate users.
- c) Corporate Governance - assuring that public disclosures accurately reflect corporate performance.
- d) National Security - protecting citizens and national infrastructure from terrorism, war, or national disaster.
- e) Civil & Criminal legal Framework - assuring that IT systems and network systems support legal infrastructure through electronic signatures, data movement and use of IT resources.
- f) Intellectual Property Protection - protecting individual and corporate intellectual property

#### **IT Risk profile of the department**

Trust Bank Limited follows a robust, effective and efficient Information Technology with its Centralized Core Banking System. Trust Bank's IT has been designed to achieve the following goals:

- Enhance communication among employees.
- Deliver complex material throughout the institution.
- Provide an objective system for recording and aggregating information.
- Reduce expenses related to labor-intensive manual activities.
- Support the organization's strategic goals and direction.

Since the automation of the Bank and centralization of information system, all the branches of the bank are connected to the head office IT department through a dedicated link. The infrastructure design is up to standard and completely secure. Trust Bank uses Active Directory Service to control the user access into the workstation throughout the organization. The Active Directory Configuration Structure is good and efficient and provides optimum security.

#### **2.22.7 Liquidity risk management**

The risk that bank or business will be unable to meet its commitment as they fall due leading to bankruptcy or rise in funding cost. It is the solvency of business and which has special reference to the degree of readiness in which assets can be converted into cash without loss. Banks traditionally use the statutory liquidity reserve and their borrowing capacity in the volatile interbank money market as the source of liquidity. But a conscious approach to measure and monitor the liquidity is somewhat lacking in our market. We can learn and draw immense benefit by sharing the best practices, tools and techniques of liquidity management. Liquidity Risk arises from funding of long term assets by short term liabilities, thereby making the liabilities subject to rollover or refinancing Risk.

### **2.23 Interest rate risk management**

Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Accepting this risk is a normal part of banking and can be an important source of profitability and shareholder value. However, excessive interest rate risk can pose a significant threat to a bank's earnings and capital base. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. Changes in interest rates also affect the underlying value of the bank's assets, liabilities and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. Accordingly, an effective risk management process that maintains interest rate risk within prudent levels is essential to the safety and soundness of banks.

### **2.24 Operation risk management**

Operational risk is defined as the risk of loss resulting from inadequate or failed internal process, people and system or from external event. It is relatively difficult to identify or assess level of operational risk and its many sources. Trust Bank has established an effective operational risk management framework to mitigate the risk through strengthening the internal control (process and system), setting rules and procedures with the changed scenario, maintaining adequate clarification & documentation and establishing anti-fraud mechanism. Continuous actions are also being taken against damage of physical assets and avoid business disruption and system failure

### **2.25 Preparation of Basel II Accord**

#### **2.25.1 Basel II:**

Basel II is a new set of international standards & best practices that define the minimum Capital requirement (MCR) of a Bank. This framework has been developed by the Basel Committee on Banking Supervision (BCBS), which is a committee in the Bank for International Settlements (BIS), the world's oldest International Financial organization. BCBS was established in 1974.

Capital adequacy, the regulatory capital prescribes how much capital a bank must have in relation to the size of its risk taking, expressed in the form of risk weighted assets. The Bank's high level of capital adequacy ratio provides its stakeholders, reassurance against unexpected losses. The Basel II principle stands on the following three pillars

#### **Pillar-I: Minimum Capital Requirement**

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. TBL has adopted the following measurement approaches for computing its Capital Adequacy Ratio

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

#### **Pillar-II: Supervisory Review Process (SRP)**

SRP basically deals with other risks faced by a bank but not covered in pillar-1. The key principle of SRP is that banks have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The assessment of adequate capital would be the outcome of the dialogue to be held between the bank's SRP and Bangladesh Bank's SREP team.

Following Risk has to be assessed for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline

Residual Risk  
Concentration Risk  
Liquidity Risk  
Reputation Risk  
Strategic Risk  
Settlement Risk  
Evaluation of Core Risk Management  
Environmental & Climate Change Risk  
Other material risks

#### **Pillar-III: Market Discipline**

The objective of Market Discipline in (Basel-II) is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to

identify the risks relating to the assets and capital adequacy to meet probable loss of assets. For the said purpose, this "Disclosures on Risk Based Capital (Basel II)" is made as per Bangladesh Bank's Guideline

### Basel III

"Basel III", developed by the Basel Committee on Banking Supervision and published in December 2010, is a comprehensive set of reform measures including that of Basel II, to strengthen the regulation, supervision and risk management of the banking sector. These measures aim to

- a) Improve the banking sector's ability to absorb shocks arising from financial and economic stress
- b) improve risk management and governance
- c) strengthen banks' transparency and disclosures.

TBL has already submitted the Quantitative Impact Survey (QIS) of Bangladesh Bank towards formulation of their roadmap for implementation of the Basel III framework in the Banking sector of Bangladesh

### Trust Bank initiatives to ensure adequate capital include the following

Issuance of subordinated debt to raise Tier-2 capital.

Consistently encouraging corporate clients to complete external credit rating to assess counterparty Credit Risk status, and to reduce capital requirements

Improving and enhancing eligible collateral, by way of collateral optimization

Assessment of risk profile and credit rating of new clients

CAR is periodically reviewed and assessed in Trust Bank Limited by the Risk Management Unit (RMU), and reported to senior management

### 2.26 Earning per share (EPS)

The Company Calculates Earning per Share (EPS) in accordance with BAS-33: Earning per Share, which has been shown on the face of Profit & loss Account and the computation of EPS is stated in Note 33.

### 2.27 Non controlling interest

Non controlling interest is that portion of the profit or loss and net assets of the subsidiary (TBL Investments Limited) attributable to equity interests that are not owned, directly or indirectly through subsidiary, by the Parent (Trust Bank Limited).

### 2.28 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Limited applied most of the BAS and BFRS, details of which are given below:

Name of BAS	BAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Date	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Segment Reporting	14	Applied
Property, Plant and Equipment	16	Applied
Lease	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The effects of Changes in Foreign Exchange Rate	21	Applied
Borrowing Cost	23	Applied
Related Party Disclosures	24	Applied
Accounting for Investments	25	Applied

Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Disclosures in the Financial Statements of Banks and similar Financial Institutions	30	Applied
Interest in Joint Ventures	31	N/A
Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied
Investment Property	40	Applied
Agriculture	41	N/A

<b>Name of BFRS</b>	<b>BFRS No.</b>	<b>Status</b>
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	Applied
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Applied

## 2.29 General

- i) Figures have been rounded off to the nearest taka;
- ii) Prior year's figures shown for comparison purpose, have been rearranged, whenever necessary, to confirm to current year's presentation.

		30.06.2014 Taka	31.12.2013 Taka
<b>3</b>	<b>CASH</b>		
<b>3.1</b>	<b>Cash in hand</b>		
	In local currency	2,287,690,661	2,332,850,696
	In foreign currencies	57,871,464	105,096,995
		<b>2,345,562,125</b>	<b>2,437,947,691</b>
<b>3.2</b>	<b>Balance with Bangladesh Bank and its agent bank(s)</b>		
	<b>Balance with Bangladesh Bank</b>		
	In local currency	7,542,400,429	5,492,166,401
	In foreign currencies	289,789,513	1,374,581,048
		7,832,189,942	6,866,747,449
	<b>Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)</b>	306,488,961	248,134,570
		<b>8,138,678,903</b>	<b>7,114,882,019</b>
<b>3.3</b>	<b>Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)</b>		
	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act 1991 and MPD circular nos.05, dated December 01, 2010 issued by Bangladesh Bank.		
	The Cash Reserve Requirement (CRR) has been calculated @ 5.5% on the Bank's time & demand liabilities of the month earlier of the previous month and maintained with Bangladesh Bank in current account and 19% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury Bills, Bonds and Debentures including FC balance with Bangladesh Bank and the components of CRR. Both reserves have been maintained during the year by the Bank are in excess of the statutory requirements. The position of CRR and SLR as on 30 June 2014 is shown below:		
<b>3.3.1</b>	<b>Cash Reserve Requirement (CRR) for Conventional Banking</b>		
	<b>Average Demand and Time Liabilities of the month earlier of the previous month</b>	<b>100,763,400,000</b>	<b>90,762,000,000</b>
<b>3.3.1.1</b>	Average Required Reserve (6% of Average Demand and Time Liabilities)	6,045,804,000	5,445,720,000
	Average Reserve held (6.52% of Average Demand and Time Liabilities)	6,573,607,862	5,555,743,572
	<b>Surplus</b>	<b>527,803,862</b>	<b>110,023,572</b>
<b>3.3.1.2</b>	Minimum Required Reserve (6.5% of Average Demand and Time Liabilities)	6,549,621,000	4,991,910,000
	Actual Reserve held with B. Bank (6.52% of Average Demand and Time Liabilities)	6,573,607,862	5,108,676,055
	<b>Surplus</b>	<b>23,986,862</b>	<b>116,766,055</b>
<b>3.3.2</b>	<b>Statutory Liquidity Ratio for Conventional Banking (SLR)</b>		
	Required Reserve (13% of Average Demand and Time Liabilities)	13,099,242,000	17,244,780,000
	Actual Reserve held with B. Bank (19.7% of Average Demand and Time Liabilities)	19,848,233,739	24,734,254,075
	<b>Surplus</b>	<b>6,748,991,739</b>	<b>7,489,474,075</b>
<b>3.3.3</b>	<b>Components of Statutory Liquidity Requirement (SLR)</b>		
	Cash in Hand	2,345,568,125	2,437,971,690
	Balance with B. Bank and its agent Bank(s)	306,488,961	5,356,810,625
	Excess Reserve	23,989,130	-
	Government Bills	5,536,320,980	5,739,683,009
	Government Bonds	11,032,081,543	10,546,956,051
	Reverse Repo	600,000,000	650,000,000
	Other Approved Securities (Prize Bond)	3,785,000	2,832,700
	TT in Transit	-	-
		<b>19,848,233,739</b>	<b>24,734,254,075</b>

	30.06.2014 Taka	31.12.2013 Taka
<b>3.3.4 Cash Reserve Ratio (CRR) for Islamic Banking</b>		
<b>Average Demand and Time Liabilities of the month earlier of the previous month</b>	<b>6,090,984,000</b>	<b>4,741,485,000</b>
<b>3.3.4.(a) Average Required Reserve (6% of Average Demand and Time Liabilities)</b>	365,459,040	284,489,100
Average Reserve held (7.05% of Average Demand and Time Liabilities)	429,433,364	792,795,220
<b>Surplus</b>	<b>63,974,324</b>	<b>508,306,120</b>
<b>3.3.4.(b) Minimum Required Reserve (6.5% of Average Demand and Time Liabilities)</b>	395,913,960	260,781,675
Actual Reserve held with B. Bank (7.05% of Average Demand and Time Liabilities)	429,433,364	451,920,000
<b>Surplus</b>	<b>33,519,404</b>	<b>191,138,325</b>
<b>3.3.2.(a) Statutory Liquidity Requirement for Islamic Banking (SLR)</b>		
Required Reserve (5.5% of Average Demand and Time Liabilities)	335,004,120	545,270,775
Actual Reserve held with B. Bank (6.46% of Average Demand and Time Liabilities)	393,519,416	691,920,000
<b>Surplus</b>	<b>58,515,296</b>	<b>146,649,225</b>
<b>3.3.5 Held for Statutory Liquidity Requirement</b>		
Cash in Hand	-	-
Excess Reserve	-	-
Balance with B. Bank and its agent Bank(s)	33,519,416	451,920,000
Government Bills	-	-
Government Islamic Investment Bonds	360,000,000	240,000,000
	<b>393,519,416</b>	<b>691,920,000</b>
<b>4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS</b>		
<b>4.1 In Bangladesh</b>		
<b>Current Deposits</b>		
Sonali Bank Ltd.	34,387,982	45,160,381
Rupali Bank Ltd.	85,950	86,525
The City Bank Ltd.	38,961	40,306
Janata Bank Ltd.	55,903	56,598
Agrani Bank Ltd. Ltd.	156,655	56,646
Brac Bank Ltd. Ltd.	43,292,437	85,989,433
Sonali Bank Ltd. (TAX Settlement A/C)	581,137	584,558
	<b>78,599,025</b>	<b>131,974,447</b>
<b>Short Term Deposits</b>		
Sonali Bank Ltd.	75,890,563	13,757,256
AB Bank Ltd.	3,737,182	3,672,649
CITI Bank NA	-	-
Rupali Bank Ltd.	5,534,639	8,705,822
Janata Bank Ltd.	3,035,505	22,015,822
Prime Bank Ltd.	1,007,011	42,231
Standard Chartered Bank	20,919,769	21,731,520
Dutch Bangla Bank Ltd.	7,685,029	25,759,452
Bank Asia Limited	247,921,874	194,662,809
Standard Bank Limited	2,633,474	2,588,202
Al Arafah Islami Bank Limited	11,624,936	3,107,811
NCC Bank Limited	50,719	49,422
Southeast Bank Limited	7,365	48,728
	<b>380,048,066</b>	<b>296,141,724</b>

	<b>30.06.2014</b>	<b>31.12.2013</b>
	<b>Taka</b>	<b>Taka</b>
<b>Mudaraba Short Term Deposit</b>		
AB Bank Ltd.	205,611,397	162,689,909
The City Bank Limited	1,039,576	1,024,589
EXIM Bank Ltd	5,294,591	3,702,809
Bank Asia Ltd.	518,423	511,427
Union Bank Ltd.	24,554,954	-
	<b>237,018,941</b>	<b>167,928,734</b>
<b>Fixed Deposits in local Currency</b>		
<b>Fixed With Bank</b>		
Southeast Bank Limited	-	100,000,000
Jamuna Bank Ltd.	500,000,000	-
Standard Bank Ltd.	-	500,000,000
	<b>500,000,000</b>	<b>600,000,000</b>
<b>Fixed With NBF</b>		
Prime Finance Ltd.	100,000,000	100,000,000
Uttara Finance Ltd.	100,000,000	-
GSP Finance Ltd.	50,000,000	100,000,000
Bay Leasing	50,000,000	-
Union Capital Ltd.	150,000,000	150,000,000
Fareast Finance Ltd.	100,000,000	100,000,000
	<b>550,000,000</b>	<b>450,000,000</b>
<b>Mudaraba Term Deposits</b>		
Union Bank Ltd.	250,000,000	500,000,000
Islami Finance & Investment Ltd	-	20,000,000
Hajj Finance Company Ltd.	130,000,000	130,000,000
	<b>380,000,000</b>	<b>650,000,000</b>
	<b>2,125,666,032</b>	<b>2,296,044,905</b>
<b>4.2</b>		
<b>Outside Bangladesh</b>		
<u>Current Account</u>		
<u>Dollar Account</u>		
Citibank N.A., USA	-	-
Union De Banques, HKG	-	-
Mashreqbank psc, USA	102,715,976	95,854,134
Standard Chartered Bank, USA	54,758,252	246,842,291
HSBC Bank, USA	27,641,710	403,094,386
ICICI Bank Ltd., Hongkong	23,907,679	70,731,996
Conimez Bank, AG Germany	20,455,447	113,887,000
Habib Bank Limited	8,300,551	25,885,076
United Bank Of India	32,882,200	12,619,436
Sonali Bank Ltd. UK	41,301,955	61,073,038
<u>GBP Account</u>		
Standard Chartered Bank, UK	2,134,114	7,887,975
Citibank N.A., UK	-	-
Sonali Bank Ltd. UK	3,763,795	1,294,521
HSBC, PLC, UK	13,537,384	8,720,864
<u>Japanese Yen Account</u>		
Standard Chartered Bank, Japan	899,664	3,468,505
<u>EURO Account</u>		
HSBC, PLC, UK	18,245,542	13,635,610
Standard Chartered Bank, UK	24,129,754	2,711,172
ICICI Bank Ltd., Mumbai, India	1,027,718	557,159
Citibank N.A., UK	-	-
Sonali Bank Ltd. UK	9,745,090	6,523,207
Commerzbank AG, Germany	6,441,891	60,058,031
<u>ACUD Account</u>		
Citibank N.A., Mumbai, India	-	-
ICICI Bank Ltd., Mumbai, India	19,683,443	41,247,300

