

**FINANCIAL STATEMENTS
OF
Trust Bank Limited**

FOR 1ST QUARTER OF 2011

TRUST BANK LIMITED
and its subsidiary
Consolidated Balance Sheet (Unaudited)
As at 31 March 2011

	Notes	31.03.2011 Taka	31.12.2010 Taka
PROPERTY AND ASSETS			
Cash			
	3		
Cash in hand (including foreign currencies)		662,625,930	519,467,958
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		4,013,262,521	4,122,034,251
		4,675,888,451	4,641,502,209
Balance with other banks and financial institutions			
	4 (a)		
In Bangladesh		456,766,753	318,714,725
Outside Bangladesh		779,696,574	419,678,019
		1,236,463,327	738,392,744
Money at call and short notice			
	5	4,150,000,000	-
Investments			
	6		
Government		7,207,487,933	6,714,007,381
Others		1,868,640,615	1,845,932,388
		9,076,128,548	8,559,939,769
Loans and Advances/Islami Banking Investments			
	7 (a)		
Loans, Cash Credit, Overdrafts etc./ Investment		41,412,656,175	41,501,591,601
Bills purchased and discounted		1,309,854,872	1,258,841,394
		42,722,511,047	42,760,432,995
Fixed assets including premises, furniture and fixtures			
	8 (a)	443,352,076	431,006,157
Other assets			
	9 (a)	1,674,535,869	1,229,399,926
Non-banking assets			
		-	-
Total Assets		63,978,879,318	58,360,673,800
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10 (a)	305,830,409	460,247,719
Deposits and other accounts			
	11 (a)		
Current / Al-wadeeah Current Accounts and other Accounts		7,371,995,575	6,247,062,620
Bills Payable		649,346,108	656,010,698
Savings Bank / Mudaraba Savings Deposits		5,460,810,901	5,336,185,241
Fixed Deposits / Mudaraba Term Deposits		42,563,792,162	38,118,642,723
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		56,045,944,746	50,357,901,282
Other liabilities			
	12 (a)	2,284,996,457	2,497,504,163
Total Liabilities		58,636,771,612	53,315,653,164
Capital/Shareholders' Equity			
Paid up Capital	13.2	2,217,606,200	2,217,606,200
Minority Interest	13 (a)	723	705
Share Premium Account		-	-
Statutory Reserve	14	1,633,563,937	1,566,403,090
Other Reserve	15	136,561,931	118,280,731
Retained Earnings	16 (a)	1,354,374,915	1,142,729,910
Total Shareholders' Equity		5,342,107,706	5,045,020,636
Total Liabilities and Shareholders' Equity		63,978,879,318	58,360,673,800

Notes	31.03.2011 Taka	31.12.2010 Taka
-------	--------------------	--------------------

OFF-BALANCE SHEET ITEMS

Contingent Liabilities

17

Acceptances and endorsements	4,458,153,041	3,733,538,904
Letter of Guarantees	3,891,309,092	4,074,580,745
Irrevocable Letter of Credits	8,936,751,246	8,208,530,370
Bills for collection	2,412,911,521	2,934,030,510
	19,699,124,900	18,950,680,529

Other Contingent Liabilities

Value of travelers' cheques in hand

-	-
---	---

Total:

19,699,124,900	18,950,680,529
-----------------------	-----------------------

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

19,699,124,900.00	18,950,680,529
--------------------------	-----------------------

Dated: Dhaka
April 20, 2011


Khaled Mahbub Morshed
Chief Financial Officer

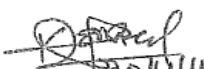

Ishtiaque Ahmed Chowdhury
Deputy Managing Director


M Shah Alam Sarwar
Managing Director

TRUST BANK LIMITED
and its subsidiary
Consolidated Profit and Loss Account (Unaudited)
For the year period from January 2011 to March 31, 2011

	Notes	31.03.2011 Taka	31.03.2010 Taka
Interest income / Profit on Investment	19 (a)	1,360,809,618	1,094,173,801
Interest / Profit paid on deposits and borrowings etc.	20 (a)	978,180,998	833,877,981
Net interest income		382,628,620	260,295,820
Income from investments	21	149,268,357	212,013,804
Commission, exchange and brokerage	22 (a)	152,026,376	102,477,078
Other operating income	23 (a)	109,412,915	163,204,735
		410,707,648	477,695,617
Total operating income		793,336,268	737,991,437
Salaries and allowances	24 (a)	141,559,713	131,669,140
Rent, taxes, insurance, electricity, etc.	25 (a)	39,652,033	33,437,982
Legal expenses		575,733	101,985
Postage, stamps, telecommunications, etc.	26 (a)	10,950,869	9,467,266
Stationery, printing, advertisement etc.	27 (a)	11,820,604	9,344,042
Managing Director's salary and benefits		2,310,000	2,310,000
Directors' fees	28 (a)	444,000	205,400
Auditors' fee		28,750	-
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29 (a)	30,357,065	27,531,603
Other expenses	30 (a)	48,435,199	39,521,769
Total operating expenses		286,133,966	253,589,187
Profit before provision		507,202,302	484,402,250
Provision for loans & advances / Investments	31	(22,992,000)	(4,000,000)
Provision for Diminution in value of Investment	32	11,767,457	5,030,282
Other provision	33	22,992,000	5,057,666
		11,767,457	6,087,948
Total Profit before Taxes		495,434,845	478,314,302
Provision for Taxation			
Current tax	12.5 (a)	219,861,478	194,500,000
Deferred tax		(3,232,503)	(3,299,397)
		216,628,975	191,200,603
Net Profit after Taxation		278,805,870	287,113,699
Appropriations			
Statutory Reserve	14.1	67,160,847	95,662,860
General reserve		-	-
		67,160,847	95,662,860
Retained surplus		211,645,023	191,450,839
Earning per share (EPS)	35 (a)	12.57	15.54

Dated: Dhaka
April 20, 2011


Khaled Mahbub Morshed
Chief Financial Officer


Ishtiaque Ahmed Chowdhury
Deputy Managing Director


M Shah Alam Sarwar
Managing Director

TRUST BANK LIMITED
and its subsidiary
Consolidated Cash Flow Statements (Unaudited)
For the year period from January 2011 to March 31,2011

Notes	31.03.2011 Taka	31.03.2010 Taka
A. Cash flow from operating activities		
Interest received in cash	1,216,887,681	1,052,221,606
Interest payments	(740,953,333)	(747,210,522)
Dividend receipts	600,000	340,000
Fees and commission receipts in cash	111,513,905	104,217,215
Recoveries of loans previously written off	-	-
Cash paid to employees	(271,902,166)	(260,139,346)
Cash paid to suppliers	(23,665,169)	(7,521,335)
Income Taxes paid	(264,487,850)	(161,098,451)
Received from other operating activities (item-wise)	366,027,843	491,598,503
Payments for other operating activities (item-wise)	(102,976,011)	(153,822,177)
Operating profit before changes in operating Assets and Liabilities	291,044,900	318,585,493
Increase/(Decrease) in operating assets & liabilities		
Statutory Deposits	-	-
Net Investment in trading securities	(22,708,227)	(1,018,342,148)
Loan & advance to other banks	-	-
Loan & advance to customers	(2,892,450,081)	(1,544,358,627)
Other assets (item-wise)	(491,002,310)	204,657,838
Deposits from other banks	106,731,000	85,766,000
Deposits from customers	5,288,737,235	(1,886,506,243)
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	33,635,961	(10,977,027)
Net cash from operating activities (A)	2,313,988,478	(3,851,174,714)
B. Cash flow from investing activities		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(475,614,152)	285,455,113
Purchase of property, plant & equipment	(54,931,605)	(54,495,796)
Purchase of intangible assets	(2,959,192)	(1,004,166)
Sale of property, plant & equipment	627,126	2,308,736
Net cash from investing activities (B)	(532,877,823)	232,263,887
C. Cash flow from financing activities		
Increase/(Decrease) in Borrowing:	-	-
Call loan	-	-
Re-purchases agreement(REPO)	(158,115,038)	-
Other borrowings	3019662749	-
Share Capital A/c	-	-
Share Premium A/c	-	-
Net cash from financing activities (C)	2,861,547,711	-
D. Net increase in Cash and Cash Equivalent (A+B+C)	4,642,658,366	(3,618,910,827)
E. Effects of exchange rate changes on cash and cash equivalents	39,383,659	(2,854,434)
F. Opening Cash and Cash Equivalent	5,382,476,153	11,072,211,105
G. Cash and cash equivalents at end of year (D+E+F)	10,064,518,178	7,450,445,844

TRUST BANK LIMITED
and its subsidiary
Consolidated Statement of changes in Equity (Unaudited)
As at 31 March 2011

Particulars	Paid up Capital <u>Taka</u>	Share Premium <u>Taka</u>	Minority Interest <u>Taka</u>	Statutory Reserve <u>Taka</u>	Other Reserve <u>Taka</u>	Retained Earnings <u>Taka</u>	Total <u>Taka</u>
Balance as at 01 Jan 2010	2,217,606,200	-	705	1,566,403,090	118,280,731	1,142,729,910	5,045,020,636
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	18,281,200	-	18,281,200
Currency transaction difference	-	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	18	-	-	278,805,852	278,805,870
Statutory reserve	-	-	-	67,160,847	-	(67,160,847)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
Balance as at 31 Dec 2010	2,217,606,200	-	723	1,633,563,937	136,561,931	1,354,374,915	5,342,107,706

TRUST BANK LIMITED

**Balance Sheet (Unaudited)
As of 31 March 2011**

	Notes	31.03.2011 Taka	31.12.2010 Taka
PROPERTY AND ASSETS			
Cash			
	3		
Cash in hand (including foreign currencies)		662,625,930	519,467,958
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		4,013,262,521	4,122,034,251
		4,675,888,451	4,641,502,209
Balance with other banks and financial institutions			
	4		
In Bangladesh		456,766,753	318,714,725
Outside Bangladesh		779,696,574	419,678,019
		1,236,463,327	738,392,744
Money at call and short notice			
	5	4,150,000,000	-
Investments			
	6		
Government		7,207,487,933	6,714,007,381
Others		1,868,640,615	1,845,932,388
		9,076,128,548	8,559,939,769
Loans and Advances/Islami Banking Investments			
	7		
Loans, Cash Credit, Overdrafts etc./ Investment		38,192,197,336	38,541,082,597
Bills purchased and discounted		1,309,854,872	1,258,841,394
		39,502,052,208	39,799,923,991
Fixed assets including premises, furniture and fixtures			
	8	421,875,892	413,124,269
Other assets			
	9	4,503,981,952	4,123,449,303
Non-banking assets			
		-	-
Total Assets		63,566,390,378	58,276,332,285
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	301,727,628	463,945,447
Deposits and other accounts			
	11		
Current / Al-wadeeah Current Accounts and other Accounts		6,826,725,319	5,681,378,972
Bills Payable		649,346,108	656,010,698
Savings Bank / Mudaraba Savings Deposits		5,460,810,901	5,336,185,241
Fixed Deposits / Mudaraba Term Deposits		42,965,611,440	38,739,716,060
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		55,902,493,768	50,413,290,971
Other liabilities			
	12	2,139,493,855	2,373,738,680
Total Liabilities		58,343,715,251	53,250,975,098
Capital/Shareholders' Equity			
Paid up Capital	13.2	2,217,606,200	2,217,606,200
Share Premium Account		-	-
Statutory Reserve	14	1,633,563,937	1,566,403,090
Other Reserve	15	136,561,931	118,280,731
Retained Earnings	16	1,234,943,059	1,123,067,166
Total Shareholders' Equity		5,222,675,127	5,025,357,187
Total Liabilities and Shareholders' Equity		63,566,390,378	58,276,332,285

Notes	31.03.2011 Taka	31.12.2010 Taka
-------	--------------------	--------------------

OFF-BALANCE SHEET ITEMS

Contingent Liabilities

17

Acceptances and endorsements	4,458,153,041	3,733,538,904
Letter of Guarantees	3,891,309,092	4,074,580,745
Irrevocable Letter of Credits	8,936,751,246	8,208,530,370
Bills for collection	2,412,911,521	2,934,030,510
	19,699,124,900	18,950,680,529

Other Contingent Liabilities

Value of travelers' cheques in hand

Total:

-	-
19,699,124,900	18,950,680,529

Other commitments

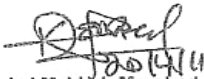
Documentary Credit and short term trade -related transactions
 Forward assets purchased and forward deposits placed
 Undrawn note issuance and revolving facilities
 Undrawn formal standby facilities, credit lines and other commitments

-	-
-	-
-	-
-	-
-	-

Total Off-Balance Sheet items including contingent liabilities

19,699,124,900	18,950,680,529
-----------------------	-----------------------

Dated: Dhaka
April 20, 2011


Khaled Mahbub Morshed
Chief Financial Officer


Ishtiaque Ahmed Chowdhury
Deputy Managing Director


M Shah Alam Sarwar
Managing Director

TRUST BANK LIMITED

Profit and Loss Account (Unaudited)
For the year period from January 2011 to March 31,2011

	Notes	31.03.2011 Taka	31.03.2010 Taka
Interest income / Profit on Investment	19	1,252,188,801	1,094,173,801
Interest / Profit paid on deposits and borrowings etc.	20	977,065,904	833,877,981
Net interest income		275,122,897	260,295,820
Income from investments	21	149,268,357	212,013,804
Commission, exchange and brokerage	22	151,676,482	102,477,078
Other operating income	23	32,305,435	163,204,735
		333,250,274	477,695,617
Total operating income		608,373,171	737,991,437
Salaries and allowances	24	134,079,833	131,669,140
Rent, taxes, insurance, electricity, etc.	25	33,172,343	33,437,982
Legal expenses		575,733	101,985
Postage, stamps, telecommunications, etc.	26	10,496,832	9,467,266
Stationery, printing, advertisement etc.	27	10,649,613	9,344,042
Managing Director's salary and benefits		2,310,000	2,310,000
Directors' fees	28	375,000	205,400
Auditors' fee		-	-
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29	29,042,379	27,531,603
Other expenses	30	40,099,744	39,521,769
Total operating expenses		260,801,477	253,589,187
Profit before provision		347,571,694	484,402,250
Provision for loans & advances / Investments	31	(22,992,000)	(4,000,000)
Provision for Diminution in value of Investment	32	11,767,457	5,030,282
Other provision	33	22,992,000	5,057,666
		11,767,457	6,087,948
Total Profit before Taxes		335,804,237	478,314,302
Provision for Taxation			
Current tax	12.5.1	160,000,000	194,500,000
Deferred tax		(3,232,503)	(3,299,397)
		156,767,497	191,200,603
Net Profit after Taxation		179,036,740	287,113,699
Appropriations			
Statutory Reserve	14.1	67,160,847	95,662,860
General reserve		-	-
		67,160,847	95,662,860
Retained surplus		111,875,893	191,450,839
Earning per share (EPS)	35	8.07	15.54

Dated: Dhaka
April 20, 2011


Khaled Mahbub Morshed
Chief Financial Officer


Ishtiaque Ahmed Chowdhury
Deputy Managing Director


M Shah Alam Sarwar
Managing Director

TRUST BANK LIMITED

Cash Flow Statements (Unaudited)
For the year period from January 2011 to March 31,2011

	Notes	31.03.2011 Taka	31.03.2010 Taka
A. Cash flow from operating activities			
Interest received in cash		1,108,266,864	1,052,221,606
Interest payments		(739,838,239)	(747,210,522)
Dividend receipts		600,000	340,000
Fees and commission receipts in cash		111,164,011	104,217,215
Recoveries of loans previously written off		-	-
Cash paid to employees		(264,422,286)	(260,139,346)
Cash paid to suppliers		(23,463,894)	(7,521,335)
Income Taxes paid		(264,487,850)	(161,098,451)
Received from other operating activities (item-wise)	36	288,920,363	491,598,503
Payments for other operating activities (item-wise)	37	(85,324,677)	(153,822,177)
Operating profit before changes in operating Assets and Liabilities		131,414,292	318,585,493
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits		-	-
Net Investment in trading securities		(22,708,227)	(1,018,342,148)
Loan & advance to other banks		-	-
Loan & advance to customers		328,008,758	(1,544,358,627)
Other assets (item-wise)	38	(320,759,225)	204,657,838
Deposits from other banks		106,731,000	85,766,000
Deposits from customers		5,145,286,257	(1,886,506,243)
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	39	(52,005,163)	(10,977,027)
Net cash from operating activities (A)		5,315,967,692	(3,851,174,714)
B. Cash flow from investing activities			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(475,614,152)	285,455,113
Purchase of property, plant & equipment		(33,455,421)	(54,495,796)
Purchase of intangible assets		(2,649,060)	(1,004,166)
Sale of property, plant & equipment		627,126	2,308,736
Net cash from investing activities (B)		(511,091,507)	232,263,887
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:		-	-
Call loan		-	-
Other borrowings		(162,217,819)	-
Share Capital A/c		-	-
Share Premium A/c		-	-
Net cash from financing activities (C)		(162,217,819)	-
D. Net increase in Cash and Cash Equivalent (A+B+C)		4,642,658,366	(3,618,910,827)
E. Effects of exchange rate changes on cash and cash equivalents		39,383,659	4,249,146
F. Opening Cash and Cash Equivalent		5,382,476,153	11,072,211,105
G. Cash and cash equivalents at end of year (D+E+F)	40	10,064,518,178	5,382,476,153