		<b>30.06.2014</b>	<b>31.12.2013</b>
		<b>Taka</b>	<b>Taka</b>
	HSBC Bank, Pakistan	-	-
	HSBC Bank, Mumbai, India	9,042,266	18,185,680
	AB Bank, Mumbai, India	28,101,333	27,287,480
	Mashreqbank, Mumbai, India	14,070,558	21,168,733
	Standard Chartered Bank, Mumbai, India	19,903,606	26,643,338
	<u>CHF Account</u>		
	Habib Bank, Zurich	2,568,031	2,195,512
	<i>For details please refer to Annexure - A</i>	<b>485,257,959</b>	<b>1,271,572,444</b>
		<b>2,610,923,991</b>	<b>3,567,617,349</b>
<b>4.3</b>	<b>Remaining maturity grouping of balance with other banks and financial institutions</b>		
	On demand	563,856,984	1,403,546,891
	Upto 1 month	767,067,007	464,070,458
	Over 1 month but not more than 3 months	780,000,000	1,180,000,000
	Over 3 months but not more than 1 Year	500,000,000	520,000,000
	Over 1 Year but not more than 5 Years	-	-
	Over 5 Years	-	-
		<b>2,610,923,991</b>	<b>3,567,617,349</b>
<b>4 (a)</b>	<b>CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS</b>		
	<b>In Bangladesh</b>		
	Trust Bank Limited	2,125,666,032	2,296,044,905
	Trust Bank Securities Limited	175,219,259	24,809,409
	Trust Bank Investment Limited	32,626,954	11,398,671
		<b>2,333,512,245</b>	<b>2,332,252,985</b>
	Less : Inter Company Transaction	33,791,264	34,268,225
		<b>2,299,720,981</b>	<b>2,297,984,760</b>
	<b>Outside Bangladesh</b>	485,257,959	1,271,572,444
		<b>2,784,978,940</b>	<b>3,569,557,204</b>
<b>5</b>	<b>MONEY AT CALL AND SHORT NOTICE</b>		
	<b>Banking company</b>		
	One Bank Ltd.	600,000,000	-
	BRAC Bank Ltd.	-	-
	Bank Asia Ltd.	900,000,000	-
	The City Bank Ltd.	1,200,000,000	-
	Uttara Bank Ltd	-	-
	Mercantile Bank Ltd.	-	-
	Standard Bank Ltd.	-	250,000,000
	National Bank Ltd.	-	-
	BASIC Bank Ltd.	100,000,000	-
	AB Bank Ltd.	250,000,000	-
	Mutual Trust Bank Ltd.	600,000,000	-
	Southeast Bank Ltd.	-	-
		<b>3,650,000,000</b>	<b>250,000,000</b>
	<b>Non-Banking Financial Institutions</b>		
	Investment Corporation of Bangladesh	-	-
		<b>3,650,000,000</b>	<b>250,000,000</b>
<b>6</b>	<b>INVESTMENTS</b>		
	<b>Government Securities</b>		
	<b>Treasury Bills</b>		
	Treasury Bills -HTM	-	-
	Treasury Bills-HFT	5,536,320,980	5,739,683,009
		5,536,320,980	5,739,683,009



	<b>30.06.2014</b>	<b>31.12.2013</b>
	<b>Taka</b>	<b>Taka</b>
<b>Treasury Bonds</b>		
Treasury Bond - HFT	-	-
Treasury Bond - HTM	11,032,081,543	10,546,956,051
Bangladesh Govt. Islamic Investment Bond - HTM	360,000,000	240,000,000
	11,392,081,543	10,786,956,051
National Investment Bond	-	-
Reverse REPO	-	650,000,000
Bangladesh Bank Bill	-	-
Prize Bond	3,785,000	2,832,700
	<b>16,932,187,523</b>	<b>17,179,471,760</b>
<b>Other Investment</b>		
Preference Share		
20,000,000 Shares United Power Generation & Distribution Co. Ltd. @ Tk. 10 each	200,000,000	200,000,000
20,000 Shares of Khulna Power Company Ltd. @ Tk.1000 each	20,000,000	20,000,000
	220,000,000	220,000,000
Ordinary Shares		
Quoted	1,019,671,584	1,069,313,156
Unquoted	14,708,330	24,708,330
	1,034,379,914	1,094,021,486
Debentures and Bond	330,000,000	530,000,000
	<b>1,584,379,914</b>	<b>1,844,021,486</b>
	<b>18,516,567,437</b>	<b>19,023,493,246</b>

**6 (a) Consolidated Investments**

**Government Securities**

Trust Bank Limited	16,932,187,523	17,179,471,760
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	<b>16,932,187,523</b>	<b>17,179,471,760</b>

**Other Investment**

Trust Bank Limited	1,584,379,914	1,844,021,486
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	134,290,992	36,651,197
	1,718,670,906	1,880,672,683

Less : Inter Company Transaction

	-	-
	<b>18,650,858,429</b>	<b>19,060,144,443</b>

This represents investment made by the company both in listed and unlisted securities. The investment is made up as under:

Particulars	30.06.2014			31.12.2013		
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Listed Securities	19	1,019,671,584	807,797,813	19	1,069,313,156	914,194,313
Unlisted Securities :						
Bond	5	330,000,000	330,000,000	5	530,000,000	530,000,000
Ordinary Share	2	14,708,330	24,708,330	2	24,708,330	24,708,330
Preference Share	1	220,000,000	220,000,000	2	220,000,000	220,000,000
<b>Balance as on 30 June 2014</b>	<b>27</b>	<b>1,584,379,914</b>	<b>1,382,506,143</b>	<b>28</b>	<b>1,844,021,486</b>	<b>1,688,902,643</b>

**Listed Securities**

Investment has been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guideline has been made. Market value of securities has been determined on the basis of the value of securities at the last trading date of the half-year (Last trading date for the period 30 June 14).

**6.1 Sector wise investment in listed securities at cost**

Banking Companies	16,374,084	16,374,084
Manufacturing Companies and others	66,059,637	92,650,540
Power Sector	27,570,629	21,690,180
IBBL Bond	54,051,240	81,658,383
Mutual Fund	855,615,994	856,939,969
	<b>1,019,671,584</b>	<b>1,069,313,156</b>

	<b>30.06.2014</b>	<b>31.12.2013</b>
	<b>Taka</b>	<b>Taka</b>
<b>6.2 Treasury Bills-at Present Value</b>		
28 days Treasury Bills	-	-
91 days Treasury Bills	-	112,976,297
182 days Treasury Bills	1,911,378,666	289,304,137
364 days Treasury Bills	3,624,942,314	5,337,402,575
	<b>5,536,320,980</b>	<b>5,739,683,009</b>
<b>6.3 Treasury Bonds-at Present Value</b>		
01 years Islamic Investment Bond	360,000,000	240,000,000
02 years Treasury Bonds	147,422,970	147,422,970
05 years Treasury Bonds	4,720,623,670	5,135,498,178
10 years Treasury Bonds	3,976,483,803	3,976,483,803
15 years Treasury Bonds	2,056,008,045	1,156,008,045
20 years Treasury Bonds	131,543,055	131,543,055
	<b>11,392,081,543</b>	<b>10,786,956,051</b>

**Repo & Reverse Repo Transactions during the year ended on 30 June 2014**

Discloser required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding of repo and reverse repo during the year ended on 30 June 2014.

<b>6.4 Investment in Corporate Bonds</b>	<b>Rate of Interest</b>		
Prime Bank Ltd. Subordinated Bond	11.50%	130,000,000	130,000,000
Dhaka Bank Ltd. Subordinated Bond	11.65%	50,000,000	50,000,000
National Bank Ltd. Subordinated Bond	11.50%	40,000,000	40,000,000
Orascom Telecom Bd Ltd.	13.50%	-	200,000,000
MTBL Partly Convertible Subordinated Bond	11.00%	110,000,000	110,000,000
		<b>330,000,000</b>	<b>530,000,000</b>
<b>6.5 Investment in Ordinary Share - Quoted</b>			
Under Conventional Banking		907,528,716	940,438,907
Under Islamic Banking		112,142,868	128,874,249
		<b>1,019,671,584</b>	<b>1,069,313,156</b>
<b>6.6 Remaining maturity grouping of Investments</b>			
On demand		3,785,000	652,832,700
Upto 1 month		2,418,679,931	252,104,165
Over 1 month but not more than 3 months		3,630,955,405	4,519,009,230
Over 3 months but not more than 1 Year		3,727,490,397	5,616,467,477
Over 1 Year but not more than 5 Years		4,571,472,294	2,719,044,771
Over 5 Years		4,164,184,410	5,264,034,903
		<b>18,516,567,437</b>	<b>19,023,493,246</b>
<b>7 LOANS AND ADVANCES/ISLAMI BANKING INVESTMENTS</b>			
<b>Loans And Advances Under Coventional Banking</b>			
Repair & Recon. of Dwelling House (RRDH)		2,527,074,590	1,776,045,475
Consumer Durable Scheme Loans (CDS)		3,316,018	3,536,108
Marriage Loans (ML)		299,712,611	75,424,666
Car Loans (CL)		79,607,019	107,717,935
House Building Loans (HBL)		5,104,763,586	5,179,134,115
Term Loans		29,802,897,648	21,638,311,669
Other Retail Loans		1,477,554,889	1,303,890,520
Time Loan		13,943,105,986	17,225,748,873
Other Loans		4,153,465,485	3,638,058,369
Staff Loans		640,370,249	478,642,276
Loans against Credit Card		102,229,687	104,133,968
Loans against Trust Receipts (LTR)		7,709,670,950	6,461,083,893
Payment Against Documents (PAD)		1,832,492,282	694,737,920
Packing Credit (Loan agt. Packing Credit)		167,971,481	152,734,276
		<b>67,844,232,481</b>	<b>58,839,200,063</b>

	<b>30.06.2014</b>	<b>31.12.2013</b>
	<b>Taka</b>	<b>Taka</b>
<b>Loans And Advances under Islamic Banking</b>		
Bai-Muajjal	3,233,472,492	1,960,419,940
Hire Purchase under Shirkatul Melk	820,319,058	880,991,842
IHSAN Apartment Purchase Scheme	25,424,719	18,262,656
BARAKAT Home Construction Scheme	31,379,194	22,640,718
BARAKAT Car Scheme	7,232,854	13,583,967
HPSM-Real Estate	29,984,654	41,872,169
Murabaha TR	670,892,235	367,805,946
Bai-Salam	65,820,740	78,716,658
TIB House Building Scheme-HBL (RM)	74,572,848	70,816,693
TIB Household Durable Scheme( Household Durable)	736,077	-
Household Durable & others scheme	894,252	-
MIB- EDF - TIB	177,394,720	-
HPSM General	278,816,885	-
	<b>5,416,940,728</b>	<b>3,455,110,589</b>
<b>Cash Credit</b>		
Cash Credit	1,805,877,258	1,807,486,430
Cash Collateral	1,336,528,373	979,169,550
	<b>3,142,405,631</b>	<b>2,786,655,980</b>
<b>Overdraft</b>		
Overdrafts	5,513,226,813	3,827,926,775
Secured Overdrafts	9,976,150,907	8,722,620,896
	<b>15,489,377,720</b>	<b>12,550,547,671</b>
<b>Total Loans, Cash Credits and Overdrafts</b>	<b>91,892,956,560</b>	<b>77,631,514,303</b>
<b>Bills Purchased and Discounted</b>		
Under Conventional banking	4,235,830,249	1,261,883,682
Under Islamic banking	339,327,279	386,179,622
	<b>4,575,157,528</b>	<b>1,648,063,304</b>
	<b>96,468,114,088</b>	<b>79,279,577,607</b>
<b>7.1 Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted</b>		
Repayable on demand	9,646,811,409	7,927,957,761
Upto 1 month	3,173,072,530	4,138,969,621
Over 1 month but not more than 3 months	16,039,081,053	14,471,678,677
Over 3 months but not more than 1 Year	39,000,758,614	28,874,440,366
Over 1 Year but not more than 5 Years	21,554,635,325	15,804,937,893
Over 5 Years	7,053,755,157	8,061,593,289
	<b>96,468,114,088</b>	<b>79,279,577,607</b>
<b>7.2 Loans and Advances including Bills Purchased and Discounted Inside Bangladesh</b>		
Loans	73,261,173,209	62,481,274,659
Cash Credit	3,142,405,631	2,786,655,980
Overdraft	15,489,377,720	12,550,547,671
Bills purchased and discounted	4,575,157,528	1,461,099,297
	<b>96,468,114,088</b>	<b>79,279,577,607</b>
<b>Outside Bangladesh</b>	-	-
	<b>96,468,114,088</b>	<b>79,279,577,607</b>
<b>7.3 Loans and Advances on the basis of significant concentration</b>		
<b>7.3.1 Advances to Directors and Others</b>		
Advance to Directors and their allied concerns	17,530,824	44,962,730
Advances to CEO and Senior Executives	177,402,595	250,549,358
Advances to Customers (Group wise)	29,239,922,430	20,201,505,120
Industrial Advances ( Project finance)	14,415,640,627	10,425,065,317
Other Staff Loan	640,370,249	478,642,276
Other Customers	51,977,247,363	47,878,852,806
	<b>96,468,114,088</b>	<b>79,279,577,607</b>

Note - 7.6

**30.06.2014**  
**Taka**

**31.12.2013**  
**Taka**

### 7.3.2 Disclosure of Large Loan

As per BRPD Circular No. 5 dated 9 April 2005 issued by Bangladesh Bank, disclosure on large loan i.e. loan sanctioned to any individual or enterprise or any organization of a group amounting to 10% or more of the Bank's total capital and classified amount therein and measures taken for recovery of such loan have been furnished as under:

Total Capital	10,344,384,469	9,722,968,387
Total Loans and Advances	44,652,416,140	33,865,409,324
No. of Customers	31	21
Classified amount thereon	Nil	Nil
Measures taken for recovery of classified loans:	N/A	N/A

### Details of Large Loans

SL	Name of the Client	CL Status	Outstanding Loan		Total 30.06.2014	Total 31.12.2013
5	Abul Khair Group	UC	1,048,195,911	1,046,087,276	2,094,283,187	1,659,756,422
6	Scandex Textile Ind. Ltd.	UC	1,238,146,207	1,336,518,631	2,574,664,838	1,359,898,155
7	RSRM Group	UC	1,236,549,347	439,893,496	1,676,442,843	1,893,778,281
8	GPH Ispat Ltd.	UC	1,259,100,392	653,159,683	1,912,260,075	1,756,008,360
9	Sena Kalyan Sangstha & allied	UC	590,140,802	1,238,379,213	1,828,520,015	-
10	BSRM Group	UC	76,925,003	1,523,476,484	1,600,401,487	-
11	Simtex Industries Ltd.	UC	1,005,337,402	61,588,900	1,066,926,302	1,515,677,002
12	Barakatullah Electro Dynamics Ltd., Baraka Patenga Power Ltd., Royal Homes Ltd.	UC	1,645,404,603	430,878,197	2,076,282,800	1,699,709,538
13	Danish Condensed Milk Ltd. & Danish Foods Ltd.	UC	1,240,213,111	178,555,675	1,418,768,786	1,384,472,536
14	The ACME Laboratories Ltd.	UC	1,202,385,507	340,245,741	1,542,631,248	1,176,213,275
15	Rising Steel Limited	UC	1,389,106,679	13,140,630	1,402,247,309	1,304,094,430
16	Anwar Group of Industries	UC	1,053,906,804	148,170,252	1,202,077,056	1,116,002,057
17	United Power Generation Co.	UC	850,325,740	153,448,568	1,003,774,308	-
18	Kabir Group	UC	732,314,127	355,311,733	1,087,625,860	1,561,085,379
19	Pacific Group	UC	1,161,533,392	8,275,074	1,169,808,466	1,223,486,673
20	Santana Enterprise	UC	1,249,436,328	116,903,474	1,366,339,802	1,017,416,635
21	Dhaly Construction Ltd.	UC	1,049,100,581	230,398,054	1,279,498,635	1,071,764,588
22	Teletalk Bangladesh Ltd.	UC	1,024,674,495	17,494,400	1,042,168,895	1,030,110,581
23	S.A. Group	UC	919,649,102	89,410,396	1,009,059,498	-
24	Joy Enterprise & allied	UC	1,038,136,230	44,145,575	1,082,281,805	1,011,659,500
25	Nasir Group of Industries	UC	1,049,579,595	20,002,648	1,069,582,243	-
26	ACI Group	UC	321,057,106	787,369,792	1,108,426,898	-
27	Bangladesh Machine Tools Factory Ltd.		-	1,082,981,149	1,082,981,149	-
28	Jolshiri Abashon		2,058,788,753	-	2,058,788,753	-
29	Walton Hi-Tech Industries Ltd.		189,233,481	1,133,456,903	1,322,690,384	-
30	Pretty Sweater Ind. Ltd.		64,206,186	2,411,258,915	2,475,465,101	-
31	Sena Paribar Kallyan Samity		1,148,669,086	-	1,148,669,086	-
32	Shabnam Vegetable Oil Ind. Ltd.	UC	-	-	-	1,836,798,889
<b>Total</b>					<b>44,652,416,140</b>	<b>33,865,409,324</b>