TRUST BANK LIMITED

**Statement of changes in Equity (Unaudited)
As of 31 March 2011**

Particulars	Paid up Capital <u>Taka</u>	Share Premium Account <u>Taka</u>	Statutory Reserve <u>Taka</u>	Other Reserve <u>Taka</u>	Retained Earnings <u>Taka</u>	Total <u>Taka</u>
Balance as at 01 Jan 2010	2,217,606,200	-	1,566,403,090	118,280,731	1,123,067,166	5,025,357,187
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	18,281,200	-	18,281,200
Currency transaction difference	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	179,036,740	179,036,740
Statutory reserve	-	-	67,160,847	-	(67,160,847)	-
Dividends (Bonus Share)	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-
Balance as at 31 March 2011	2,217,606,200	-	1,633,563,937	136,561,931	1,234,943,059	5,222,675,127

TRUST BANK LIMITED

**Liquidity Statement (Unaudited)
(Asset and Liability Maturity Analysis)
As of 31 March 2011**

Amount in Taka

Particulars	Up to 01 Month	1- 3 Months	3-12 Months	1- 5 Years	More than 5 Years	Total
Assets:						
Cash in Hand	662,625,930	-	-	-	-	662,625,930
Balance with Bangladesh Bank and Sonali Bank	1,259,412,521	-	-	-	2,753,850,000	4,013,262,521
Balance with other banks and financial institutions	1,236,463,327	-	-	-	-	1,236,463,327
Money at call and short notice	4,150,000,000	-	-	-	-	4,150,000,000
Investments	1,030,807,015	-	-	6,507,171,751	1,538,149,782	9,076,128,548
Loans and Advances	6,479,069,672	3,808,164,761	11,910,237,437	11,635,764,549	5,668,815,789	39,502,052,208
Fixed Assets including premises, furniture and fixtures	2,019,782	4,039,564	18,178,038	306,822,436	90,816,072	421,875,892
Other assets	778,853,977	371,713,102	333,863,942	19,551,631	2,999,999,300	4,503,981,952
Non-banking assets	-	-	-	-	-	-
Total Assets	15,599,252,224	4,183,917,427	12,262,279,417	18,469,310,367	13,051,630,943	63,566,390,378
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	301,727,628	-	-	-	-	301,727,628
Deposits	13,315,254,484	17,879,370,835	17,013,618,124	2,682,558,712	1,411,982,227	52,302,784,382
Other accounts	3,599,709,386	-	-	-	-	3,599,709,386
Provision and other liabilities	383,814,022	136,437,621	965,967,216	445,141,642	208,133,354	2,139,493,855
Total Liabilities	17,600,505,520	18,015,808,456	17,979,585,340	3,127,700,354	1,620,115,581	58,343,715,251
Net Liquidity Gap	(2,001,253,296)	(13,831,891,029)	(5,717,305,923)	15,341,610,013	11,431,515,362	5,222,675,127

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

TRUST BANK LIMITED
Notes to the Financial Statements
For the year period from January 2011 to March 31,2011

1 STATUS OF THE BANK

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 September 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank had Fifty Two (52) branches and seven (7) SME Service Centers/Krishi Branch are operating in Bangladesh as at 31 March 2011. The Bank had no overseas branches as at 31 March 2011. 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.

1.1 Nature of business

Trust Bank Limited offers full range of banking services that include deposit banking, loans & advances, export, import and financing national and international remittance facilities etc.

1.2 Merchant Banking Activities

The Bank also carries out merchant banking activities under the license issued by the Securities & Exchange Commission (SEC), Dhaka, Bangladesh.

The overall increase of activities of Merchant Banking Operations plays an important role in the improvement of capital market of the country and enhances earning capability of the Banks. Trust Bank Limited carries out Merchant Banking Operations under the license issued by the Securities and Exchange Commission (SEC), Bangladesh. Merchant Banking Division (MBD) is actively managed the portfolio of the customers by selling and buying of shares for them through different brokerage houses. It also allows margin loan facility to the customers against their equity for investment in the listed companies. MBD is also managing Bank's own portfolio through investing in listed shares for boosting up the profitability of the Bank and also enhancing shareholders' value. MBD's contribution to total operating profit of the Bank was significant from January 2010 to September 2010.

The Bank has already formed a subsidiary company namely "Trust Bank Investment Limited" as per BRPD Circular Ref. # 12 Dated: 14 October 2009. Activities of the subsidiary company will be commenced with effect from 14 November 2010.

1.3 Islami Banking Activities

Islamic Banking refers to a system of banking or banking activity that is consistent with Islamic law (Shariah) stated in the Holy Qur'an and Sunnah of the Prophet Muhammad, pbuh. The most important feature of Shariah is the prohibition of Riba, the collection and payment of interest. Shariah also prohibits trading in financial risks which are gambling in nature and investing in Businesses that are considered unlawful, or haram in Islam (e.g. alcohol or pork or businesses that produce pornography). Islamic banking is a trade based operation while the conventional banking is lending based. All banking activities of Islamic banking stand & structured on the underlying contract between the bank and the client.

Trust Islamic Banking (TIB) started its operation from later part of 2008 and strictly adheres to these principles of Islamic banking. Though the Bank is a conventional bank, TIB operation is characterised by completely separate fund management, separate profit & loss account and distribution of profit. Profits earned from the investments for the period 2011 are shared with the mudaraba depositors @ 65:35 in favor of the depositors and ultimately credited to individual accounts as per weightage. Profits on the deposits are initially paid at a provisional rate and any excess/shortfall is adjusted after the period end calculation of actual profit.

Trust Islamic Banking (TIB) has 5 (Five) TIB windows i.e., TBL-Principal Branch, TBL-CDA Branch, TBL-Gulshan Branch, TBL-Dilkusha Branch, TBL- Sylhet Corporate Branch. All investment under TIB is made from the Islamic banking deposits. All products developed under TIB is thoroughly reviewed and approved by the 4 (four) member Sharia council of the bank who ensures the sharia compliance of such product & calculation.

TIB has wide range of retail and corporate investment products. In 2010, TIB introduced new products namely TBL Barakat Hajj Deposit Scheme and Istisna Investment Facility and expecting a robust growth of business in coming periods.

1.4 Retail Banking Activities

Trust Bank Ltd introduced retail banking business in 2006 under Retail Banking Unit (RBU) with 11 loan and 7 deposit products. Since the inception of retail banking, the Bank has been strengthening retail-banking unit and to provide financial solution for the clients of all walks of life, there are 14 loan products and 12 deposit products are available in Trust Bank Ltd. The Bank is building its capacity to reduce concentration on large clients for deposit and increase number of customers with diversified and technology driven door to door service through low cost delivery channels, develop segmented and customer focused products.

In 2010, Retail banking unit worked to build capacity in terms of technology, human resources, and business process. All retail-banking products have been reviewed and modified for the sake of better service and operational easiness. Similarly, Market analysis and segregation of products have also been completed in 2010. All deposit products of RBU have been segregated as Student Wallet, Women's Wallet, & Trust Savers. It is significant to mention here that we have launched two loan products titled as Motor Cycle Loan, Trust Thikana (Home loan) in 2010.

In addition to other major achievements, we have successfully introduced low cost deposit account for salaried person and almost nine thousands employees of different organizations are getting services through our 59 branches of the Bank. To meet the demand of the time, recently we have modified the retail Organogram for embracing business expansion around the country and established sales centers for door to door service delivery.

We firmly believe that customer satisfaction and reliability has no substitute to retain sustainability and best position in the market. In the process of bringing dynamism and innovation, Trust Mobile Money (Mobile Banking) is the latest innovation of Trust Bank. We feel proud to be the pioneer of launching such a revolutionary service in the Banking Industry.

Retail Loan Products of TBL are very cost effective and without any hidden charges. Our total exposure in the retail portfolio is BDT 6,820 million as of 31March 2011 where as our total classified amount is only 0.57% of the total exposure.

1.5 SME Financing

Despite multidimensional constraints, SME is universally recognized as the thrust sector and driving force of the economy which has injected the appetite for bringing consistency in the banks credit portfolio by striking balance between SME and corporate lending. 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 huge income generation especially in semi-urban and rural areas. As such, the Bank is moving forward to SME customer segment, considering the business potentials and return on investment. The business expansion and monitoring is carried out throughout its 52 country wide branches and 7 SME/Krishi branches service centers dedicated to full-fledged SME business. The Bank has launched different products, and is marketing these products matching with the customer needs. Its especial emphasis is on:

Trust Bank has launched different products and marketing these products matching with the customer need. Its especial emphasis is on Loan for shopkeepers, Loan for light engineering, Loan for power loom and handloom industries, Agri-business loan and Loan for Women Entrepreneurship. It is going for financing Bio-gas plant to meet the requirement of rural energy and ensure the supply of organic fertilizer in the farmland for the expansion of SME portfolio.

During 2010, Trust Bank's strategy was focused on marketing the products to a wide range of customers and providing working capital and term loan to different manufacturers, traders and service providers. Bank's exposure is thus well diversified to different sectors, viz. power loom, handloom, light engineering, handicrafts, garments accessories, agri-business etc. Through SME financing, the Bank has created the employment opportunity for about ten thousand people directly or indirectly throughout the country. In view of diversification of portfolio, it is imperative to say that the substantial increase of SME lending would lead the Bank to a positive growth. In fact, TBL has undertaken a comprehensive and competitive strategy to have a meaningful contribution in this sector.

1.6 Automated Clearing House

In line with the Bangladesh Bank's guideline toward implementation of Automated clearing house we have undertaken the following actions:

- 1) MICR encoded cheque books have already been introduced for the clients of Dhaka city area by phasing out non standard cheques.
- 2) All required hardware for processing of MICR cheques have already been procured.
- 3) One reputed vendor has been selected to supply software and Scanner machines have already been procured
- 4) We have also selected two vendors for establishing connectivity where they have already established connectivity between Bangladesh bank and Trust Bank. Connectivity security has also been installed as per Bangladesh Bank guidelines.
- 5) PBM software is already installed and SIT (System Integration Testing) is going on.

2 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF FINANCIAL

2.1 Basis of preparation of the financial statements

These 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 period. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard 27: Consolidated and Separate Financial Statements. The consolidated financial statements are prepared to a common financial period ending 31 March 2011.

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. The subsidiary Trust Bank Investment Limited has a common financial period ending 31 March 2011.

2.4 Use of estimates and judgments

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

2.5 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.

2.6 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".

Assets and liabilities as at 31 March 2011 in foreign currencies under regular accounts are converted into equivalent taka currency at the average rates prevailing at the Balance Sheet date.

2.7 Taxation

2.7.1 Provision for taxation

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.

2.7.2 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".

2.8 Assets and basis of their valuation

2.8.1 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.

2.8.2 Loans and advances / Investments

Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as liability. Interest income is accounted for on accrual basis until the loans and advances are defined as Special Mention Account (SMA) or classified accounts as per Bangladesh Bank guidelines.

Interest on Special Mention Account and classified loans (other than bad/loss loans) are credited to interest suspense account instead of income account. Such interest kept in suspense account is reversed to income account only when respective loan accounts become regular and /or realized in cash.

As per Bangladesh Bank directives, interest on loans and advances classified as bad/loss is not accounted for. A separate memorandum record is maintained for such interest on bad/loss loans.

2.8.3 Provision for loans And advances

Provision for loans & advances is made on the basis of the quarter-end review by the management of the Bank and in line with the instructions contained in BCD Circular no. 34 dated 16 November 1989 and subsequently circulars issued vide BCD Circular no. 20 dated 27 December 1994, BCD circular no. 12 dated 4 September 1995, BRPD Circular no. 16 dated 6 December 1998, BRPD Circular no. 9 dated 14 May 2001, BRPD Circular no. 2 dated 15 February 2005, BRPD Circular no. 9 dated 20 August 2005, BRPD Circular no. 17 dated 6 December 2005, BRPD Circular no. 18 and 19 dated 20 December 2005, BRPD Circular no. 8 dated 8 February 2006, BRPD Circular no. 05 dated 5 June 2006 BRPD Circular no. 05 dated 29 April 2008, and BRPD Circular no. 32 dated 27 October 2010 issued by Bangladesh bank, Details of which are shown in Note # 12.1:

General provision on	Provision Rate
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	1%
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	5%
Specific provision on	
a. Substandard Loans and Advances	20%
b. Doubtful Loans and Advances	50%
c. Bad/Loss Loans and Advances	100%

2.8.4 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.

2.9 Investments

All investment securities are initially recognised at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortised and discounts accredited, using the effective yield method and are taken to discount income. In accordance with BRPD Circular No. 15 dated 31 October 2005 issued by Bangladesh Bank, Government Securities purchased for maintaining Statutory Liquidity Reserve (SLR) i.e., Government Security - held to maturity (HTM) are revalued at their maturity yield at least once in a year and Government Securities - held for trading (HFT) are revalued at the market price at least once a week. Further to BRPD circular letter 15, 2005 the investments in government securities are strictly revalued as per instructions & guidelines given in DOS Circular letter no. 05 dated January 28, 2009 whereby Treasury Bills held for trading are also amortized atleast once in every week and the gain in amortization received due to proceed to the date of maturity is taken in income.

As the Treasury bonds held for trading receives coupon interest semiannually, income is taken into account in each month as accrual basis.

2.7.1 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. 05 dated May 26, 2008, a bank can only hold 50% & 25% of its total value of securities in HTM as on January 01, 2010 & January 01, 2011 respectively. These investment securities can be transferred to and/or reclassified as HFT any time after getting approval from the Board of Directors of the Bank.

2.9.2 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 :

Items	Applicable accounting value
Government treasury bills	At Present Value
T & T bonds and Bangladesh treasury bonds	At Present Value
Subordinated Bond	At cost
Prize bond	At cost
Investments in shares	At cost or market value whichever is lower at the balance sheet date

3.0 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.

3.1 Liabilities and Provisions

3.1.1 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.

3.2 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.

2.10 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 on shares

Dividend income from shares is recognized during the period in which they are received as per section 19(7) of Income Tax Ordinance, 1984 and Finance Ordinance 2007.

v) Interest paid and other expenses

In terms of the provisions of the BAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.11 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.

2.12 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.

2.12.1 Credit risk management

Credit risk is the counter party risk because of the nonperformance of the borrowers/ debtors in repayment of banks loan and dues within the specified time. In other words credit risk may be defined as the possibility that the counter party will not meet its obligations in line with the agreed upon terms and conditions. In the banking parlance loans and advances are the conspicuous sources of credit risk. So, credit risk is the predominant risk in the banking business operation and it deserves to be addressed with all due diligence.

Different branches of the bank are the growth/ profit centers and at the same time risks are originated from the operation of the branches in their normal course of business. We in our bank always prioritize to secure the interest of the bank by way of ensuring performing business portfolio. We also make financial analysis based on the given financial statement of the borrower/ ensure the application of the maximum possible due diligence on all credit matters in the process of appraisal of the credit proposal by taking into consideration business, industry analysis, borrower's past track record of business performance, present state of condition as well as future business plan and other contingency factors in the total process of appraisal. Bank is the custodian of the depositor's money as well as they utilize the fund given by the sponsors/ share holders as their equity/ capital so it is the predominant obligation on our part to safe guard the interest of all the stake holders.

Active portfolio management requires to keep up the dynamics of the economy and which of imperative need for credit risk controlling and monitoring. We in our bank are alive to the requirement of comprehensive and detailed MIS (Management Information System) and CIS (Credit Information System) as they provide the backbone support for an effective credit risk management.

We also prioritize to ensure diversification of portfolio across industries, borrowers and market segments with a view to minimizing the risk to an acceptable level. Credit risk is associated with the economy and if the economy as a whole doesn't perform well that will have corollary effect on the business portfolio of the bank.

At the same time, credit portfolio having concentration in any particular segment would be affected if the segment does not perform well.

2.12.2 Asset liability risk management

Asset liability Management (ALM) has been defined as a planned, structured and systematic process of managing the asset and liability with a view to lead the bank to a balanced and sustainable growth through minimizing various business risk factors – market risk and liquidity risk. Asset Liability Management (ALM) has become an almost universally accepted approach to risk management. Successful banking requires efficient and effective management of its assets and liabilities. Trust Bank Limited is managing its assets and liabilities in order to ensure sustained profitability so that the bank can maintain and augment its capital resources.

As per Bangladesh Bank guidelines and considering the most practical aspects of the Bank, an approved policy manual on ALM has been prepared so that it could be followed consistently every sphere of the management. To support the ALM process, the Bank has established a committee called "Asset Liability Committee (ALCO)" headed by the Managing Director and holds meeting at least one in every month. ALM Desk, an executive functional and operational desk for the asset liability management, is embodied herewith the ALCO to function under direct control of Head of Treasury. ALCO reviews the liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and lending, pricing strategy and the liquidity contingency plan at the threshold of stress liquidity situation.

2.12.3 Foreign exchange risk management

Foreign Exchange risk is defined as the potential change in earnings arising due to change in market prices. Foreign exchange rate risk arises when the bank is involved in foreign currency transactions, which may result in deficits or surpluses in the Bank's foreign currency position. These transactions include for instance foreign currency exchanges, investments, loans, borrowings and contractual commitments etc.

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. All Foreign Exchange transactions are revalued at mark-to-market rate as determined by Bangladesh Bank at the month end. All Nostro Accounts are reconciled on monthly basis and the management for its settlement reviews outstanding entry beyond 30 days.

2.12.4 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 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 without any intervention of the bank management 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 determine how much care, monitoring & periodicity of comprehensive internal audit would be required to reposition the branches. 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 and Quarterly Operations Report (QOR) of the branches and other mechanisms.