### 7.3.4 Geographical location-wise concentration of Loans and Advances

#### Inside Bangladesh

Dhaka Division	70,636,102,179	54,627,996,065
Chittagong Division	18,671,594,678	18,701,311,707
Khulna Division	2,711,210,715	2,115,794,748
Sylhet Division	2,691,529,920	2,503,651,648
Rangpur Division	676,072,433	416,627,870
Barisal Division	102,776,051	73,871,473
Rajshahi Division	978,828,112	840,324,096
	96,468,114,088	79,279,577,607

#### Outside Bangladesh

**96,468,114,088**      **79,279,577,607**

	<b>30.06.2014</b>	<b>31.12.2013</b>
	<b>Taka</b>	<b>Taka</b>
<b>7.3.5 Nature wise Loans and Advances</b>		
Continuous	21,545,854,824	15,580,487,048
Demand Loan	27,973,027,667	26,940,830,831
Term Loans	46,291,051,601	36,258,576,103
Short Term Agri. Credit & Micro Credit	22,609,086	21,041,349
Staff Loan	635,570,910	478,642,276
	<b>96,468,114,088</b>	<b>79,279,577,607</b>
<b>7.4 Classification of Loans and Advances including Bills Purchased and Discounted</b>		
a Unclassified Loans and Advances (including staff loan)		
1 Consumer Financing (House Financing, HF)	8,241,313,723	7,484,600,769
2 Consumer Financing (Loans for Professional, LP)	4,253,972	4,900,305
3 Consumer Financing (Other than HF & LP)	3,606,752,798	3,285,290,442
4 Small & Medium Enterprise Financing (SMEF)	4,854,562,209	4,530,153,502
5 Loans to BHs/ MBs/ Sds against Shares etc	417,757,846	432,641,319
6 All Other Credit	73,426,982,643	57,284,682,042
7 Short Term Agri Credit	22,276,943	20,683,106
8 Staff Loans	635,091,937	477,595,975
	91,208,992,071	73,520,547,460
b Special Mentioned Accounts	2,154,820,269	3,288,665,351
c Classified Loans and Advances		
1 Sub-Standard Loans and Advances	229,334,186	557,213,581
2 Doubtful Loans and Advances	539,066,009	168,425,611
3 Bad /Loss Loans and Advances	2,335,901,553	1,744,725,604
	3,104,301,748	2,470,364,796
	<b>96,468,114,088</b>	<b>79,279,577,607</b>
<b>7.5 Particulars of Loans and Advances</b>		
(I) Debts considered good in respect of which the bank is fully secured.	61,063,198,986	50,812,710,322
(ii) Debts considered good for which the bank holds no other security than the debtor's personal security.	1,629,502,329	1,227,450,656
(iii) Debts considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	28,516,290,756	21,480,386,482
(iv) Debts considered doubtful or bad not provided for	-	-
(v) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person.	835,303,668	774,154,364
(vi) Debts due by companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in the case of private companies as members.	-	-
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons.	835,303,668	774,154,364

	<b>30.06.2014</b> <b>Taka</b>	<b>31.12.2013</b> <b>Taka</b>
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company.	-	-
(ix) Due from Banking Companies.	-	-
(x) Amount of classified loan on which no interest has been charged:		
a) Increase/(Decrease) in provision	308,468,000	144,307,000
Amount of loan written off	-	-
Amount realized against loan previously written off	-	-
b) Provision kept against loans classified as bad debts	1,057,501,000	838,594,000
c) Interest credited to interest Suspense Account	400,388,858	384,874,874
(xi) Cumulative amount of written off loans		
Opening Balance	-	2,700
Amount written off/(recovery) during the year	-	(2,700)
	-	-
The amount of written off loans for which law suit has been filed	-	-
<b>7.6 Bills purchased and discounted</b>		
Payable in Bangladesh	4,314,113,125	1,246,588,425
Payable out side Bangladesh	261,044,403	214,510,872
	<b>4,575,157,528</b>	<b>1,461,099,297</b>
<b>7.7 Remaining maturity grouping of bills purchased and discounted</b>		
Payable with in one month	2,359,067,792	181,943,747
Over one month but less than three months	1,442,327,806	908,603,995
Over three months but less than 01 year	768,848,679	370,551,555
More than 01 year	4,913,251	-
	<b>4,575,157,528</b>	<b>1,461,099,297</b>
<b>7.8 Litigation filed by the Bank</b>		
As of the responding date, the Bank filed lawsuit against recovery of its defaulted loans and advances as under:		
<b>Name of the Branch</b>		
Principal Branch	75,171,711	75,171,711
Sena Kalyan Bhaban Branch	674,650,543	674,650,543
Bogra Cantonment Branch	1,044,807	1,044,807
Agrabad Branch	345,689,777	345,689,777
Millenum Corporate Branch	550,000	550,000
Gulshan Corporate Branch	81,415,051	81,415,051
Sylhet Corp.Br	9,832,025	9,832,025
Dhanmondi Branch	54,554,143	54,554,143
Jublee Road Branch	808,000	808,000
Beani Bazar Branch	8,973,575	8,973,575
Jessore Cantt. Branch	39,644,000	39,644,000
Mirpur Branch	1,552,718	1,552,718
Halisar Branch	40,946,919	40,946,919
RWGH Branch	603,000	603,000
Karwan Bazar Branch	1,445,240	1,445,240
Dilkusha Corporate Branch	6,389,637	6,389,637
	<b>1,343,271,146</b>	<b>1,343,271,146</b>

		<b>30.06.2014</b>	<b>31.12.2013</b>
		<b>Taka</b>	<b>Taka</b>
<b>7 (a)</b>	<b>Consolidated Loans and Advances/Islami Banking Investments</b>		
	<b>Loans And Advances</b>		
	Trust Bank Limited	91,892,956,560	77,818,478,310
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	5,133,090,119	4,881,903,930
		97,026,046,679	82,700,382,240
	Less : Inter Company Transaction	337,244,332	363,068,289
		<b>96,688,802,347</b>	<b>82,337,313,951</b>
	<b>Bills purchased and discounted</b>		
	Trust Bank Limited	4,575,157,528	1,461,099,297
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	-	-
		4,575,157,528	1,461,099,297
		<b>101,263,959,875</b>	<b>83,798,413,248</b>
<b>8</b>	<b>FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES</b>		
	<b>Cost</b>		
	Leasehold Land	160,469	160,469
	Office Building	12,680,000	12,680,000
	Furniture and fixtures	161,673,539	152,038,034
	Office equipment	652,192,901	506,602,925
	Motor vehicles	68,944,398	66,095,233
	Office renovation	316,225,752	296,289,863
		<b>1,211,877,059</b>	<b>1,033,866,524</b>
	Less: Accumulated depreciation	613,209,751	550,081,301
		<b>598,667,308</b>	<b>483,785,223</b>
	For details please refer to Annexure - B		
<b>8 (a)</b>	<b>Consolidated Fixed assets including premises, furniture and fixtures</b>		
	Trust Bank Limited	598,667,308	483,785,223
	Trust Bank Securities Limited	2,343,904	900,762
	Trust Bank Investment Limited	11,909,997	13,528,249
		<b>612,921,209</b>	<b>498,214,234</b>
<b>9</b>	<b>OTHER ASSETS</b>		
	i) Investment in shares of subsidiary companies (In Bangladesh and outside)		
	In Bangladesh	3,349,999,290	3,349,999,290
	Outside Bangladesh		
	ii) Stationery, stamps, printing materials in stock etc.;	32,240,764	32,624,118
	iii) Advance Rent and Advertisement	327,851,710	215,133,744
	iv) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;	745,118,418	403,997,457
	v) Security Deposits	8,930,731	8,926,581
	vi) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses;	31,238,460	23,576,605
	vii) Branch Adjusting (net)	-	-
	viii) Suspense Account	58,958,028	135,300,060
	ix) Adjusting Account for Online GL	-	-
	x) Silver	-	-
	xi) Others	409,261,799	412,712,858
		<b>4,963,599,200</b>	<b>4,582,270,713</b>

		30.06.2014 Taka	31.12.2013 Taka
<b>9.1</b>	<b>Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable:</b>		
	Interest accrued on investments and deposits	Note - 9.1.1 387,844,839	394,725,060
	Interest accrued on Loans & advances	Note - 9.1.2 349,108,309	-
	Commission Receivable on SP & WEDB	8,165,270	9,272,397
		<b>745,118,418</b>	<b>403,997,457</b>
<b>9.1.1</b>	<b>Interest accrued on investments and deposits</b>		
	Interest accrued on Fixed Deposits	Note - 9.1.1.1 24,156,073	41,986,918
	Interest accrued on Short Term Deposits	-	-
	Interest accrued on Money at Call	857,500	97,222
	Interest accrued on Bonds	9,903,083	23,742,605
	Interest accrued on Government Treasury Bond	352,928,183	328,898,315
		<b>387,844,839</b>	<b>394,725,060</b>
<b>9.1.1.1</b>	<b>Interest/Profit accrued on Fixed Deposits/MTDR</b>		
	Interest accrued on Fixed Deposits	24,156,073	41,986,918
	Profit accrued on MTDR	-	-
		<b>24,156,073</b>	<b>41,986,918</b>
<b>9.1.2</b>	<b>Interest accrued on Loans &amp; advances</b>		
	Interest accrued on Conventional Loans & advances	349,108,309	-
	Profit Receivable on TIB Investment	-	-
		<b>349,108,309</b>	<b>-</b>
<b>9.2</b>	<b>Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses;</b>		
	Pre-opening Expenses	-	-
	Prepaid Expenses	31,238,460	23,576,605
		<b>31,238,460</b>	<b>23,576,605</b>
<b>9.3</b>	<b>Others</b>		
	Deferred Tax Asset	Note - 9.3.1 62,818,341	45,586,471
	Intangible Assets	5,124,192	12,257,725
	Intl. Credit Report Agency Charge	1,367,859	1,367,859
	Encashment of Sanchaya patra awaiting reimbursement-Principal	98,428,427	51,470,943
	Encashment of Sanchaya patra awaiting reimbursement-Interest	78,934,895	65,357,207
	Encashment of WEDB awaiting reimbursement-Principal	21,300,000	36,898,925
	Encashment of WEDB awaiting reimbursement-Interest	30,965,492	103,513,660
	US\$ Premium Bond - Interest	-	520,425
	US\$ Investment Bond - Principal	5,826,763	3,590,300
	US\$ Investment Bond - Interest	1,105,039	2,554,381
	Advance against Capital Expenditure	61,134,920	58,624,000
	Clearing Adjustment	22,154,879	18,779,159
	Receivable on Death Risk Benefit-WEDB	-	120,000
	Receivable from Exchange House	20,100,992	12,071,803
		<b>409,261,799</b>	<b>412,712,858</b>
<b>9.3.1</b>	<b>Deferred tax Asset</b>		
	Balance as on 1 January	45,586,471	37,202,471
	Addition during the year	17,231,870	8,384,000
	Closing Balance	<b>62,818,341</b>	<b>45,586,471</b>
	<b>Cosolidated Deferred tax Asset</b>		
	Trust Bank Limited	17,231,870	8,384,000
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	219,023	249,364
		<b>17,450,893</b>	<b>8,633,364</b>



		30.06.2014 Taka	31.12.2013 Taka
9.3.1.1	To maintain the deferred tax Asset of Tk.62818341 as on 30 June 2014, a deferred tax Income of Tk.17231870 has been made during the period ended 30 June 2014 as per BAS-12 -Income Taxes		
<b>9.4</b>	<b>Break-up of Other Assets</b>		
	Income generating other assets	3,349,999,290	3,349,999,290
	Non income generating other asset	1,613,599,910	1,232,271,423
		<b>4,963,599,200</b>	<b>4,582,270,713</b>
9.5	As on 30 June 2014 there were no outstanding balance with inter Branch adjustment Account of the Bank, Hence no disclouser is provided here.		
9.6	Provision for other asset has been made @ 50% for prepaid legal expenses against unsettled suit on reporting date as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank and shown in Note # 12.2 under Other Liability.		
<b>9 (a)</b>	<b>Cosolidated other assets</b>		
	Trust Bank Limited	4,963,599,200	4,582,270,713
	Trust Bank Securities Limited	324,867,102	323,676,263
	Trust Bank Investment Limited	25,417,636	23,391,742
		5,313,883,938	4,929,338,718
	Less: Investment in Subsidiaries Company.	3,349,999,290	3,349,999,290
		<b>1,963,884,648</b>	<b>1,579,339,428</b>
<b>10</b>	<b>BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS</b>		
	<b><u>In Bangladesh</u></b>		
	<b><u>Call loans</u></b>		
	Call Loan from Banks	-	-
	Call Loan from Leasing Co.	-	-
	Call Loan from Insurance Co.	-	-
	Call Loan from Other Institutions	-	-
	<b><u>Other Borrowings</u></b>		
	Borrowing from Bangladesh Bank - EDF	1,364,899,069	478,717,463
	Borrowing from SME Foundation	23,000,000	23,000,000
	Borrowing from Bangladesh Bank - IPFF	499,503,750	452,283,500
	Borrowing from Bangladesh Bank - IPFF (BDT)	470,000,000	-
	Borrowing from JICA A/c	9,324,900	9,324,900
	Trust Bank Subordinated Bond	2,000,000,000	2,000,000,000
	Bangladesh Bank: Re-finance	667,739,343	700,700,405
		<b>5,034,467,062</b>	<b>3,664,026,268</b>
	<b><u>Outside Bangladesh</u></b>	-	-
		<b>5,034,467,062</b>	<b>3,664,026,268</b>
<b>10.1</b>	<b>Security wise borrowings</b>		
	Secured Borrowings	-	-
	Unsecured Borrowings	5,034,467,062	3,664,026,268
		<b>5,034,467,062</b>	<b>3,664,026,268</b>
<b>10.2</b>	<b>Repayment nature wise borrowings</b>		
	Repayment on Demand	-	-
	Others	5,034,467,062	3,664,026,268
		<b>5,034,467,062</b>	<b>3,664,026,268</b>
<b>10.3</b>	<b>Remaining maturity grouping of Borrowings from other banks, financial institutions and agents</b>		
	<b>Payable</b>		
	On demand	-	-
	Upto 1 month	746,281,430	401,697,107
	Over 1 month but within 3 months	1,073,862,273	392,335,539
	Over 3 months but within 1 Year	966,934,836	785,385,222
	Over 1 Year but within 5 Years	2,247,388,523	2,084,608,400
	Over 5 Years	-	-
		<b>5,034,467,062</b>	<b>3,664,026,268</b>

		30.06.2014 Taka	31.12.2013 Taka	
<b>10 (a)</b>	<b>Consolidated borrowings from other Banks, financial institutions and agents</b>			
	Trust Bank Limited	Note - 10	5,034,467,062	3,664,026,268
	Trust Bank Securities Limited		-	-
	Trust Bank Investment Limited		370,924,991	368,326,942
			5,405,392,053	4,032,353,210
	Less: Inter company transaction		337,244,332	363,068,289
			<b>5,068,147,721</b>	<b>3,669,284,921</b>
<b>11</b>	<b>DEPOSITS AND OTHER ACCOUNTS</b>			
	Current / Al-wadeeah Current Accounts and other			
	Accounts	Note - 11.2	17,166,679,639	13,547,752,319
	Bills Payable	Note - 11.3	1,444,920,179	1,082,668,864
	Savings Bank Deposits/Mudaraba Savings Deposits	Note - 11.4	9,693,005,408	8,880,854,696
	Fixed Deposits/Mudaraba Term Deposits	Note - 11.5	91,050,904,781	78,956,397,391
			<b>119,355,510,007</b>	<b>102,467,673,270</b>
<b>11.1</b>	<b>Remaining maturity grouping of Deposits and other accounts</b>			
	Inside Bangladesh	Banks	Other than Banks	
	Payable			
	On demand	72,931,424	19,411,038,881	19,483,970,305
	Upto 1 month		7,451,259,912	7,451,259,912
	Over 1 month but within 3 months	385,660,178	30,791,835,594	31,177,495,772
	Over 3 months but within 1 Year		25,694,342,707	25,694,342,707
	Over 1 Year but within 5 Years		21,454,921,465	21,454,921,465
	Over 5 Years		14,093,519,845	14,093,519,845
		<b>458,591,602</b>	<b>118,896,918,405</b>	<b>119,355,510,007</b>
	<b>Outside Bangladesh</b>	-	-	-
		<b>458,591,602</b>	<b>118,896,918,405</b>	<b>119,355,510,007</b>
<b>11.2</b>	<b>Current / Al-wadeeah Current Accounts and other</b>			
	<b>Accounts</b>			
	Under Conventional Banking	Note - 11.2.1	16,673,873,932	13,226,446,938
	Under Islamic Banking	Note - 11.2.2	492,805,707	321,305,381
			<b>17,166,679,639</b>	<b>13,547,752,319</b>
<b>11.2.1</b>	<b>Under Conventional Banking</b>			
	Current Account		8,778,904,589	8,583,475,264
	Other Accounts	Note - 11.2.3	7,894,969,343	4,642,971,674
			<b>16,673,873,932</b>	<b>13,226,446,938</b>
<b>11.2.2</b>	<b>Under Islamic Banking</b>			
	Al-wadeeah Current Accounts		80,638,260	99,851,425
	Foreign Currency Deposits		6,303,809	6,753,064
	Sundry Deposits		281,424,596	129,013,723
	Other Accounts - profit payable		124,439,042	85,687,169
			<b>492,805,707</b>	<b>321,305,381</b>
<b>11.2.3</b>	<b>Other Accounts</b>			
	Foreign Currency Deposits		2,782,254,125	1,972,157,933
	Interest Payable on Deposits		1,627,016,541	1,655,334,405
	Sundry Deposits		3,485,698,677	1,015,479,336
			<b>7,894,969,343</b>	<b>4,642,971,674</b>

		<b>30.06.2014</b>	<b>31.12.2013</b>
		<b>Taka</b>	<b>Taka</b>
<b>11.3</b>	<b>Bills Payable</b>		
	<b>Under Conventional Banking</b>		
	Demand Draft payable	4,755,216	15,385,646
	Pay Order payable	1,440,164,963	1,067,283,218
		1,444,920,179	1,082,668,864
	<b>Under Islamic Banking</b>		
	Demand Draft payable	-	-
	Pay Order payable	-	-
		-	-
		<b>1,444,920,179</b>	<b>1,082,668,864</b>
<b>11.4</b>	<b>Savings Bank Deposits/Mudaraba Savings Deposits</b>		
	Savings Bank Deposits	9,206,925,871	8,457,145,901
	Mudaraba Savings Deposits	486,079,537	423,708,795
		<b>9,693,005,408</b>	<b>8,880,854,696</b>
<b>11.5</b>	<b>Fixed Deposits/Mudaraba Term Deposits</b>		
<b>11.5.1</b>	<b>Under Conventional Banking</b>		
	Fixed Deposits	67,843,482,345	60,059,002,584
	Short Notice Deposits	7,460,025,143	5,278,124,369
	Scheme Deposits	10,165,652,493	9,174,934,621
		<b>85,469,159,981</b>	<b>74,512,061,574</b>
<b>11.5.2</b>	<b>Under Islamic Banking</b>		
	Mudaraba Term Deposits	5,391,568,160	4,287,619,781
	Mudaraba Short Notice Deposits	11,631,482	8,827,607
	Mudaraba Scheme Deposits	178,545,158	147,888,429
		<b>5,581,744,800</b>	<b>4,444,335,817</b>
		<b>91,050,904,781</b>	<b>78,956,397,391</b>
<b>11.5.3</b>	<b>Fixed Deposits</b>		
		<b>Banks</b>	<b>Other than Banks</b>
	One month		864,345,820
	Two months		76,712,694
	Three months	39,363,481,791	39,363,481,791
	Six months	6,001,342,464	6,001,342,464
	One year	21,117,460,128	21,117,460,128
	Two years	-	75,466,843
	Three years	-	275,297,039
	Four years	-	793,471
	Five Years	-	60,166,229
	More than five years	-	8,415,866
		-	<b>67,843,482,345</b>
		-	<b>67,843,482,345</b>
		-	<b>60,059,002,584</b>
<b>11.5.3.a</b>	<b>Mudaraba Term Deposits</b>		
		<b>Banks</b>	<b>Other than Banks</b>
	One month	-	16,984,196
	Three months	-	3,946,067,906
	Six months	-	416,679,751
	One year	-	983,354,488
	Three years	-	11,956,655
	Five Years	-	1,600,000
	More than five years	-	14,925,164
		-	<b>5,391,568,160</b>
		-	<b>5,391,568,160</b>
		-	<b>4,287,619,781</b>

		30.06.2014 Taka	31.12.2013 Taka
<b>11.6</b>	<b>Geographical location-wise concentration of Deposits &amp; Other Accounts</b>		
	<b>Inside Bangladesh</b>		
	Dhaka Division	91,504,712,154	78,082,610,430
	Chittagong Division	14,861,074,871	13,604,478,203
	Khulna Division	4,087,839,953	3,358,969,239
	Sylhet Division	4,095,332,488	3,552,726,372
	Rangpur Division	1,942,194,587	1,486,651,927
	Barisal Division	286,069,186	193,151,181
	Rajshahi Division	2,578,286,768	2,189,085,918
		119,355,510,007	102,467,673,270
	<b>Outside Bangladesh</b>	-	-
		<b>119,355,510,007</b>	<b>102,467,673,270</b>
<b>11 (a)</b>	<b>CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS</b>		
	Current / Al-wadeeah Current Accounts and other Accounts		
	Trust Bank Limited	17,166,679,639	13,547,752,319
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	113,990,434	90,469,039
		17,280,670,073	13,638,221,358
	Less : Inter Company Transaction	33,791,264	34,268,225
		17,246,878,809	13,603,953,133
	Bills Payable	1,444,920,179	1,082,668,864
	Savings Bank Deposits/Mudaraba Savings Deposits	9,693,005,408	8,880,854,696
	Fixed Deposits/Mudaraba Term Deposits	91,050,904,781	78,956,397,391
		<b>119,435,709,177</b>	<b>102,523,874,084</b>
<b>12</b>	<b>OTHER LIABILITIES</b>		
	Provision for Loans and Advances	2,806,944,000	2,183,354,000
	Provision for Investment	211,873,771	155,118,843
	Provision for other asset	9,217,215	12,795,077
	Provision for CSR Fund	-	80,000,000
	Provision for Gratuity	35,570,113	-
	Unearned profit on TIB Investment	266,107,492	207,262,735
	Interest Suspense Account	400,388,858	384,874,874
	Provision for Income Tax Less Advance Income Tax	671,695,029	222,670,922
	Interest Payable on Unsecured Subordinated Bonds	47,745,081	44,165,137
	Accrued Expenses	40,693,929	233,922,138
	Audit Fees Payable	-	287,500
	Branch Adjusting (net)	-	-
	Adjusting Account for Online GL	-	-
	Sundry Creditors	1,209,335,709	216,691,729
	Sale proceed of Government Securities	-	-
	Others	40,710,319	950,242
		<b>5,740,281,516</b>	<b>3,742,093,197</b>
<b>12.1</b>	<b>Provision for Loans and Advances/Islami Banking Investments</b>		
	<b>Specific Provision</b>		
	Against Classified Loans & Advances	1,216,123,000	907,655,000
	<b>General Provision</b>		
	Against Unclassified Loans & Advances	1,102,683,000	923,176,000
	Against Special Mention Accounts	25,026,000	35,775,000
	Against Off Balance Sheet Exposures	463,112,000	316,748,000
		1,590,821,000	1,275,699,000
		<b>2,806,944,000</b>	<b>2,183,354,000</b>

	<b>30.06.2014</b> <b>Taka</b>	<b>31.12.2013</b> <b>Taka</b>
<b>12.1.1 Against Classified Loans &amp; Advances</b>		
Provision held on 1 January	907,655,000	763,348,000
Fully provided debts written off	-	-
Recoveries from previously written off debts	-	-
Provisions made during the year	308,468,000	144,307,000
Net Charge to the Profit Loss Account	308,468,000	144,307,000
Provision held at end of year	<b>1,216,123,000</b>	<b>907,655,000</b>
<b>12.1.2 Against Unclassified Loans &amp; Advances</b>		
Provision held on 1 January	923,176,000	677,405,000
Provisions made during the year	179,507,000	245,771,000
Provision held at end of year	<b>1,102,683,000</b>	<b>923,176,000</b>
<b>12.1.3 Against Special Mention Accounts</b>		
Provision held on 1 January	35,775,000	67,847,000
Provisions made during the year	(10,749,000)	(32,072,000)
Provision held at end of year	<b>25,026,000</b>	<b>35,775,000</b>

**12.1.4 Required Provision against Loans and Advances**

Particulars	Base for Provision	Rate		
<b>Unclassified</b>				
a. Consumer Financing (House Financing)	8,241,313,723	2.00%	164,826,000	149,692,000
b. Consumer Financing (Loans to Professional)	4,253,972	2.00%	85,000	98,000
c. Consumer Financing ( Other than a & b)	3,606,752,798	5.00%	180,338,000	164,265,000
d. Small & Medium Enterprise Financing	4,854,562,209	0.25%	12,136,000	11,325,000
e. Loans to BHs/ MBs/ Sds against Shares etc	417,757,846	2.00%	8,355,000	8,653,000
f. Short Term Agriculture & Micro Credit	22,276,943	5.00%	1,114,000	1,034,000
g. All other Credit	73,582,923,209	1.00%	735,829,000	571,440,000
	90,729,840,700	17.25%	1,102,683,000	906,507,000
<b>Special Mention Account</b>				
a. Consumer Financing (House Financing)	254,383,592	2.00%	5,088,000	3,951,000
b. Consumer Financing (Loans to Professional)	7,243	2.00%	-	-
c. Consumer Financing ( Other than a & b)	50,407,806	5.00%	2,520,000	2,986,000
d. Small & Medium Enterprise Financing	144,306,690	0.25%	361,000	494,000
e. Loans to BHs/ MBs/ Sds against Shares etc	-	2.00%	-	-
f. Short Term Agriculture & Micro Credit	-	5.00%	-	-
g. All other Credit	1,705,714,938	1.00%	17,057,000	28,327,000
	2,154,820,269	17.25%	25,026,000	35,758,000
<b>Classified</b>				
a. Substandard				
i. Short Term Agri Credit & Micro Credit	295,978	5.00%	15,000	16,000
ii. Other than Short Term Agri Credit & Micro Credit	119,710,348	20.00%	23,942,000	32,561,000
b. Doubtful				
i. Short Term Agri Credit & Micro Credit	-	5.00%	-	-
ii. Other than Short Term Agri Credit & Micro Credit	269,329,221	50.00%	134,665,000	36,480,000
c. Bad/Loss	1,057,500,836	100.00%	1,057,501,000	838,594,000
	1,446,836,383		1,216,123,000	907,651,000
	<b>94,331,497,352</b>		<b>2,343,832,000</b>	<b>1,849,916,000</b>

**12.1.5 General Provision for Off Balance Sheet Exposures**

Provision held on 1 January	316,748,000	220,747,000
Provisions made during the year	146,364,000	96,001,000
	<b>463,112,000</b>	<b>316,748,000</b>

**12.1 (a) Consolidated General Provision for Loans and Advances**

Trust Bank Limited	1,590,821,000	1,275,699,000
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	730,752,088	740,724,961
	<b>2,321,573,088</b>	<b>2,016,423,961</b>

		<b>30.06.2014</b>	<b>31.12.2013</b>
		<b>Taka</b>	<b>Taka</b>
<b>12.2</b>	<b>Provision for other asset</b>		
	Balance on 1 January	12,795,077	7,072,166
	Provisions made during the year	(3,577,862)	5,722,911
		<b>9,217,215</b>	<b>12,795,077</b>
<b>12.4</b>	<b>Provision for Income Tax Less Advance Income Tax</b>		
	<b>Provision for Income Tax</b>		
	Balance on 1 January	3,867,500,000	3,167,500,000
	Provisions made during the year	720,000,000	700,000,000
	Provision made for the year	-	-
	Settlement for previous year(s)	-	-
		4,587,500,000	3,867,500,000
	<b>Less: Advance Income Tax</b>		
	Balance on 1 January	3,644,829,078	3,026,278,409
	Paid during the year	270,975,893	618,550,669
	Settlement for previous year(s)	-	-
		3,915,804,971	3,644,829,078
	<b>Net Closing Balance</b>	<b>671,695,029</b>	<b>222,670,922</b>
<b>12.5 (a)</b>	<b>Consolidated tax expenses</b>		
	Trust Bank Limited	720,000,000	700,000,000
	Trust Bank Securities Limited	919,386	114,718
	Trust Bank Investment Limited	42,000,000	150,000,000
		<b>762,919,386</b>	<b>850,114,718</b>
<b>12.4.1</b>	Provision for current tax of Tk.700,000,000 has been made @ 42.50% on Business Income, @ 20% on Dividend Income and @ 10% on capital gain on sale of shares of the accounting profit made by the Bank during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.		
<b>12 (a)</b>	<b>Consolidated other liabilities</b>		
	Trust Bank Limited	5,740,281,516	3,742,093,197
	Trust Bank Securities Limited	155,679,505	1,855,806
	Trust Bank Investment Limited	1,444,831,461	1,171,187,511
		7,340,792,482	4,915,136,514
	Less: Inter company transaction	-	-
		<b>7,340,792,482</b>	<b>4,915,136,514</b>
<b>13</b>	<b>CAPITAL</b>		
<b>13.1</b>	<b>Authorized Capital</b>		
	1,000,000,000 Ordinary shares of Tk. 10 each	10,000,000,000	10,000,000,000
<b>13.2</b>	<b>Issued, Subscribed and Paid Up Capital</b>		
	116,667,000 Ordinary shares of Tk. 10 each issued for cash	1,166,670,000	1,166,670,000
	11,666,700 Ordinary shares of Tk. 10 each issued bonus shares	116,667,000	116,667,000
	25,666,740 Ordinary shares of Tk. 10 each issued for right 1R:5	256,667,400	256,667,400
	30,800,080 Ordinary shares of Tk. 10 each issued bonus shares	308,000,800	308,000,800
	36,960,100 Ordinary shares of Tk. 10 each issued bonus shares	369,601,000	369,601,000
	44,352,120 Ordinary shares of Tk. 10 each issued bonus shares	443,521,200	443,521,200
	26,611,274 Ordinary shares of Tk. 10 each issued bonus shares	266,112,740	266,112,740
	53,222,550 Ordinary shares of Tk. 10 each issued for right 1R:5	532,225,500	532,225,500
	34,594,656 Ordinary shares of Tk. 10 each issued bonus shares	345,946,560	345,946,560
	45,664,946 Ordinary shares of Tk. 10 each issued bonus shares	456,649,460	-
	<b>380,541,220</b>	<b>4,262,061,660</b>	<b>3,805,412,200</b>
<b>13.3</b>	<b>Capital Adequacy Ratio</b>		
	In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 1, 14, 10, 7, 5 and 3 dated January 08, 1996, November 16,1996, November 25, 2002, August 28, 2006, May 14, 2007 and March 12, 2008 respectively, required capital, available core capital and supplementary capital of the Bank for the period ended as at 31 December 2013 is shown below:		