2.12.5 Money laundering risk management

In accordance with Money Laundering Prevention Act, 2009 money laundering means transfer, conversion, remitting abroad or remit or bring from abroad to Bangladesh the proceeds or properties acquired through commission of a predicate offence for the purpose of concealing or disguising the illicit origin of the property or illegal transfer of properties acquired or earned through legal or illegal means. Like other banks and FSI across the globe TBL reckons that prevention of Money Laundering & Combating Terrorist Financing is the two challenges that confront the financial sector today. The Board of Directors, as such, has approved policy guidelines for anti-money laundering and countering of financing for terrorism (CFT) of the bank. One of the main objectives of the bank's policy on CFT & AML is to portray the procedures and measures to be taken for combating financing of terrorism & money laundering and develop a workable system within the bank for safeguards so that the institution can not be abused in any way as a conduit for financial ill practices.

To implement the bank's policy effectively the Central Compliance Unit (CCU) of AML Department at Head Office of the bank has been strengthened by delegating more power and authority to the Chief Anti-Money Laundering Compliance Officer (CAMLCO) to comply with the provisions of the legislation as well as the directives of Bangladesh Bank. The CCU functions under the direct supervision of the Managing Director of the bank. In the branch level there is a designated anti-money laundering compliance officer, called Branch Anti-Money Laundering Compliance Officer (BAMLCO). All officers & executives of the bank are well conversant with the process of 'Know Your Customer' (KYC) through the exercise of due diligence. Training is imparted on AML to the new recruits of the bank in the Foundation Course Training Program at the bank's Training Academy on regular basis. Besides, region-based training on AML is arranged every year.

Bank has also introduced uniform account opening forms as Bangladesh Bank has prescribed for all banks, to have adequate information about the account holders. Bank shall continue to deploy considerable resources to establish and maintain employees' awareness of the risk of money laundering & terrorist financing through proper training and to enhance their competence to identify and report suspicious transactions.

2.12.6 IT risk management

The prime focus of IT risk management is to safeguard the financial and organizational information fully complied with the rules and regulations of central bank. With the continued efforts of being fully automated Trust Bank established a Disaster Recovery System along with Data Protection facility which includes a Disaster Recovery site for the restoring and retrieval of bank data with utmost security measures. The IT risk management also enables the management to initiate effective management decision to justify the expenditure and also assist the management in authorizing and accrediting the IT system on the basis of the supporting documentation resulting from the performance of risk management.

2.13 Liquidity risk management

Liquidity risk is more important area to think by the banking company to match with the financing and investment. Liquidity risk is the risk that the Bank may not able to meet cash flow obligations with in a stipulated timeframe. The object of liquidity risk management is to maintain suitable and sufficient funds to meet present and future liquidity obligations whilst utilizing the funds appropriately to take advantage of market opportunity as they arise. The bank has several sources of liquidity and manages its liquidity mainly through domestic money and capital markets including repurchase market. The bank seeks to minimize its liquidity costs in line with the market situation try closely managing the liquidity position on a daily basis and restricting the holding of cash held above an appropriate level at any given time. As a part of liquidity management, the bank adheres to its funding plan, and exercises due care in using medium-term borrowings.

2.14 Interest rate risk management

Basically Interest rate risk is the risk that may arise from movements in market prices i.e. favorable and unfavorable. In the year 2010, we observed a frequent change in the Interest rate in banking industry following global economic meltdown. We also adjusted interest in line with Bangladesh banks directive and market scenario. So considering various internal and external factors interest rates were revised as such to maintain long term profitability. Moreover, market competition; cost of fund, market volatility and regulatory compliance are key issues that have been considered to word off any adverse movement of interest rate.

- 1) Strong internal control and monitoring mechanism as well as cross checking system to find any internal and external fraudulent and untoward events.
- 2) Modification and up gradation of IT system and software solution have been undertaken to avoid business disruption and system failure.
- 3) Stringent set of rules and procedures are in place to ensure smooth execution, process and delivery system.

2.15 Operation risk management

Operations risks, relatively difficult to predict, may arise due to failure of internal systems, processes or employment practice. Operation risks also include damage to physical assets, internal and external fraud, malfunctioning of reporting system/ monitoring rules etc.

- 1) MICR encoded cheque books have already been introduced for the clients of Dhaka city area by phasing out non standard cheques.
- 2) All required hardware for processing of MICR cheques have already been procured.
- 3) One reputed vendor has been selected to supply software and Scanner machine s have already been procured
- 4) We have also selected two vendors for establishing connectivity where they have already established connectivity between Bangladesh bank and Trust Bank. Connectivity security has also been installed as per Bangladesh Bank guidelines.
- 5) PBM software is already installed and SIT (System Integration Testing) is going on.

2.16 Preparation of Basel II Accord

In 2004, the Basel Committee on Banking Supervision endorsed the publication of the 'International Convergence of Capital Measurement and Capital Standards: a Revised Framework', commonly referred to as Basel II. Bangladesh Bank adopted Basel-II accord for implementation in Bangladesh from 1 January 2009 parallel to existing BRPD Circular No. 10, dated November 25, 2002 (Basel-I). At the end of parallel run period, Basel II regime has been started and the guidelines on RBCA has come fully into force from January 01, 2010 with its subsequent supplements/revisions with BBs latest revised Guidelines on Risk Based Capital Adequacy in December 2010.

To cope with the international best practices and to make the bank's capital more risk sensitive as well as more shock resilient, TBL considers implementation of Risk Based Capital Adequacy for Banks (Revised Regulatory Capital Framework in line with Basel II) is one of its topmost priorities. Accordingly TBL established a Basel II Implementation Unit (BIU) in the 1st Quarter of year 2007 for effective implementation of the capital accord ensuring Board and Senior Management oversight. The BIU is exclusively assigned with the task of reviewing the nature and level of risks relating to banking assets and planning for adequate capital framework. The BIU members meet on regular basis, at least monthly, to monitor implementation status of Risk Based Capital Adequacy of Banks and also those issues which may directly effect capital requirement.

TBL has setup Basel-II Implementation Cell to comply with and implement the guidelines provided by BB with a view to strengthen capital structure against Bank's exposure towards credit, market and operational risk. The Cell is operating closely with Bangladesh Bank's various departments to perfectly follow implementation of their guidelines. During the year 2010, TBL computed and reported capital on the basis of Basel II guidelines as per BB guidelines. In accordance with this, Minimum Capital Requirement against total risk weighted assets of TBL has been calculated against Capital Adequacy Ratio (CAR) as set by BB, presently 9%.

As dynamic growth of financial markets and the increased use of complex bank products have brought about substantial changes and challenges in the banks' business environment, TBL has established several functioning systems for being limitation of and targeted control over each risk situations/center. Besides these, the new regulatory capital regime (Basel-II) has also placed the bank in an increased emphasis on risk management and an integrated intra-branch-wide management.

Basel II Implementation Status:

Sl.	Deliverables	Format/Method	Compliance Remarks
1	Quantitative Impact Analysis (QIS)	Prescribed Questionnaire	Complied
2	Establishing Basel II Implementation Unit	Bangladesh Bank Directive	Complied
3	Nomination of recognized External Credit Assessment Institutes (ECAIs)	BRPD Circular # 09/2008, BRPD Circular # 05/2009 and BRPD Circular #	Complied
4	Pillar - 1: Minimum Capital Requirement (MCR) Reporting - Credit Risk - Operational Risk - Market Risk	Reporting Format as per BRPD Circular # 35/2010 Standardized Approach Basic Indicator Approach Standardized (Rule Based) Approach	Complied
5	Pillar - 2: Supervisory Review Process (a detailed Plan for maintaining adequate capital to compensate all risks, risk management techniques, setting capital target & pricing that are commensurate with bank's risk profile and control environment, etc.)	Chapter 8 of the BB Guideline	Supervisory Review Process (SRP) Team formed. Remaining processes to be fully complied in due time.
6	Pillar - 3: Market Discipline A Disclosure Framework (Qualitative & Quantitative)	Chapter 7 of the BB Guideline Effective Date: December 29, 2010	Complied.

2.17 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 35.

2.18 Cash flow statement

Cash Flow Statement is prepared in accordance with BAS – 7: ‘Statements of Cash Flow ’ and Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003 issued by Bangladesh Bank.

2.19 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.

2.20 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

Name of BAS	BAS No.	Status
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

Name of BFRS	BFRS No.	Status
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	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	N/A
Operating Segments	8	N/A

2.21 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.