	30.06.2014 Taka	31.12.2013 Taka
<b>13.3.1 Capital Adequacy Ratio under SOLO basis</b>		
<b><u>Tier – I (Core Capital)</u></b>		
Paid up Capital	4,262,061,660	3,805,412,200
Share Premium Account	75,576,040	532,225,500
Statutory Reserve	2,373,074,798	2,169,218,210
Retained Earnings	434,559,972	321,901,750
	<b>7,145,272,470</b>	<b>6,828,757,660</b>
<b><u>Tier –II (Supplementary Capital)</u></b>		
General Provision	1,590,821,000	1,275,699,000
Bond (30% of Tier-1)	1,600,000,000	1,600,000,000
Revaluation reserves (50% of such reserve)	8,290,999	18,511,727
	<b>3,199,111,999</b>	<b>2,894,210,727</b>
<b>A. Total Capital (Tier-I + Tier-II)</b>	<b>10,344,384,469</b>	<b>9,722,968,387</b>
B. Total Risk Weighted Assets (RWA)	101,188,500,000	89,107,200,000
C. Required Capital based on RWA @ 10% on B	10,118,850,000	8,910,720,000
D. Surplus Capital as per Bank weighted Assets (A - C)	225,534,469	812,248,387
<b>Capital Adequacy Ratio</b>		
Core Capital to RWA	7.06%	7.66%
Supplementary Capital to RWA	3.16%	3.25%
	<b>10.22%</b>	<b>10.91%</b>

**13.3 (a) Capital Adequacy Ratio under Consolidated basis**

<b><u>Tier – I (Core Capital)</u></b>		
Paid up Capital	4,262,061,660	3,805,412,200
Minority Interest	805	789
Share Premium Account	75,576,040	532,225,500
Statutory Reserve	2,373,074,798	2,169,218,210
Retained Earnings	838,899,449	656,322,596
	<b>7,549,612,752</b>	<b>7,163,179,295</b>
<b><u>Tier –II (Supplementary Capital)</u></b>		
General Provision	2,321,573,088	2,016,423,961
Bond (30% of Tier-1)	1,600,000,000	1,600,000,000
Revaluation reserves (50% of such reserve)	8,290,999	18,511,727
	<b>3,929,864,087</b>	<b>3,634,935,688</b>
<b>A. Total Capital (Tier-I + Tier-II)</b>	<b>11,479,476,839</b>	<b>10,798,114,983</b>
B. Total Risk Weighted Assets (RWA)	104,507,600,000	91,968,200,000
C. Required Capital based on RWA @ 10%	10,450,760,000	9,196,820,000
D. Surplus Capital as per Bank weighted Assets (A - C)	1,028,716,839	1,601,294,983
<b>Capital Adequacy Ratio</b>		
Core Capital to RWA	7.22%	7.79%
Supplementary Capital to RWA	3.76%	3.95%
	<b>10.98%</b>	<b>11.74%</b>

**Total Risk Weighted Assets (RWA)**

Risk Weighted Assets (RWA) has been calculated considering the Credit risk, Market Risk and Operational risk as per Guidelines on Risk Based Capital Adequacy - Revised Regulatory Framework in line with Basel II issued by Bangladesh Bank on August 2010.

<b>30.06.2014</b>	<b>31.12.2013</b>
<b>Taka</b>	<b>Taka</b>

**13.4 Percentage of shareholdings at the closing date**

	<b>Amount (in Taka)</b>		<b>Percentage (%)</b>	
	<b>30.06.2014</b>	<b>31.12.2013</b>	<b>30.06.2014</b>	<b>31.12.2013</b>
Sponsors	2,557,491,700	2,283,474,170	60.00%	60.00%
Financial Institutions	882,344,070	776,040,820	20.70%	20.39%
Foreign Investors	6,759,070	10,226,850	0.16%	0.27%
Non-Resident Bangladeshi	14,926,140	14,331,130	0.35%	0.38%
General Public	800,540,680	721,339,230	18.79%	18.97%
<b>Total</b>	<b>4,262,061,660</b>	<b>3,805,412,200</b>	<b>100.00%</b>	<b>100.00%</b>

**13.5 Shareholding Range on the basis of shareholdings as on 30 June 2014**

<b>Shareholding Range</b>		<b>No. of Sh. Holders</b>	<b>Number of Shares</b>	<b>%</b>
1	to 500	13,843	2,161,066	0.51%
501	to 5,000	16,109	26,161,645	6.14%
5,001	to 10,000	1,250	8,860,590	2.08%
10,001	to 20,000	627	8,886,161	2.08%
20,001	to 30,000	177	4,267,100	1.00%
30,001	to 40,000	93	3,256,966	0.76%
40,001	to 50,000	56	2,537,617	0.60%
50,001	to 100,000	105	7,532,575	1.77%
100,001	to 1,000,000	93	24,200,081	5.68%
1,000,001	to 100,000,000	22	82,622,341	19.39%
100,000,001	and More 1,000,000,000	1	255,720,024	60.00%
<b>Total</b>		<b>32,376</b>	<b>426,206,166</b>	<b>100.00%</b>

**13 (a) MINORITY INTEREST**

Share Capital (7 nos. shares of Trust Bank Investment Limited @ Tk. 100 each & 1 nos Share of TBSL)  
Profit as of 1 January 2013  
Profit for the year

710	710
79	79
16	-
95	79
<b>805</b>	<b>789</b>

**14 STATUTORY RESERVE**

Balance on 1 January	2,169,218,210	1,966,008,097
Reserve made during the year	203,856,588	203,210,113
Closing Balance	<b>2,373,074,798</b>	<b>2,169,218,210</b>

**14.1** Reserve for current period was made @ Tk. 20% on the net profit before tax under section 24 of The Bank Companies Act 1991.

**15 OTHER RESERVE**

**Revaluation Reserve**

Balance on 1 January	37,023,453	8,567,858
Reserve made/(adjusted) during the year	(20,441,456)	28,455,595
Closing Balance	<b>16,581,997</b>	<b>37,023,453</b>

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity and must be amortized at the end of the year before maturity. Investments classified in the category of 'Held for Trading' are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week. The increase in case of amortization of Investment under 'Held to maturity' and any change in the fair value in case of Investment under 'held for Trading' is to be accounted for in the 'Statement of changes in Equity' under the head Other Reserve as Surplus/Deficit on revaluation of investment.



	<b>30.06.2014</b>	<b>31.12.2013</b>
	<b>Taka</b>	<b>Taka</b>
<b>16 RETAINED EARNINGS</b>		
Balance on 1 January	321,901,750	546,623,857
Issue of Bonus Shares	-	(345,946,560)
Cash Dividend	-	-
	<u>321,901,750</u>	<u>200,677,297</u>
Net Profit for the year transferred from Profit and Loss Account	316,514,810	324,434,566
Less: Transferred to Statutory Reserve	203,856,588	203,210,113
	<u>112,658,222</u>	<u>121,224,453</u>
Closing Balance	<u><b>434,559,972</b></u>	<u><b>321,901,750</b></u>
<b>16 (a) Consolidated retained earnings</b>		
Trust Bank Limited	434,559,972	321,901,750
Trust Bank Securities Limited	(3,249,240)	(2,469,372)
Trust Bank Investment Limited	407,588,812	336,890,297
	838,899,544	656,322,675
Less minority interest	95	79
Closing Balance	<u><b>838,899,449</b></u>	<u><b>656,322,596</b></u>
<b>17 CONTINGENT LIABILITIES</b>		
<b>17.1 Acceptances and endorsements</b>		
Acceptance Bills - Local	2,195,547,978	2,095,871,071
Acceptance Bills - Foreign	9,839,883,000	5,702,116,084
Acceptance Liabilities - Back to Back L/C	1,461,141,335	859,262,823
	<u><b>13,496,572,313</b></u>	<u><b>8,657,249,978</b></u>
<b>17.2 Letters of Guarantee</b>		
Letters of Guarantee - Local	10,057,431,724	7,927,492,262
Letters of Guarantee -Foreign	25,222,428.00	8,062,428.00
	<u><b>10,082,654,152</b></u>	<u><b>7,935,554,690</b></u>
<b>17.2.1 Money for which the bank is contingently liable in respect of guarantees given favoring :</b>		
Directors or Officers	-	-
Government	3,357,799,667	2,175,736,817
Banks and other financial institutions	3,932,173,053	2,888,492,862
Others	2,792,681,432	2,871,325,011
	<u><b>10,082,654,152</b></u>	<u><b>7,935,554,690</b></u>
<b>17.3 Irrevocable Letter of Credits</b>		
Letter of Credit - Local	1,079,510,775	242,669,567
Letter of Credit - Foreign	8,930,328,275	7,788,402,620
Letter of Credit - Back to Back L/C	2,498,274,812	2,170,186,633
Letter of Credit - Usance (Foreign)	6,637,700,597	2,033,640,640
	<u><b>19,145,814,459</b></u>	<u><b>12,234,899,460</b></u>
<b>17.4 Bills for Collection</b>		
Outward Bills for Collection	83,759,605	27,999,904
Local Documentary Bill for Collection	2,355,595,884	1,897,195,062
Foreign Documentary Bills for Collection	1,146,804,929	918,676,030
	<u><b>3,586,160,418</b></u>	<u><b>2,845,083,746</b></u>

	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka
<b>18 INTEREST INCOME</b>				
<b>18.1 Interest Income under Conventional banking</b>				
<b>Interest from Loans and Advances</b>				
Interest on Repair & Recon. of Dwelling House (RRDH)	94,537,786	78,582,579	54,401,205	38,975,710
Interest on Consumer Durable Scheme	126,806	35,385	73,907	25,387
Interest on Marriage Loans	1,342,104	1,359,986	737,270	650,145
Interest on Car Loans	6,295,585	11,589,414	3,061,413	5,525,138
Interest on House Building Loans	240,129,782	202,733,910	122,958,324	98,928,003
Interest on Term Loans	1,777,094,287	1,064,775,563	955,769,024	551,740,803
Interest on Other Loans	1,378,751,363	1,059,698,156	680,452,073	593,093,630
Interest on SME Loan	129,365,633	80,384,678	68,867,043	44,474,903
Interest on PAD - EDF	23,525,618	9,106,902	15,056,039	4,556,081
Interest on Staff Loan	16,281,122	11,124,154	8,516,068	5,475,380
Interest on LTR	489,083,662	415,596,996	255,024,250	205,737,742
Interest on Payment Against Documents (PAD)	21,277,010	18,614,906	11,107,856	7,678,702
Interest on Cash Credit	126,511,923	104,910,153	65,561,020	53,358,807
Interest on Cash Collateral	78,798,541	29,249,755	43,691,264	15,773,884
Interest on Overdraft	309,508,258	189,742,797	177,590,980	101,459,399
Interest on SOD	642,974,714	623,502,713	334,292,359	315,269,374
Interest on Inland Bills Purchased and Discounted	119,556,672	88,988,624	73,153,600	41,439,406
Interest on Foreign Bills Purchased and Discounted	4,132,660	7,425,334	2,172,540	3,164,157
	<b>5,459,293,526</b>	<b>3,997,422,005</b>	<b>2,872,486,235</b>	<b>2,087,326,651</b>
<b>Interest from Banks and Other Financial Institutions</b>				
Interest on FDR Account	37,371,251	96,243,305	17,492,084	90,176,639
Interest on Bangladesh Bank Foreign Currency Accounts	-	-	-	-
Interest on SND Account	1,079,190	712,336	306,816	446,540
Interest on Call Deposits	101,052,708	411,945,417	16,734,444	138,752,709
	<b>139,503,149</b>	<b>508,901,058</b>	<b>34,533,344</b>	<b>229,375,888</b>
Interest received from Foreign Banks	230,276	93,071	86,343	20,689
	<b>5,599,026,951</b>	<b>4,506,416,134</b>	<b>2,907,105,922</b>	<b>2,316,723,228</b>
<b>18.2 Profit under Islamic banking</b>				
Profit on BARAKAT Car Scheme	854,602	1,173,965	373,052	562,270
Profit on IHSAN Apartment Purchase Scheme	1,337,518	784,863	738,159	404,136
Profit on BARAKAT Home Construction Scheme	2,301,131	1,298,320	1,698,709	682,541
Profit on HPSM-Capital Machinery	60,929,155	18,833,851	29,180,779	13,599,996
Profit on HPSM- Real Estate	2,325,533	2,945,004	1,106,182	1,820,789
Profit on Murabaha (RM)	-	1,509,750	-	1,509,750
Profit on Bai-Muajjal	165,928,226	37,233,207	98,129,093	17,953,802
Profit on Bai-Salam	5,334,818	7,394,994	2,273,007	4,404,817
Profit on Murabaha TR	26,420,699	20,884,136	14,150,655	11,914,454
Profit on Murabaha Import Bills (MIB)	1,247,360	231,895	490,871	161,803
Profit on TIB House Building Scheme-HBL (RM)	3,255,079	1,784,016	1,626,634	1,117,452
Profit on TIB Household Durable Scheme( Household Durab	59,634	-	52,354	-
Profit on HPSM General	17,582,705	-	9,935,545	-
Profit on FDBP - TIB	-	-	-	-
Profit on Musharaka agt. IBP	22,276,116	2,355,011	13,074,300	944,068
	<b>309,852,576</b>	<b>96,429,012</b>	<b>172,829,340</b>	<b>55,075,878</b>
<b>Profit from Banks and Other Financial Institutions</b>				
Profit on Mudarab Term Deposits	30,853,603	-	14,347,062	-
	<b>340,706,179</b>	<b>96,429,012</b>	<b>187,176,402</b>	<b>55,075,878</b>
	<b>5,939,733,130</b>	<b>4,602,845,146</b>	<b>3,094,282,324</b>	<b>2,371,799,106</b>
<b>18 (a) Consolidated Interest Income/profit on investment</b>				
Trust Bank Limited	5,939,733,130	4,602,845,146	3,094,282,324	2,371,799,106
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	102,513,668	370,877,572	35,597,198	189,868,420
	<b>6,042,246,798</b>	<b>4,973,722,718</b>	<b>3,129,879,522</b>	<b>2,561,667,526</b>
Less : Inter Company Transaction	31,253,461	19,255,512	15,757,070	-
	<b>6,010,993,337</b>	<b>4,954,467,206</b>	<b>3,114,122,452</b>	<b>2,561,667,526</b>
<b>19 INTEREST PAID ON DEPOSITS AND BORROWINGS</b>				
<b>19.1 Interest paid on deposits</b>				
Interest on SND Account	104,784,758	77,033,846	52,405,870	49,611,627
Interest on FDR Account	3,473,120,664	3,170,349,436	1,727,932,911	1,624,137,367
Interest on Foreign Currency Deposit	17,848,080	11,293,805	10,226,271	5,695,905
Interest on Savings Account	178,231,654	136,269,107	90,378,413	69,158,817
Interest on Scheme Deposits	578,084,410	481,792,917	295,928,253	255,417,845
	<b>4,352,069,566</b>	<b>3,876,739,111</b>	<b>2,176,871,718</b>	<b>2,004,021,561</b>