		31.03.2011 Taka	31.12.2010 Taka
3	CASH		
3.1	Cash in hand		
	In local currency	620,670,396	474,078,809
	In foreign currencies	41,955,534	45,389,149
		662,625,930	519,467,958
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	3,030,995,514	3,398,049,217
	In foreign currencies	925,757,899	690,904,466
		3,956,753,413	4,088,953,683
	Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	56,509,108	33,080,568
		4,013,262,521	4,122,034,251
3.3	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)		
	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 31March 2011 is shown below:		
3.3.1	Cash Reserve Requirement (CRR) for Conventional Banking		
	Average Demand and Time Liabilities of the month earlier of the previous month	50,070,000,000	51,710,100,000
3.3.1.1	Average Required Reserve (6% of Average Demand and Time Liabilities)	3,004,200,000	3,102,606,000
	Average Reserve held (6.58% of Average Demand and Time Liabilities)	3,408,063,872	3,280,502,633
	Surplus	403,863,872	177,896,633
3.3.1.2	Minimum Required Reserve (5.5% of Average Demand and Time Liabilities)	2,753,850,000	2,844,055,500
	Actual Reserve held with B. Bank as on 31 March 2011 (6.58% of Average Demand and Time Liabilities)	3,408,063,872	3,407,464,030
	Surplus	654,213,872	563,408,530
3.3.2	Statutory Liquidity Ratio for Coventional Banking (SLR)		
	Required Reserve (19% of Average Demand and Time Liabilities)	9,513,300,000	9,824,919,000
	Actual Reserve held with B. Bank as on 31 March 2011 (20.93% of Average Demand and Time Liabilities)	11,284,690,405	10,477,921,779
	Surplus	1,771,390,405	653,002,779
3.3.3	Components of Statutory Liquidity Requirement (SLR)		
	Cash in Hand	662,627,000	519,465,000
	Balance with B. Bank and its agent Bank(s)	3,449,072,872	3,286,364,030
	Government Bills	-	33,080,568
	Government Bonds	7,155,321,533	6,611,426,181
	Other Approved Securities	2,169,000	2,586,000
	TT in Transit	15,500,000	25,000,000
		11,284,690,405	10,477,921,779

	31.03.2011 Taka	31.12.2010 Taka
3.3.4 Cash Reserve Ratio (CRR) for Islamic Banking		
Average Demand and Time Liabilities of the month earlier of the previous month	1,262,160,833	1,262,160,833
3.3.4.(a) Average Required Reserve (6% of Average Demand and Time Liabilities)	78,169,850	75,729,650
Average Reserve held (7.22% of Average Demand and Time Liabilities)	103,600,000	91,129,032
Surplus	25,430,150	15,399,382
3.3.4.(b) Minimum Required Reserve (5.5% of Average Demand and Time Liabilities)	71,655,690	69,418,840
Actual Reserve held with B. Bank as on 30 December 2010 (7.61% of Average Demand and Time Liabilities)	103,600,000	96,100,000
Surplus	31,944,310	26,681,160
3.3.2.(a) Statutory Liquidity Requirement for Islamic Banking (SLR)		
Required Reserve (11.5% of Average Demand and Time Liabilities)	149,825,540	145,148,496
Actual Reserve held with B. Bank as on 31 March 2011 (12.17% of Average Demand and Time Liabilities)	153,600,000	146,100,000
Surplus	3,774,460	951,504
3.3.5 Held for Statutory Liquidity Requirement		
Cash in Hand	-	-
Balance with B. Bank and its agent Bank(s)	-	96,100,000
Government Bills	-	-
Government Bonds	-	-
Government Islamic Investment Bonds	50,000,000	50,000,000
	50,000,000	146,100,000
4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
4.1 In Bangladesh		
Current Deposits		
Sonali Bank Ltd.	55,061,035	40,797,712
Rupali Bank Ltd.	4,502,575	13,024,635
The City Bank Ltd.	3,818,190	4,747,261
Janata Bank Ltd.	14,668,570	14,957,170
Prime Bank Ltd.	-	-
Agrani Bank Ltd. Ltd.	2,656,335	4,411,926
Brac Bank Ltd. Ltd.	9,152,833	9,532,448
Pubali Bank Ltd.	-	-
	89,859,538	87,471,152
Short Term Deposits		
Sonali Bank Ltd.	154,469,800	20,194,529
AB Bank Ltd.	1,393,330	1,370,242
CITI Bank NA	6,638,644	4,130,130
Rupali Bank Ltd.	14,634,670	7,036,286
Janata Bank Ltd.	3,434,424	3,062,728
Prime Bank Ltd.	5,535,092	16,074,627
Standard Chartered Bank	2,582,554	2,652,018
Dutch Bangla Bank Ltd.	20,726,690	22,983,669
Bank Asia Limited	484,350	6,284,350
Trust Bank Limited	-	-
Standard Bank Limited	2,355,832	2,305,279
Al Arafah Islami Bank Limited	7,062,344	72,257
NCC Bank Limited	402,004	560,166
Southeast Bank Limited	687,481	2,017,292
	220,407,215	88,743,573

	31.03.2011 Taka	31.12.2010 Taka
Fixed Deposits		
<u>FDR with Banks-Local Currency</u>		
BRAC Bank Ltd.	-	-
Bank Asia	-	-
EXIM Bank Ltd.	-	-
Jamuna Bank Ltd.	-	-
National Bank Ltd.	-	-
Pubali Bank Ltd.	-	-
The Premier Bank Ltd.	-	-
United Commercial Bank Ltd.	-	-
<u>FDR with Bank - Foreign Currency</u>		
Mashreq Bank NY Psc	146,500,000	142,500,000
<u>FDR with Investment and Leasing Co. - Local Currency</u>		
Bangladesh Industrial Finance Co. Ltd.	-	-
Bay Leasing & Investment Ltd.	-	-
Fareast Finance & Investment Company Ltd.	-	-
GSP Finance Company (Bangladesh) Ltd.	-	-
International Leasing & Financial Services Ltd.	-	-
Lanka Bangla Finance Co. Ltd.	-	-
Peoples Leasing & Financial Services Ltd.	-	-
Phoenix Leasing Company Ltd.	-	-
Premier Leasing & finance Ltd.	-	-
Prime Finance & Investment Ltd.	-	-
Union Capital Ltd.	-	-
	146,500,000	142,500,000
Mudaraba Term Deposits		
MTDR with Ahsania-Malayasia Hajj Investment	-	-
	456,766,753	318,714,725
4.2 Outside Bangladesh		
<u>Current Account</u>		
<u>Dollar Account</u>		
Citibank N.A., USA	267,754,936	122,428,179
Union De Banques, HKG	1,248,230	1,729,642
Mashreqbank psc, USA	7,381,964	18,545,671
Standard Chartered Bank, USA	21,457,883	41,445,021
HSBC Bank, USA	273,349,877	38,279,766
ICICI Bank Ltd., Hongkong	21,387,744	8,582,479
Wachovia Bank, NY USA	30,789,232	15,953,216
<u>GBP Account</u>		
Standard Chartered Bank, UK	2,775,661	1,460,071
Citibank N.A., UK	6,341,282	9,200,773
HSBC, PLC, UK	9,397,806	19,550,189
<u>Japanese Yen Account</u>		
Standard Chartered Bank, Japan	594,373	803,435
Wachovia Bank, NY USA	570,271	506,455
<u>EURO Account</u>		
HSBC, PLC, UK	3,282,815	10,489,203
Standard Chartered Bank, UK	11,905,518	24,306,887
ICICI Bank Ltd., Mumbai, India	3,945,850	571,180
Citibank N.A., UK	18,680,984	37,729,858
<u>ACUD Account</u>		
Citibank N.A., Mumbai, India	15,751,201	6,405,648
ICICI Bank Ltd., Mumbai, India	20,080,556	14,071,377
HSBC Bank, Pakistan	6,676,148	6,494,718
HSBC Bank, Mumbai, India	9,619,962	3,325,235
AB Bank, Mumbai, India	22,895,156	18,291,549
Mashreqbank, Mumbai, India	12,727,815	9,625,061
Standard Chartered Bank, Mumbai, India	10,110,529	8,332,579
<u>CHF Account</u>		
Habib Bank, Zurich	970,781	1,549,827
	779,696,574	419,678,019
	1,236,463,327	738,392,744

For details please refer to Annexure - A

		31.03.2011 Taka	31.12.2010 Taka
4.3	Remaining maturity grouping of balance with other banks and financial institutions		
	On demand	869,556,112	507,149,171
	Upto 1 month	366,907,215	231,243,573
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 Year	-	-
	Over 1 Year but not more than 5 Years	-	-
	Over 5 Years	-	-
		1,236,463,327	738,392,744
4 (a)	CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
	In Bangladesh		
	Trust Bank Limited	456,766,753	318,714,725
	Trust Bank Investment Limited	401,819,278	621,073,337
		858,586,031	939,788,062
	Less : Inter Company Transaction	401,819,278	621,073,337
		456,766,753	318,714,725
	Outside Bangladesh	779,696,574	419,678,019
		1,236,463,327	738,392,744
5	MONEY AT CALL AND SHORT NOTICE		
	Banking company		
	AB Bank Ltd.	500,000,000	-
	Agrani Bank Ltd.	200,000,000	-
	Bank Asia Ltd.	200,000,000	-
	BASIC Bank	400,000,000	-
	Citi Bank NA	-	-
	Dhaka Bank Ltd.	-	-
	Dutch Bangla Bank Ltd.	-	-
	Sonali Bank	500,000,000	-
	Janata Bank Ltd.	600,000,000	-
	Mercantile Bank	400,000,000	-
	Mutual Trust Bank Ltd	-	-
	National Bank Ltd.	400,000,000	-
	IFIC Bank Ltd.	250,000,000	-
	Uttara Bank Ltd.	700,000,000	-
	The Premier Bank Ltd.	-	-
		4,150,000,000	-
	Non-Banking Financial Institutions		
	Bay Leasing & Investment Ltd.	-	-
	International Leasing & Financial Services Ltd.	-	-
	Lanka Bangla Finance Co. Ltd.	-	-
	Union Capital Ltd.	-	-
		-	-
		4,150,000,000	-
6	INVESTMENTS		
	Government Securities		
	Treasury Bills		
	Treasury Bills -HTM	-	-
	Treasury Bills-HFT	-	-
		-	-
	Treasury Bonds		
	Treasury Bond - HFT	6,995,321,533	6,501,426,181
	Treasury Bond - HTM	160,000,000	160,000,000
	Bangladesh Govt. Islamic Investment Bond - HTM	50,000,000	50,000,000
		7,205,321,533	6,711,426,181
	National Investment Bond	-	-
	Bangladesh Bank Bill	-	-
	Prize Bond	2,166,400	2,581,200
		7,207,487,933	6,714,007,381

		31.03.2011 Taka	31.12.2010 Taka
Other Investment			
Preference Share			
1,000,000 Shares of BRAC Bank Ltd. @ Tk. 100 each	Note - 6.3	100,000,000	100,000,000
8,00,000 Shares of Khulna Power Company Ltd. @ Tk. 100 each		80,000,000	80,000,000
		<u>180,000,000</u>	<u>180,000,000</u>
Ordinary Shares			
Quoted	Note - 6.4	815,390,635	792,682,408
Unquoted		33,249,980	33,249,980
		848,640,615	825,932,388
Debentures and Bond		840,000,000	840,000,000
		<u>1,868,640,615</u>	<u>1,845,932,388</u>
		<u>9,076,128,548</u>	<u>8,559,939,769</u>

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

Particulars	31.03.2011			31.12.2010		
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Listed Securities	16	815,390,635	867,083,922	10	792,682,408	1,099,464,858
Unlisted Securities :						
Bond	5	840,000,000	840,000,000	5	840,000,000	840,000,000
Ordinary Share	2	33,249,980	33,249,980	2	33,249,980	3,000,000
Preference Share	2	180,000,000	180,000,000	2	180,000,000	180,000,000
Balance as on 31 Dec	25	1,868,640,615	1,920,333,902	19	1,845,932,388	2,122,464,858

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 period (Last trading date for the period 31 March 2011).

Sector wise investment in listed securities at cost

Banking Companies	18,395,577	3,247,482
Investment Companies	-	-
Manufacturing Companies and others	188,016,051	152,224,081
Power Sector	105,805,807	86,999,885
IBBL Bond	93,173,200	140,210,960
Mutual Fund	410,000,000	410,000,000
	<u>815,390,635</u>	<u>792,682,408</u>

Unrealized gain on investment in listed securities

As at 31 March 2011 gross unrealised gain was Tk. 51693287 on investment in listed security.

Unlisted Securities

Ordinary Share

Investment in ordinary share includes Tk 3.32 million in Central Depository Bangladesh Limited (CDBL). The unlisted investments are shown at cost because the fair value cannot be measured reliably.

Preference Share

Trust Bank Limited invested in the preference shares of BRAC Bank Limited and Khulna Power Company Limited for Tk. 100.00 million and Tk. 80.00 million respectively, representing 2.33% and 5.88% of their total capital (ordinary and preference) respectively.

Since the holding of Trust Bank Limited is less than 20% in both the cases and having no voting right, the investment in preference share does not fall with in the principle of Bangladesh Accounting Standard 28: "Accounting for Investment in Associate".

6.1 Treasury Bills-at Present Value

91 days Treasury Bills	-	-
182 days Treasury Bills	-	-
364 days Treasury Bills	-	-
	<u>-</u>	<u>-</u>

		31.03.2011	31.12.2010
		Taka	Taka
6.2	Treasury Bonds-at Present Value		
	05 years Treasury Bonds	4,100,530,660	3,820,365,885
	10 years Treasury Bonds	1,947,302,521	1,939,858,190
	15 years Treasury Bonds	947,488,352	951,202,106
		6,995,321,533	6,711,426,181
6.3	Investment in Bond		
		Rate of Interest	
	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% 50,000,000	50,000,000
	Orascom Telecom Bd Ltd.	13.50% 500,000,000	500,000,000
	MTBL Partly Convertible Subordinated Bond	11.00% 110,000,000	110,000,000
		840,000,000	840,000,000
6.4	Investment in Ordinary Share - Quoted		
	Under Conventional Banking	671,328,527	611,867,473
	Under Islamic Banking	144,062,108	180,814,935
		815,390,635	792,682,408
6.5	Remaining maturity grouping of Investments		
	On demand	1,030,807,015	1,008,513,588
	Upto 1 month	-	-
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 Year	-	-
	Over 1 Year but not more than 5 Years	6,507,171,751	6,260,224,075
	Over 5 Years	1,538,149,782	1,291,202,106
		9,076,128,548	8,559,939,769
7	LOANS AND ADVANCES UNDER COVENTIONAL BANKING		
	Loans and Advances		
	Repair & Recon. of Dwelling House (RRDH)	1,331,550,613	1,332,031,090
	Consumer Durable Scheme Loans (CDS)	4,265,104	4,357,943
	Marriage Loans (ML)	41,529,999	44,358,145
	Car Loans (CL)	349,923,560	367,089,861
	House Building Loans (HBL)	4,353,398,438	4,270,346,943
	Term Loans	10,164,467,747	10,108,538,794
	Other Retail Loans	1,246,613,224	1,273,352,458
	Time Loan	3,132,865,614	3,080,206,634
	Other Loans	471,536,162	294,688,518
	Staff Loans	246,841,910	246,857,526
	Loans against Credit Card	25,699,023	26,607,640
	Loans against Trust Receipts (LTR)	5,739,441,506	6,198,599,148
	Payment Against Documents (PAD)	747,365,220	1,191,025,991
	Packing Credit (Loan agt. Packing Credit)	-	1,462,409
		27,855,498,120	28,439,523,100
	LOANS AND ADVANCES UNDER ISLAMIC BANKING		
	Islamic Investment		
	Murabaha	-	-
	Bai-Muajjal	50,650,898	42,599,722
	Hire Purchase under Shirkatul Melk	227,896,760	233,589,055
	IHSAN Apartment Purchase Scheme	10,245,633	10,519,138
	BARAKAT Home Construction Scheme	16,975,021	17,074,332
	BARAKAT Car Scheme	20,295,318	22,576,642
	HPSM-Real Estate	33,374,508	32,249,320
	Murabaha TR	203,583,232	161,053,303
	Bai-Salam	48,830,833	48,153,793
		611,852,203	567,815,305

	31.03.2011 Taka	31.12.2010 Taka
Cash Credit		
Cash Credit	718,751,094	1,115,203,581
Cash Collateral	217,239,750	178,000,891
	935,990,844	1,293,204,472
Overdraft		
Overdrafts	2,797,498,485	2,653,282,587
Secured Overdrafts	5,991,357,684	5,587,257,133
	8,788,856,169	8,240,539,720
Total Loans, Cash Credits and Overdrafts	38,192,197,336	38,541,082,597
Bills Purchased and Discounted		
Under Conventional banking	1,209,632,852	1,183,765,378
Under Islamic banking (Musharaka agt. IBP)	100,222,020	75,076,016
	1,309,854,872	1,258,841,394
	39,502,052,208	39,799,923,991
7.1 Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted		
Repayable on demand	4,469,602,281	5,099,223,861
Upto 1 month	2,009,467,391	3,606,231,220
Over 1 month but not more than 3 months	3,808,164,761	3,849,091,227
Over 3 months but not more than 1 Year	11,910,237,437	9,282,748,931
Over 1 Year but not more than 5 Years	11,635,764,549	11,144,025,593
Over 5 Years	5,668,815,789	6,818,603,159
	39,502,052,208	39,799,923,991
7.2 Loans and Advances including Bills Purchased and Discounted Inside Bangladesh		
Loans	28,467,350,323	29,007,338,405
Cash Credit	935,990,844	1,293,204,472
Overdraft	8,788,856,169	8,240,539,720
Bills purchased and discounted	1,309,854,872	1,258,841,394
	39,502,052,208	39,799,923,991
Outside Bangladesh	-	-
	39,502,052,208	39,799,923,991
7.3 Loans and Advances on the basis of significant concentration		
7.3.1 Advances to Directors and Others		
Advance to Directors and their allied concerns	13,218,000	13,731,872
Advances to CEO and Senior Executives	47,620,108	38,120,563
Advances to Customers (Group wise)	16,751,023,000	801,315,000
Industrial Advances (Project finance)	5,273,005,125	543,575,000
Other Staff Loan	242,252,435	208,736,963
Other Customers	17,174,933,540	38,194,444,593
	39,502,052,208	39,799,923,991
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	5,963,963,162	5,744,364,822
Total Loans and Advances	15,367,691,000	18,892,484,300
No. of Customers	16	27
Classified amount thereon	Nil	Nil
Measures taken for recovery of classified loans:	N/A	N/A