	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka
<b>19.2 Profit paid on Islamic Banking Deposits</b>				
Profit Paid on Mudaraba Savings Account	8,797,460	7,904,335	3,947,941	4,073,182
Profit Paid on Mudaraba SND	189,189	233,131	111,188	126,308
Interest Paid on Mudaraba TDR	262,399,690	181,694,288	133,679,817	97,134,560
Profit Paid on Mudaraba MTDR - 1 Month	473,592	158,034	265,649	32,944
Prifit Paid on TBL Barakat Hajj Deposit Scheme	171,082	109,327	90,304	57,473
Profit on Mudaraba Kotipati Scheme (MKS)	606,512	92,088	320,640	54,414
Profit on Mudaraba Millionaire Scheme (MMS)	787,674	140,274	462,521	89,959
Profit on Mudaraba Money Double Scheme (MMDS)	879,974	352,083	453,711	243,750
Profit Paid on Mudaraba Monthly Savings Scheme	6,310,329	4,566,349	3,154,238	2,445,486
Profit Paid on DPMSA	13,757	-	7,967	-
Profit Paid on TEMSA	392,665	-	236,255	-
Profit paid on MMPS	14,833	-	14,833	-
	<b>281,036,757</b>	<b>195,249,909</b>	<b>142,745,064</b>	<b>104,258,076</b>
<b>19.3 Interest paid on borrowings</b>				
Interest on Call Deposits.	1,489,514	-	1,489,514	-
Interest on Repo	-	-	-	-
Discount & Commission paid	-	-	-	-
Interest on Other Borrowings	148,532,959	143,787,463	76,744,260	74,570,091
	<b>150,022,473</b>	<b>143,787,463</b>	<b>78,233,774</b>	<b>74,570,091</b>
	<b>4,783,128,796</b>	<b>4,215,776,483</b>	<b>2,397,850,556</b>	<b>2,182,849,728</b>
<b>19 (a) Consolidated Interest / profit paid on deposits, borrowings etc. on investment</b>				
Trust Bank Limited	4,783,128,796	4,215,776,483	2,397,850,556	2,182,849,728
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	32,708,818	40,590,232	16,579,291	20,860,138
	<b>4,815,837,614</b>	<b>4,256,366,715</b>	<b>2,414,429,847</b>	<b>2,203,709,866</b>
Less : Inter Company Transaction	31,253,461	19,255,512	15,757,070	-
	<b>4,784,584,153</b>	<b>4,237,111,203</b>	<b>2,440,620,444</b>	<b>2,203,709,866</b>
<b>20 INCOME FROM INVESTMENTS</b>				
<b>20.1 Income from Conventional Banking</b>				
Income from Treasury bills	-	5,819,066	-	5,074,371
Income from Treasury bonds	799,675,806	637,583,252	398,611,362	372,981,946
Income from Reverse REPO	733,562	-	546,576	-
Profit on sale of Securities	-	-	-	-
Income from Other Approved Securities	-	-	-	-
Income from Debentures & Bond	29,474,251	40,198,720	13,299,799	20,215,569
Dividend Income	13,489,714	9,738,123	7,426,883	4,397,500
Gain from sales of shares	(1,451,332)	3,090,422	(2,570,703)	3,090,422
	<b>841,922,001</b>	<b>696,429,583</b>	<b>417,313,917</b>	<b>405,759,808</b>
<b>20.2 Income from Islamic Banking Investments</b>				
Dividend Income	8,104,670	127,000	7,471,020	-
Profit on Investment in Islamic Bank Bond	-	-	-	-
Profit on Sale of Shares	1,507,710	2,800,970	202,767	2,800,970
	<b>9,612,380</b>	<b>2,927,970</b>	<b>7,673,787</b>	<b>2,800,970</b>
	<b>851,534,381</b>	<b>699,357,553</b>	<b>424,987,704</b>	<b>408,560,778</b>
<b>20 (a) Consolidated Income from Investment</b>				
Trust Bank Limited	851,534,381	699,357,553	424,987,704	408,560,778
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	5,950,773	2,138,527	542,001	1,188,232
	<b>857,485,154</b>	<b>701,496,080</b>	<b>425,529,705</b>	<b>409,749,010</b>
<b>21 Commission, exchange and brokerage</b>				
Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order et	2,488,261	2,480,415	1,285,250	1,478,817
Travelers Cheque	-	170	-	-
Bills	13,620,716	8,415,300	6,502,122	4,388,007
Letter of Guarantees	48,704,134	41,294,823	23,980,301	23,820,339
Letter of Credits	144,956,774	82,740,080	76,526,904	45,792,664
Foreign Remittances	2,892,389	2,493,331	2,436,450	2,046,462
Commission on Sale of Government Securities	6,829,561	4,724,159	3,952,524	2,424,954
Fund Transfer Commission	5,600	7,000	2,600	3,000
Commission on Sale & Purchase of Shares	374,265	24,572	124,088	295
Under writing Commission	2,109,746	314,646	693,585	1,905

	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka
Acceptance Commission	67,607,076	43,010,056	34,476,991	20,236,717
Foreign Correspondence Charges	750	6,000	-	-
Miscellaneous Commission	14,046,893	6,847,859	9,625,512	3,834,400
	<b>303,636,165</b>	<b>192,358,411</b>	<b>159,606,327</b>	<b>104,027,560</b>
Foreign Currency Exchange Gain	193,431,779	153,090,232	99,773,346	97,524,083
	<b>497,067,944</b>	<b>345,448,643</b>	<b>259,379,673</b>	<b>201,551,643</b>

#### 21 (a) Consolidated Commission, exchange and brokerage

Trust Bank Limited	497,067,944	345,448,643	259,379,673	201,551,643
Trust Bank Securities Limited	4,729,031	-	3,752,769	-
Trust Bank Investment Limited	155,856	210,371	112,054	10,371
	<b>501,952,831</b>	<b>345,659,014</b>	<b>263,244,496</b>	<b>201,562,014</b>

#### 22 OTHER OPERATING INCOME

Locker Rent	691,500	852,300	336,750	375,300
Swift Charge (Net)	17,915,730	10,898,337	9,228,321	5,977,636
Postage Charge (Net)	1,868,633	-	474,415	-
Sale Proceeds of Forms	476,230	283,125	243,819	143,855
Service Charges	28,007,155	23,999,056	26,283,714	22,223,882
Service Compensation	-	129,600	-	109,600
Front End Fees	40,040,735	36,748,021	15,958,408	19,900,556
Notice Pay	961,927	1,108,000	704,524	425,550
Closing Charge	651,798	479,753	340,265	247,891
Sale Proceeds of Cheque books	61,500	63,500	33,500	28,500
Income form Mobile Banking	141,538	34,685	120,913	13,235
BO Account Transfer Fee	-	-	-	-
O/W Cheque Processing Fees	256,125	249,806	139,097	88,286
Introductory Commission	-	-	-	-
EFTN Org Processing Fees	508	30,109	508	-
Syndication Fees	2,250,000	3,820,450	2,250,000	3,695,450
Income through Credit & ATM Card	21,538,429	11,740,279	9,910,799	8,386,746
Profit on sale of Fixed Assets	1,759,029	-	(240,970)	-
Service Charge - Transaction Agent (TA)	57	-	17	-
Take up Commission	-	510	-	-
Service Charges on e-GP	518,645	-	216,497	-
Port Folio Transaction Fees	-	-	-	-
Insurance Premium Income	14,435	19,162	6,238	5,290
SMS Notification Fees	97,182	9,300	95,443	8,564
Service Charge on Passport	2,700	-	300	-
Miscellaneous Foreign Exchange Income	41,222,537	28,346,040	20,813,380	15,565,826
Miscellaneous Earnings	35,777,702	23,084,088	17,913,923	12,342,062
	<b>194,254,095</b>	<b>141,896,121</b>	<b>104,829,861</b>	<b>89,538,229</b>

#### 22 (a) Consolidated other operating income

Trust Bank Limited	194,254,095	141,896,121	104,829,833	89,538,229
Trust Bank Securities Limited	477,038	-	467,973	-
Trust Bank Investment Limited	61,320,249	51,148,167	26,773,066	27,023,923
	<b>256,051,382</b>	<b>193,044,288</b>	<b>132,070,872</b>	<b>116,562,152</b>

#### 23 Salaries and allowances

Basic Salary	220,297,271	177,599,514	111,059,330	89,440,862
House Rent Allowances	110,148,588	88,679,635	55,532,626	44,646,924
Conveyance Allowances	11,595,666	10,291,888	5,852,936	5,234,338
Medical Allowances	39,553,539	35,547,455	19,960,065	17,907,305
Leave Fare Assistances	16,191,205	14,688,190	8,166,955	7,406,605
Leave Encashment	1,601,545	3,592,733	1,163,735	1,746,715
Utility Allowances	1,638,826	1,461,592	821,326	720,252
Telephone Allowance	153,413	123,650	74,413	62,400
Club Membership Allowance	553,001	494,718	277,001	244,076
Contractual Staffs Salary	4,336,805	5,308,243	2,400,502	2,959,778
Managers' Charge Allowance	1,041,857	959,679	520,500	480,000
Key Holding Allowance	531,725	357,000	265,725	115,500
Bank's Contribution to Provident Fund	20,852,949	16,247,900	10,535,547	8,130,928
Bank's Contribution to Superannuation Fund	2,293,998	799,998	1,146,999	399,999
Bank's Contribution to Employees' Gratuity Fund	35,570,113	27,509,340	17,939,217	13,754,670
	<b>466,360,501</b>	<b>383,661,535</b>	<b>235,716,877</b>	<b>193,250,352</b>

#### 23 (a) Consolidated salaries and allowances

	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka
Trust Bank Limited	466,360,501	383,661,535	235,716,877	193,250,352
Trust Bank Securities Limited	1,934,340	-	1,289,560	-
Trust Bank Investment Limited	11,969,969	12,001,044	6,059,871	5,571,043
	<b>480,264,810</b>	<b>395,662,579</b>	<b>243,066,308</b>	<b>198,821,395</b>
<b>24 RENT, TAXES, INSURANCE, ELECTRICITY, ETC.</b>				
Rent	102,049,751	76,089,400	52,637,862	36,967,237
Electricity and Lighting	21,691,987	15,172,764	14,241,515	9,243,938
Insurance	40,214,756	31,601,619	20,121,285	16,163,001
Rates, Taxes & Excise Duty	181,567	131,037	103,450	105,207
Fees & Renewals	6,059,077	2,895,096	5,115,795	(844,241)
Generator Fuel	2,464,424	3,201,894	1,508,577	1,826,794
Gas/Water Bill	911,673	780,687	479,480	362,781
	<b>173,573,235</b>	<b>129,872,497</b>	<b>94,207,964</b>	<b>63,824,717</b>
<b>24 (a) Consolidated rent,taxes,insurance, electricity,etc.</b>				
Trust Bank Limited	173,573,235	129,872,497	94,207,964	63,824,717
Trust Bank Securities Limited	266,681	-	129,000	-
Trust Bank Investment Limited	4,741,870	5,187,303	2,422,720	2,325,152
	<b>178,581,786</b>	<b>135,059,800</b>	<b>96,759,684</b>	<b>66,149,869</b>
<b>25 POSTAGE, STAMPS, TELECOMMUNICATION, ETC.</b>				
Postage	-	1,460,000	-	852,066
Stamp	94,336	86,825	42,778	59,021
ATM Connectivity Charges	398,000	408,184	256,000	232,059
ATM Maintenance Charges	3,570,808	1,511,250	786,000	750,000
Online Expenses	42,482,063	26,765,086	22,862,813	15,098,617
ATM Card Expenditure	-	6,728	-	-
Internet Charge	540,391	987,203	308,338	538,961
Router Charge	1,218,880	1,228,256	609,049	609,049
Telegram, Telex, Telephone, Trunk Call etc. (Net)	4,596,741	4,494,589	2,493,231	2,325,675
	<b>52,901,219</b>	<b>36,948,121</b>	<b>27,358,209</b>	<b>20,465,448</b>
<b>25 (a) Consolidated postages, stamps, telecommunication, etc.</b>				
Trust Bank Limited	52,901,219	36,948,121	27,358,209	20,465,448
Trust Bank Securities Limited	421,333	-	274,221	-
Trust Bank Investment Limited	611,991	1,262,495	438,241	617,228
	<b>53,934,543</b>	<b>38,210,616</b>	<b>28,070,671</b>	<b>21,082,676</b>
<b>26 STATIONERY, PRINTING, ADVERTISEMENT, ETC.</b>				
Printing and Stationery (Net)	27,594,451	21,743,824	18,224,248	11,679,553
Publicity and Advertisement	9,786,435	13,133,697	6,689,392	8,407,037
	<b>37,380,886</b>	<b>34,877,521</b>	<b>24,913,640</b>	<b>20,086,590</b>
<b>26 (a) Consolidated stationery, printing, advertisement,etc etc.</b>				
Trust Bank Limited	37,380,886	34,877,521	24,913,640	20,086,590
Trust Bank Securities Limited	37,277	-	21,108	-
Trust Bank Investment Limited	326,412	171,633	227,232	92,339
	<b>37,744,575</b>	<b>35,049,154</b>	<b>25,161,980</b>	<b>20,178,929</b>
<b>27 DIRECTORS' FEES</b>				
Meeting fees	768,800	645,800	439,400	384,400
Other benefits	-	-	-	-
	<b>768,800</b>	<b>645,800</b>	<b>439,400</b>	<b>384,400</b>
<b>27 (a) Consolidated directors fees</b>				
Trust Bank Limited	768,800	645,800	439,400	384,400
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	63,000	72,000	39,000	48,000
	<b>831,800</b>	<b>717,800</b>	<b>478,400</b>	<b>432,400</b>
<b>28 Depreciation and repair of bank's assets</b>				
<b>Depreciation</b>				
Fixed assets	66,303,039	52,779,499	35,096,187	26,373,203
<b>Repairs</b>				
Building	128,470	494,358	76,980	93,430
Furniture and fixtures	1,386,651	772,270	760,558	278,321
Office equipment	6,958,634	6,766,124	4,176,944	3,641,420
Bank's vehicles	1,739,966	1,368,180	1,062,205	879,353
Maintenance	8,091,842	4,764,985	2,194,425	4,070,522
	<b>18,305,563</b>	<b>14,165,917</b>	<b>8,271,112</b>	<b>8,963,046</b>
	<b>84,608,602</b>	<b>66,945,416</b>	<b>43,367,299</b>	<b>35,336,249</b>
<b>28 (a) Consolidated depreciation and repair of bank's assets</b>				
Trust Bank Limited	84,608,602	66,945,416	43,367,299	35,336,249
Trust Bank Securities Limited	307,709	-	225,767	-
Trust Bank Investment Limited	1,752,245	2,420,034	802,506	1,460,307
	<b>86,668,556</b>	<b>69,365,450</b>	<b>44,395,572</b>	<b>36,796,556</b>

	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka
<b>29 OTHER EXPENSES</b>				
Business Development Expenses	10,323,684	18,874,929	5,968,293	14,994,784
Clearing House Charge	48,762	51,649	27,418	29,566
Conveyance	5,589,783	5,298,705	2,873,089	3,131,548
Entertainment	15,506,943	9,949,025	10,190,333	6,291,088
Car Expenses	32,482,789	31,474,252	16,355,399	15,560,977
Cash Handling Charge	1,217,550	1,203,920	607,800	651,140
Bank charges	39,029	68,174	19,421	34,311
Meeting Expenses	3,744,493	8,031,254	3,520,019	6,131,702
Donation, Subscription and Membership Fees	3,016,035	22,781,385	1,016,279	20,467,484
News Paper and Periodicals	376,615	333,533	194,373	187,052
Oil and Lubricant	3,897,704	2,776,817	2,215,898	1,654,833
Remittance Charges	1,020,429	1,944,819	569,049	1,025,215
Other Contractual Service	71,956,220	55,634,131	36,682,957	27,874,178
Internship Allowances	1,035,200	755,234	628,500	366,171
Honorarium for Banking Diploma	267,000	260,000	40,000	-
Training & Recruitment Expenses	4,132,535	4,798,635	1,828,773	3,250,183
Traveling Expenses	7,552,851	6,021,325	4,169,271	3,006,311
Up Keep of Office Premises	3,292,686	3,027,471	1,773,661	1,659,317
Washing Charges	773,082	627,331	381,203	306,134
WEB Site Maintenance	456	-	-	-
Loss on Sale of Fixed Assets	-	2,919,525	-	(151,999)
Car Leasing Expenses	2,370,746	754,866	1,346,961	377,433
Foreign Correspondence Expenses	1,599,095	1,507,800	773,418	833,628
Pre-opening Expenses	223,034	-	167,234	-
Amortization of Intangible Assets	7,352,761	8,211,229	3,486,716	4,061,612
CDBL Charges	3,500	14,930	3,500	3,900
Security Expenses	99,456	846,306	47,911	418,893
Foreign Remittance Expenses	-	33,239	-	33,239
Share/Bond Issue Expense	115,000	-	115,000	-
Sales Commission	1,206,761	1,792,552	923,365	1,059,236
Cash Carrying Charges	2,204,703	1,011,582	1,131,203	472,920
Wages paid to daily Labor	149,776	154,690	99,700	117,890
Purchase of Utensils	282,843	348,818	150,436	121,609
Medical Expenses	524	2,590	394	1,845
Contact Point Verification Fees (RB)	51,250	41,550	25,750	24,050
Miscellaneous Expenses	150,260	259,700	103,374	91,620
	<b>182,083,555</b>	<b>191,811,966</b>	<b>97,436,698</b>	<b>114,087,870</b>
<b>29 (a) Consolidated other expenses</b>				
Trust Bank Limited	182,083,555	191,811,966	97,436,698	114,087,870
Trust Bank Securities Limited	2,099,211	-	1,191,636	-
Trust Bank Investment Limited	5,286,749	4,505,106	2,398,057	2,317,381
	<b>189,469,515</b>	<b>196,317,072</b>	<b>101,026,391</b>	<b>116,405,251</b>
<b>30 PROVISION FOR LOANS AND ADVANCES / INVESTMENTS</b>				
Specific Provisions-against classified loans & advances	308,468,000	193,952,000	152,203,000	96,801,000
General Provisions-against un-classified loans & advances	179,507,000	96,795,000	108,578,000	93,333,000
General Provisions-against special mentioned accounts	(10,749,000)	(37,752,000)	(4,924,000)	(87,665,000)
	<b>477,226,000</b>	<b>252,995,000</b>	<b>255,857,000</b>	<b>102,469,000</b>
<b>30 (a) Consolidated Provision for Loans &amp; Advances / Investment</b>				
Trust Bank Limited	477,226,000	252,995,000	255,857,000	102,469,000
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	-	-	-	-
	<b>477,226,000</b>	<b>252,995,000</b>	<b>255,857,000</b>	<b>102,469,000</b>
<b>31 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:</b>				
Decline in value of investment should consist of the following divisions:				
(a) Dealing securities				
- Quoted	-	-	-	-
- Unquoted	-	-	-	-
(b) Investment securities				
- Quoted	56,754,928	(37,786,954)	69,828,990	(54,245,266)
- Unquoted	-	-	-	-
	<b>56,754,928</b>	<b>(37,786,954)</b>	<b>69,828,990</b>	<b>(54,245,266)</b>
	<b>56,754,928</b>	<b>(37,786,954)</b>	<b>69,828,990</b>	<b>(54,245,266)</b>

	1 January 2014 to 30 June 2014 Taka	1 January 2013 to 30 June 2013 Taka	1 April 2014 to 30 June 2014 Taka	1 April 2013 to 30 June 2013 Taka
<b>31 (a) Consolidated Provision for Loans &amp; Advances / Investment</b>				
Trust Bank Limited	56,754,928	(37,786,954)	69,828,990	(54,245,266)
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	-	-	-	-
	<b>56,754,928</b>	<b>(37,786,954)</b>	<b>69,828,990</b>	<b>(54,245,266)</b>
<b>32 OTHER PROVISION</b>				
General Provision for Off Balance Sheet Exposures	146,364,000	34,738,000	87,220,000	30,000,000
Provision for Other Assets	(3,577,862)	609,273	(176,514)	367,702
	<b>142,786,138</b>	<b>35,347,273</b>	<b>87,043,486</b>	<b>30,367,702</b>
<b>32 (a) Consolidated Other Provision</b>				
Trust Bank Limited	142,786,138	35,347,273	87,043,486	30,367,702
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	-	-	-	-
	<b>142,786,138</b>	<b>35,347,273</b>	<b>87,043,486</b>	<b>30,367,702</b>
<b>33 EARNING PER SHARE (EPS)</b>				
Profit attributable to outstanding ordinary share holders	316,514,810	159,842,216	160,690,817	152,327,387
<b>Nos of Ordinary Outstanding Share</b>	<b>426,206,166</b>	<b>380,541,220</b>	<b>426,206,166</b>	<b>380,541,220</b>
Earning per Share	0.74	0.42	0.38	0.40
<b>33 (a) Consolidated Earning per Share (EPS)</b>				
Profit attributable to outstanding ordinary share holders	386,433,457	365,786,970	140,772,870	244,845,830
<b>Nos of Ordinary Outstanding Share</b>	<b>426,206,166</b>	<b>380,541,220</b>	<b>426,206,166</b>	<b>380,541,220</b>
Earning per Share	0.91	0.96	0.33	0.64

**34 EXPENDITURE INCURRED FOR EMPLOYEES****Salaries, allowances and benefits**

Number of employees at 30 June 2014 was 1560; (31 December 2013 was 1477) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of remuneration of not less than TK. 3,000 per month.

**35 AUDIT COMMITTEE****35.a Particulars of Audit Committee**

An audit committee has been formed by the Board of Directors of the Bank in its 64<sup>th</sup> Board meeting held on 05 February 2003. In accordance with the BRPD circular letter no. 12 dated 23 December 2002, the committee constituted with a chairman, two members and a member secretary.

As on 30 June 2014 the Honorable Members of the committee were as follows:

<b>Name</b>	<b>Status with Bank</b>	<b>Status with committee</b>	<b>Educational Qualification</b>
Mr. Helal Uddin Ahmed	Director	Chairman	MA
Brig Gen Kazi A S M Arif, afwc, psc	Director	Member	MDS, MWS
Mr. Ashrafuzzaman Khan	Independent Director	Member	M.A.
Mr. Khalded Mahbub Morshed	Company Secretary	Member Secretary	M. Com, FCA

**35.b** During the period end as on 30 June 2014, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

<b><u>Meeting Number</u></b>	<b><u>Date of Meeting</u></b>
1 <sup>st</sup>	18-Feb-14
2 <sup>nd</sup>	25-Mar-14
3 <sup>rd</sup>	22-Apr-14

**35.c** **Following steps have been taken for implementation of an effective Internal Control Procedures of the banks:**

A strong internal control & compliance division has been formed with a view to establish compliance culture and full control.

Regular review of internal and external (including Bangladesh Bank) audit reports with a view to implement the suggestion of internal and external auditors (including Bangladesh Bank), in respect of internal control techniques.

To establish an effective management system that includes planning, organizing and supervising culture in the branches as well as at head office.

Continuous monitoring & evaluation on application of internal control system, internal audit policy, policy for financial risks, existing rules and regulations (internal and external), other obligations from controlling authority, disclosure process of financial statements etc. of the bank.

Review the accounting procedures with a view to ascertain that the Bangladesh Financial Reporting Standards (BFRSS) have been applied in preparation and presentation of financial statements.

Formulation of HRM policy and other operating procedures.

**36 Related Party Disclosures**

Parties are considered to be related if one party has been ability to control the other party or to exercise significant influence over the other party in making financial and operating decision. Related party informations i) Directors' interest in different entities:



i) Directors' interest in different entities:

	Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
1	General Iqbal Karim Bhuiyan, psc	Chairman (Representing Army Welfare Trust)	Sena Kalyan Sangstha – Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. – Chairman, Board of Directors	Nominated
			Bangladesh Machine Tools Factory Ltd.- Chairman, Board of Directors	Nominated
			Army Welfare Trust – Chairman, Board of Trustees	Nominated
			Trust Bank Investment Limited, Chairman, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Military Institute of Science & Technology, Vice Chairman	Nominated
			Council of the College, Armed Forces Medical College, Chairman	Nominated
			Sena Paribar Kalyan Samiti, Chief Patron	Nominated
			Advisory Committee of Proyash, President	Nominated
			Bangladesh Olympic Association, President	Nominated
			National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman	Nominated
			All Golf Clubs, President	Nominated
			Defence Officers Housing Scheme Committee, Chairman	Nominated
2	Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc	Vice Chairman (Nominated Director)	Sena Kalyan Sangstha – Chairman, Management Committee	Nominated
			Sena Kalyan Sangstha- Vice Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd .- Vice Chairman, Board of Directors	Nominated
			Army Welfare Trust - Vice Chairman, Board of Trustees	Nominated
			Army Housing Scheme, Chairman- Board of Directors	Nominated
			Trust Bank Investment Limited, Vice-Chairman, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Trust Bank Securities Limited- Chairman, Board of Directors(TBSL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Trust Technical Training Institute, Chairman, Board of Directors	Nominated
			Chairman, Governing Bodies of Cadet Colleges	Nominated
3	Brig Gen K A R M Mostafa Kamal, ndc, psc	Director (Nominated Director)	Army Welfare Trust - Managing Director	Ex-Officio
			Trust Bank Investment Limited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Trust Bank Securities Limited-Director, Board of Directors (TBSL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Trust Technical Training Institute, Director, Board of Directors	Nominated
			Sena Hotel Development Ltd .- Director, Board of Directors	Nominated
			Sena Kalyan Sangstha- Member, Management Committee	Nominated
4	Ms. Begum Rokeya Din	General Shareholders' and Independent Director	Trust Bank Investment Limited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
5	Mr. Helal Uddin Ahmed	Depositor and Independent Director	ASCOT Trading Company- Proprietor	-
			Sabuj Unnayan Limited- Director	-
			Trust Bank Investment Limited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
6	Brig Gen Abu Mohammad Munir Alim, psc, G	Director (Nominated Director)	Trust Bank Securities Limited, Director, Board of Directors (TBSL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Cantonment Board High School, Mirpur, Chairman	Nominated
7	Brig Gen Md Mehdi Hassan, ndc, afwc, psc	Director (Nominated Director)	Jolshiri Abashon Prokolpo, Director	Nominated
			Trust Bank Investment Limited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
8	Brig Gen Kazi A S M Arif, afwc, psc	Director (Nominated Director)	Trust Bank Securities Limited- Director, Board of Directors (TBSL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Dhaka Cantt. Girls Public School & College, Chairman	Nominated
9	Mr. Ashrafuzzaman Khan	Independent Director	Executive Attire Limited, Managing Director	-

ii) Significant contracts where Bank is a party and wherein Directors have interest:

Nature of Contract	Branch Name	Name of Directors and related by
Lease Agreement with Army Welfare Trust	Principal Branch	General Iqbal Karim Bhuiyan, psc
		Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen Ashraf Abdullah Yussuf, rcds,afwc, psc
		Vice- Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen K A R M Mostafa Kamal, ndc, psc
		Managing Director , Army Welfare Trust
Lease Agreement with Sena Kalyan Sangstha	Sena Kalyan Bhaban Branch Khulna Branch Tongi Branch	General Iqbal Karim Bhuiyan, psc
		Chairman, Board of Trustees, Sena Kalyan Sangstha
		Maj Gen Ashraf Abdullah Yussuf, rcds,afwc, psc
		Vice chairman, Board of Trustees, Sena Kalyan Sangstha.
Advertisement Agreement with Army Welfare Trust	Head Office	General Iqbal Karim Bhuiyan, psc
		Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen Ashraf Abdullah Yussuf, rcds,afwc, psc
		Vice- Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen K A R M Mostafa Kamal, ndc, psc
		Managing Director, Army Welfare Trust

iii) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil

iv) Related party Transactions:

1. The significant Related party transactions during the year were as follows:

a) Transactions relating to rent

Name of the Company/Person	Nature of Relation ship	Nature of Transactions	Amount of transaction made during the year
Army Welfare Trust	Common Director	Office Rent	4,251,000
Sena Kalyan Sangstha	Common Director	Office Rent	3,115,656

b) Transactions with Subsidiaries:

Bank balance of subsidiaries with Trust Bank Limited

Name of the Subsidiaries	Nature of Account	Balance as on
Trust Bank Investment Ltd.	Special Notice Deposit (SND) and Current Account	18,827,320
Trust Bank Securities Ltd.	Special Notice Deposit (SND) and Current Account	1,164,735

v) Lending Policies to related Parties:

Related parties are allowed Loans & Advances as per General Loan Policy of the Bank.

vi) Loan and Advances to Directors and their related concern: 17,530,824

vii) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act – 1991:

Name of Party	Relationship	Name of transaction	Amount
Trust Securities & Logistic Support Ltd.	Common Director	Securities Services to the Bank	71,955,170

viii) Investments in the Securities of Directors and their related concern: Nil

36.1 The Bank's Directors' loan and advances as have been shown above in serial no. f, fall within purview of scheme loan launched for the defense officers for house building purposes.

37 FINANCIAL HIGHLIGHTS

As per BRPD Circular # 14, dated 25 June 2003, Financial Highlights of the Bank for the quarter ended on 30 June 2014 has been shown in Annexure - C.

## Schedule of Balance with Other Banks-Outside Bangladesh (Nostro Accounts)

Name of the Bank	Name of the foreign currency	30.06.2014			31.12.2013		
		Amount in foreign currency	Exchange rate as on 30.06.2014	Total amount equivalent to Taka	Amount in foreign currency	Exchange rate as on 31.12.2013	Total amount equivalent to Taka
Mashreqbank psc, USA	USD	1,317,716.18	77.95	102,715,976	1,228,111.91	78.05	95,854,134
Standard Chartered Bank, USA	USD	702,479.18	77.95	54,758,252	3,162,617.44	78.05	246,842,291
HSBC Bank, USA	USD	354,608.21	77.95	27,641,710	5,164,566.12	78.05	403,094,386
ICICI Bank Ltd., Hongkong	USD	306,705.31	77.95	23,907,679	906,239.54	78.05	70,731,996
Commerz Bank, AG Germany	USD	262,417.54	77.95	20,455,447	1,459,154.39	78.05	113,887,000
Habib Bank Limited	USD	106,485.58	77.95	8,300,551	331,647.36	78.05	25,885,076
Sonali Bank Ltd. UK	USD	529,851.89	77.95	41,301,955	782,486.07	78.05	61,073,038
United Bank Of India	USD	421,837.07	77.95	32,882,200	161,683.98	78.05	12,619,436
Standard Chartered Bank, UK	GBP	15,880.83	134.38	2,134,114	60,573.48	130.22	7,887,975
Sonali Bank Ltd. UK,GBP	GBP	28,007.97	134.38	3,763,795	9,940.91	130.22	1,294,521
HSBC, PLC, UK	GBP	100,737.32	134.38	13,537,384	66,838.30	130.48	8,720,864
Standard Chartered Bank, Japan	YEN	1,125,136.00	0.80	899,664	4,497,543.00	0.77	3,468,505
HSBC, PLC, UK	EURO	169,111.72	107.89	18,245,542	125,354.60	108.78	13,635,610
Standard Chartered Bank, UK	EURO	223,650.20	107.89	24,129,754	24,924.29	108.78	2,711,172
ICICI Bank Ltd., Mumbai, India	EURO	9,525.55	107.89	1,027,718	5,122.05	108.78	557,159
Sonali Bank Ltd. UK, EURO	EURO	90,323.81	107.89	9,745,090	59,969.00	108.78	6,523,207
Commerz Bank, AG Germany	EURO	59,707.49	107.89	6,441,891	552,124.22	108.78	60,058,031
ICICI Bank Ltd., Mumbai, India	ACU	252,513.70	77.95	19,683,443	528,472.77	78.05	41,247,300
HSBC Bank, Mumbai, India	ACU	116,000.84	77.95	9,042,266	233,000.39	78.05	18,185,680
AB Bank, Mumbai, India	ACU	360,504.59	77.95	28,101,333	349,615.39	78.05	27,287,480
Mashreqbank, Mumbai, India	ACU	180,507.47	77.95	14,070,558	271,220.15	78.05	21,168,733
Standard Chartered Bank, Mumbai, India	ACU	255,338.11	77.95	19,903,606	341,362.43	78.05	26,643,338
Habib Bank, Zurich	CHF	29,090.99	88.28	2,568,031	24,875.39	88.26	2,195,512
<b>Total</b>				<b>485,257,959</b>			<b>1,271,572,444</b>

**Schedule of Fixed Assets**  
**As at 30 June 2014**

PARTICULARS	COST				DEPRECIATION				WRITTEN DOWN VALUE at 30 June 2014
	Balance on 1 January 2014	Additions during the half-year	Disposal/ adjustment during the half- year	Balance at 30 June 2014	Balance on 1 January 2014	Charge for the half-year	Disposal/ adjustment during the half-year	Balance at 30 June 2014	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Leasehold Land	160,469	-	-	160,469	-	-	-	-	160,469
Office Building	12,680,000	-	-	12,680,000	1,611,443	158,502	-	1,769,945	10,910,055
Furniture and Fixtures	152,038,034	9,635,505	-	161,673,539	71,350,334	5,321,864	-	76,672,198	85,001,341
Office Equipment	506,602,925	145,589,976	-	652,192,901	315,689,802	44,533,729	-	360,223,531	291,969,370
Motor Vehicles	66,095,233	6,023,755	3,174,590	68,944,398	40,348,843	5,011,431	3,174,589	42,185,685	26,758,713
Office Renovation	296,289,863	19,935,889	-	316,225,752	121,080,879	11,277,513	-	132,358,392	183,867,360
<b>30 June 2014</b>	<b>1,033,866,524</b>	<b>181,185,125</b>	<b>3,174,590</b>	<b>1,211,877,059</b>	<b>550,081,301</b>	<b>66,303,039</b>	<b>3,174,589</b>	<b>613,209,751</b>	<b>598,667,308</b>
<b>31 December 2013</b>	<b>912,375,561</b>	<b>143,255,617</b>	<b>8,266,726</b>	<b>1,047,364,452</b>	<b>457,429,874</b>	<b>109,828,743</b>	<b>3,015,201</b>	<b>564,243,416</b>	<b>483,121,036</b>

## Financial Highlights

SI No	Particulars	Base	30.06.2014	31.12.2013
1	Paid up Capital	Taka	4,262,061,660	3,805,412,200
2	Total Capital	Taka	11,479,476,839	11,166,180,358
3	Capital surplus/(deficit)	Taka	1,834,836,839	2,014,280,358
4	Total Assets	Taka	137,292,113,052	116,740,326,371
5	Total Deposits	Taka	119,355,510,007	102,467,673,271
6	Total Loans and Advances	Taka	96,468,114,088	79,279,579,873
7	Total Contingent Liabilities and Commitments	Taka	46,311,201,342	31,672,787,874
8	Credit Deposit Ratio	%	80.82	77.37
9	Percentage of classified loans against total loans and advances	%	3.22	4.24
10	Profit after tax and provision	Taka	316,514,810	336,065,630
11	Amount of classified loans during current year	Taka	633,936,952	554,887,439
12	Provisions kept against classified loan	Taka	1,216,123,000	1,025,215,000
13	Provision surplus/(deficit)	Taka	-	86,491,000
14	Cost of fund	%	8.30	9.05
15	Interest earning Assets	Taka	118,096,354,190	99,026,941,705
16	Non-interest earning Assets	Taka	19,195,758,862	17,713,384,666
17	Return on Investment (ROI)	%	2.76	3.01
18	Return on Asset (ROA)	%	0.23	0.29
19	Income from Investment	Taka	851,534,381	1,580,403,280
20	Earning per Share (EPS)	Taka	0.74	0.58
21	Net income per Share	Taka	0.74	0.58
22	Price Earning Ratio	Times	0.05	0.03
23	Net Asset Value (NAV)	Taka	7,161,854,467	6,877,412,177
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	4.62	(10.10)

**Balance Sheet of Islami Banking Division  
As of 30 June 2014**

Notes	30.06.2014 Taka	31.12.2013 Taka
<b>PROPERTY AND ASSETS</b>		
<b>Cash</b>		
Cash in hand (including foreign currencies)	-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	429,433,364	418,128,138
	429,433,364	418,128,138
<b>Balance with other banks and financial institutions</b>		
In Bangladesh	617,018,940	817,928,734
Outside Bangladesh	-	-
	617,018,940	817,928,734
<b>Placement with banks and other financial institution</b>		
	-	-
<b>Investments in Shares and Securities</b>		
Government	360,000,000	240,000,000
Others	112,142,868	128,874,249
	472,142,868	368,874,249
<b>Investments</b>		
General Investments etc.	5,416,940,728	3,487,962,980
Bills purchased and discounted	339,327,279	353,327,231
	5,756,268,007	3,841,290,211
<b>Fixed assets including premises</b>		
	-	-
<b>Other assets</b>		
	81,218,332	84,347,620
<b>Non-banking assets</b>		
	-	-
<b>Total Assets:</b>	<b>7,356,081,511</b>	<b>5,530,568,952</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>Liabilities:</b>		
Placement from banks and other financial institutions	82,744,538	-
<b>Deposits and other accounts:</b>		
Al-wadeeah Current Accounts and Other Deposit Accounts	492,805,707	321,305,381
Mudaraba Savings Deposits	486,079,537	423,708,795
Mudaraba Term Deposits	5,581,744,800	4,444,335,817
Other Mudaraba Deposits	-	-
Bills Payable	-	426,975
	6,560,630,044	5,189,776,968
<b>Other liabilities</b>		
	712,706,929	340,791,984
<b>Total Liabilities:</b>	<b>7,356,081,511</b>	<b>5,530,568,952</b>

**Profit and Loss Account of Islami Banking Division**  
**For the period ended as of 30 June 2014**

	<b>30.06.2014</b>	<b>30.06.2013</b>
	<b>Taka</b>	<b>Taka</b>
Investment Income	341,239,577	125,140,371
Profit paid on deposits	281,036,757	195,249,332
<b>Net Investment Income</b>	<b>60,202,820</b>	<b>(70,108,961)</b>
Income from investments in Shares/Securities	9,612,380	2,963,970
Commission, exchange and brokerage	25,621,840	10,699,280
Other operating income	7,635,067	3,725,003
	<u>42,869,287</u>	<u>17,388,253</u>
<b>Total operating income</b>	<b>103,072,107</b>	<b>(52,720,708)</b>
Salaries and allowances	5,150,792	2,797,490
Rent, taxes, insurance, electricity, etc.	20,000	75,000
Legal expenses	-	-
Postage, stamps, telecommunications, etc.	-	34,921
Stationery, printing, advertisement etc.	-	2,400
Chief Executive's Salary & Fees	-	-
Directors' Fees and Expenses	14,400	30,800
Shariah Supervisory Committee's Fees and Expenses	-	-
Auditors' Fees	-	-
Changes in Investment Losses	-	-
Depreciation and repair to bank's assets	-	-
Zakat Expenses	-	-
Other expenses	13,070	44,275
<b>Total operating expenses</b>	<b>5,198,262</b>	<b>2,984,886</b>
<b>Profit before provision</b>	<b>97,873,845</b>	<b>(55,705,594)</b>

**Cash Flow Statements of Islami Banking Division**  
**For the period ended as of 30 June 2014**

	<b>30.06.2014</b>	<b>30.06.2013</b>
	<b>Taka</b>	<b>Taka</b>
<b>A. Cash flow from operating activities</b>		
Interest/Investment Income received in cash	337,156,837	113,573,004
Interest/Profit paid on Deposits	(281,036,757)	(195,249,332)
Dividend receipts	8,104,670	163,000
Fees and commission receipts in cash	-	-
Recoveries of written off Loans/Investments	-	-
Cash paid to employees	(5,150,792)	(2,797,490)
Cash paid to suppliers	-	-
Income Taxes paid	-	-
Received from other operating activities (item-wise)	34,764,617	17,225,253
Payments for other operating activities (item-wise)	(47,470)	(2,984,886)
<b>Operating profit before changes in operating Assets and Liabilities</b>	<b>93,791,105</b>	<b>(70,070,451)</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>		
Statutory Deposits	-	-
Net Investment in trading securities	16,731,381	(2,712,830)
Loan & advance/Investments to other banks	-	-
Loan & advance/Investments to customers	(1,914,977,796)	(650,506,738)
Other assets (item-wise)	7,212,028	895,273,972
Deposits from other banks	-	-
Deposits from customers	1,370,853,076	1,002,468,660
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	271,282,006	21,898,926
<b>Net cash from operating activities (A)</b>	<b>(155,108,200)</b>	<b>1,196,351,539</b>
<b>B. Cash flow from investing activities</b>		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(120,000,000)	(60,000,000)
Purchase of property, plant & equipment	-	-
Purchase of intangible assets	-	-
Sale of property, plant & equipment	-	-
<b>Net cash from investing activities (B)</b>	<b>(120,000,000)</b>	<b>(60,000,000)</b>
<b>C. Cash flow from financing activities</b>		
Increase/(Decrease) in Borrowing:		
Call loan	-	-
Other borrowings	82,744,538	-
Share Capital A/c	-	-
Share Premium A/c	-	-
<b>Net cash from financing activities (C)</b>	<b>82,744,538</b>	<b>-</b>
<b>D. Net increase in Cash and Cash Equivalent (A+B+C)</b>	<b>(192,363,662)</b>	<b>1,136,351,539</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>-</b>
<b>F. Opening Cash and Cash Equivalent</b>	<b>1,236,056,872</b>	<b>308,644,332</b>
<b>Cash and cash equivalents at end of period (D+E+F)</b>	<b>1,043,693,210</b>	<b>1,444,995,871</b>



**TRUST BANK LIMITED**  
**Offshore Banking Unit**  
**Balance Sheet**  
**As of 30 June 2014**

	30.06.2014		31.12.2013
	USD	Taka	Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
Cash in hand (including foreign currencies)	-	-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	-	-	-
<b>Balance with other banks and financial institutions</b>			
In Bangladesh	-	-	-
Outside Bangladesh	38,733	3,019,237	123,397
	38,733	3,019,237	123,397
<b>Money at call and short notice</b>			
	-	-	-
<b>Investments</b>			
Government	-	-	-
Others	-	-	-
<b>Loans and Advances/Islami Banking Investments</b>			
Loans, Cash Credit, Overdrafts etc./ Investment	1,902,442	148,295,354	43,239,700
Bills purchased and discounted	36,299,250	2,829,526,538	97,489,914
	38,201,692	2,977,821,892	140,729,614
<b>Fixed assets including premises, furniture and fixtures</b>			
	-	-	-
<b>Other assets</b>			
	-	-	-
<b>Non-banking assets</b>			
	-	-	-
<b>Total Assets</b>	<b>38,240,425</b>	<b>2,980,841,129</b>	<b>140,853,011</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	-	-	-
<b>Deposits and other accounts</b>			
Current / Al-wadeeah Current Accounts and other Accounts	206,837	16,122,944	243,360
Bills Payable	-	-	-
Savings Bank / Mudaraba Savings Deposits	-	-	-
Fixed Deposits / Mudaraba Term Deposits	37,865,001	2,951,576,828	140,490,000
Bearer Certificates of Deposit	-	-	-
Other Deposits	-	-	-
	38,071,838	2,967,699,772	140,733,360
<b>Other liabilities</b>	168,587	13,141,357	119,651
<b>Total Liabilities</b>	<b>38,240,425</b>	<b>2,980,841,129</b>	<b>140,853,011</b>
<b>Capital/Shareholders' Equity</b>			
Paid up Capital	-	-	-
Share Premium Account	-	-	-
Statutory Reserve	-	-	-
Other Reserve	-	-	-
Retained Earnings	-	-	-
<b>Total Shareholders' Equity</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>38,240,425</b>	<b>2,980,841,129</b>	<b>140,853,011</b>

**TRUST BANK LIMITED**  
**Offshore Banking Unit**  
**Profit and Loss Account**  
For the period ended as of 30 June 2014

	30.06.2014		30.06.2013 Taka
	USD	Taka	
Interest income / Profit on Investment	595,546	46,422,811	-
Interest / Profit paid on deposits and borrowings etc.	449,258	35,019,661	-
<b>Net interest income</b>	<b>146,288</b>	<b>11,403,150</b>	-
Income from investments	2,423	188,873	-
Commission, exchange and brokerage		-	-
Other operating income	20,417	1,591,505	-
	22,840	1,780,378	-
<b>Total operating income</b>	<b>169,128</b>	<b>13,183,528</b>	-
Salaries and allowances	-	-	-
Rent, taxes, insurance, electricity, etc.	-	-	-
Legal expenses	-	-	-
Postage, stamps, telecommunications, etc.	-	-	-
Stationery, printing, advertisement etc.	-	-	-
Managing Director's salary and benefits	-	-	-
Directors' fees	-	-	-
Auditors' fee	-	-	-
Charges on loan losses	-	-	-
Depreciation and repair of bank's assets	-	-	-
Other expenses	541	42,171	-
<b>Total operating expenses</b>	<b>541</b>	<b>42,171</b>	-
<b>Profit before provision</b>	<b>168,587</b>	<b>13,141,357</b>	-
Provision for loans & advances / Investments	-	-	-
Provision for Diminution in value of Investment	-	-	-
Other provision	-	-	-
	-	-	-
<b>Total Profit before Taxes</b>	<b>168,587</b>	<b>13,141,357</b>	-
Provision for Taxation			
Current tax	-	-	-
Deferred tax	-	-	-
	-	-	-
<b>Net Profit after Taxation</b>	<b>168,587</b>	<b>13,141,357</b>	-
<b>Appropriations</b>			
Statutory Reserve	-	-	-
General reserve	-	-	-
	-	-	-
<b>Retained surplus</b>	<b>168,587</b>	<b>13,141,357</b>	-

**TRUST BANK LIMITED**  
**Offshore Banking Unit**  
**Cash Flow Statements**  
For the period ended as of 30 June 2014

	30.06.2014		30.06.2013
	USD	Taka	Taka
<b>A. Cash flow from operating activities</b>			
Interest received in cash	-	-	-
Interest payments	-	-	-
Dividend receipts	-	-	-
Fees and commission receipts in cash	-	-	-
Recoveries of loans previously written off	-	-	-
Cash paid to employees	-	-	-
Cash paid to suppliers	-	-	-
Income Taxes paid	-	-	-
Received from other operating activities (item-wise)	-	-	-
Payments for other operating activities (item-wise)	-	-	-
<b>Operating profit before changes in operating Assets and Liabilities</b>	-	-	-
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>			
Statutory Deposits	-	-	-
Net Investment in trading securities	-	-	-
Loan & advance to other banks	-	-	-
Loan & advance to customers	(38,201,692)	(2,977,821,892)	(140,729,614)
Other assets (item-wise)	-	-	-
Deposits from other banks	38,071,838	2,967,699,772	140,733,360
Deposits from customers	-	-	-
Other liabilities account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities (item-wise)	168,587	13,141,357	119,651.00
<b>Net cash from operating activities (A)</b>	<b>38,733</b>	<b>3,019,237</b>	<b>123,397.00</b>
<b>B. Cash flow from investing activities</b>			
Proceeds from sale of securities	-	-	-
Payments for purchase of government securities	-	-	-
Purchase of property, plant & equipment	-	-	-
Purchase of intangible assets	-	-	-
Sale of property, plant & equipment	-	-	-
<b>Net cash from investing activities (B)</b>	-	-	-
<b>C. Cash flow from financing activities</b>			
Increase/(Decrease) in Borrowing:	-	-	-
Call loan	-	-	-
Re-Purchase agreement (REPO)	-	-	-
Other borrowings	-	-	-
Share Capital A/c	-	-	-
Share Premium A/c	-	-	-
Dividend paid in cash	-	-	-
<b>Net cash from financing activities (C)</b>	-	-	-
<b>D. Net increase in Cash and Cash Equivalent (A+B+C)</b>	<b>38,733</b>	<b>3,019,237</b>	<b>123,397.00</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>	-	-	-
<b>F. Opening Cash and Cash Equivalent</b>	-	-	-
<b>G. Cash and cash equivalents at end of year (D+E+F)</b>	<b>38,733</b>	<b>3,019,237</b>	<b>123,397.00</b>