31.03.2011
Taka

31.12.2010
Taka

Details of Large Loans

SL	Name of the Client	CL Status	Outstanding Loan		Total 31.03.2011	Total 31.12.2010
			Funded	Non-Funded		
1	SQ Group	UC	672,304,000	899,620,000	1,571,924,000	1,567,000,000
2	TBIL	UC	1,430,363,000		1,430,363,000	1,130,605,300
3	M/S. Masud & Brothers its concern	UC	612,300,000	709,028,000	1,321,328,000	847,127,000
4	Rising Group	UC	565,800,000	732,800,000	1,298,600,000	1,292,400,000
5	Summit Group	UC	329,451,000	858,086,000	1,187,537,000	1,042,669,000
6	Radiant Group	UC	375,803,000	626,644,000	1,002,447,000	945,310,000
7	Bangladesh Diesel Plant (BDP) Limited		382,523,000	603,430,000	985,953,000	
8	Bashundhara Group	UC	718,330,000	167,584,000	885,914,000	927,488,000
9	United Ashuganj Power Limited		246,010,000	626,339,000	872,349,000	
10	Bangladesh Steel Re-Rolling Mills Ltd	UC	273,600,000	519,700,000	793,300,000	586,300,000
11	Taqwa Fabrics Ltd. & Libas Knit Ltd.	UC	342,756,000	432,000,000	774,756,000	774,738,000
12	Desh Energy Ltd.	UC	728,239,000		728,239,000	721,482,000
13	GPH Ispat Ltd.	UC	467,000,000	175,800,000	642,800,000	602,800,000
14	Hamid Weaving Mills Ltd.	UC	263,520,000	339,536,000	603,056,000	691,339,000
15	M/S. Abir Fashions	UC	121,485,000	474,685,000	596,170,000	538,998,000
16	S. A. Group	UC	424,403,000	248,552,000	672,955,000	455,050,000
17	T. K. Group of Industries	UC			-	783,178,000
18	Nasir Group of Industries	UC			-	620,137,000
19	Abdul Monem Group	UC			-	590,351,000
20	Marrine Vegetable Oil Ltd.	UC			-	527,838,000
21	H R Textiles Mills Ltd.	UC			-	523,146,000
22	Paradise Spinning Mills Ltd.	UC			-	517,808,000
23	Modern Steel Mills Ltd. & its Sister concern	UC			-	513,600,000
24	RL Group	UC			-	480,588,000
25	Samuda Chemical Complex Ltd.	UC			-	457,253,000
26	Best Wool Sweaters Ltd.	UC			-	454,264,000
27	Bengal Indigo Group	UC			-	450,299,000
28	United Ashuganj Power Ltd.	UC			-	427,246,000
29	Anwar Group	UC			-	423,470,000
30	BRAC	UC	-	-	-	-
31	Badar Spinning Mills Ltd.	UC	-	-	-	-
32	S Q Quantum Group	UC	-	-	-	-
33	Abul Khair Group	UC	-	-	-	-
34	Bangladesh Foundry & Engineering Works	UC	-	-	-	-
35	M/S. M A Salam & Co.	UC	-	-	-	-
36	Radiant Pharmaceuticals Ltd.	UC	-	-	-	-
37	Pacific Motors Limited	UC	-	-	-	-
	Total		7,953,887,000	7,413,804,000	15,367,691,000	18,892,484,300

7.3.3 Industry-wise concentration of Loans and Advances

Agro-sector	402,874,477	330,449,799
Automobiles	246,909,010	236,622,251
Cement & Building Materials	773,303,024	537,379,431
Chemical & Pharma	742,529,021	830,079,765
Paper	1,034,996,120	815,506,747
Rubber	370,836,010	350,109,735
Edible Oil	346,449,002	372,259,737
Energy & Power	1,371,436,035	1,142,287,486
Fisheries	7,224,985	8,707,855
Steel & Engineering	3,006,373,020	2,983,669,767
Textile & Garments	6,012,916,050	6,255,679,744
Food & Allied	1,396,705,004	1,581,767,649
Construction	1,148,293,000	1,123,609,979

	31.03.2011 Taka	31.12.2010 Taka
Housing	3,770,959,041	5,170,809,951
Trading	5,563,706,001	4,453,309,746
Telecom & Transport	359,881,040	353,939,749
NBFI	1,828,141,004	2,005,619,565
Medical services	465,466,005	342,569,786
Personal services	4,102,128,010	2,320,119,413
Trust Bank Investment Limited	1,222,484,743	1,130,605,342
Others	5,328,441,606	7,454,820,494
	39,502,052,208	39,799,923,991

7.3.4 Geographical location-wise concentration of Loans and Advances

Inside Bangladesh

Dhaka Division	26,733,808,349	26,010,471,541
Chittagong Division	10,004,602,763	11,338,729,861
Khulna Division	402,010,165	702,426,161
Sylhet Division	1,280,900,364	1,074,183,978
Barisal Division	1,246,209	-
Rangpur Division	677,691,252	314,827,830
Rajshahi Division	401,793,106	359,284,620
	39,502,052,208	39,799,923,991

Outside Bangladesh

	-	-
	39,502,052,208	39,799,923,991

7.3.5 Nature wise Loans and Advances

Continuous	9,752,234,331	9,577,628,385
Demand Loan	11,219,829,362	11,995,613,364
Term Loans up to 5 Years	9,547,210,064	9,494,730,105
Term Loans above 5 Years	8,738,483,443	8,479,001,364
Short Term Agri. Credit & Micro Credit	2,042,573	6,093,247
Staff Loan	242,252,435	246,857,526
	39,502,052,208	39,799,923,991

7.4 Classification of Loans and Advances including Bills Purchased and Discounted

a Unclassified Loans and Advances (including staff loan)

1 Consumer Financing (House Financing, HF)	4,193,666,026	3,757,870,154
2 Consumer Financing (Loans for Professional, LP)	27,551,361	32,117,569
3 Consumer Financing (Other than HF & LP)	19,852,899,928	2,238,276,459
4 Small & Medium Enterprise Financing (SMEF)	2,581,745,341	1,735,310,316
5 Loans to BHs/ MBs/ Sds against Shares etc	1,301,291,729	1,188,865,020
6 All Other Credit	9,627,117,925	28,988,111,977
7 Short Term Agri Credit	2,042,573	6,093,247
8 Staff Loans	242,123,794	246,728,885
	37,828,438,677	38,193,373,627

b Special Mentioned Accounts

	638,020,608	646,527,296
--	-------------	-------------

c Classified Loans and Advances

1 Sub-Standard Loans and Advances	266,629,198	139,504,180
2 Doubtful Loans and Advances	47,800,585	203,423,240
3 Bad /Loss Loans and Advances	721,163,140	617,095,648
	1,035,592,923	960,023,068
	39,502,052,208	39,799,923,991

7.5 Particulars of Loans and Advances

(i) Debts considered good in respect of which the bank is fully secured.	25,092,463,000	25,457,397,950
(ii) Debts considered good for which the bank holds no other security than the debtor's personal security.	795,998,480	795,998,480

	31.03.2011 Taka	31.12.2010 Taka
(iii) Debts considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	11,939,977,197	11,939,977,197
(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.	303,090,543	260,589,398
(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.	303,090,543	260,589,398
(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	(31,421,000)	(134,248,000)
Amount of loan written off	-	-
Amount realized against loan previously written off	-	-
b) Provision kept against loans classified as bad debts	249,275,000	221,207,000
c) Interest credited to interest Suspense Account	322,197,514	292,060,539
(xi) Cumulative amount of written off loans		
Opening Balance	2,700	2,700
Amount written off during the period	-	-
	<u>2,700</u>	<u>2,700</u>
The amount of written off loans for which law suit has been filed	-	-
7.6 Bills purchased and discounted		
Payable in Bangladesh	1,023,287,032	1,023,287,032
Payable out side Bangladesh	160,478,346	160,478,346
	<u>1,183,765,378</u>	<u>1,183,765,378</u>
7.7 Remaining maturity grouping of bills purchased and discounted		
Payable with in one month	476,950,373	476,950,373
Over one month but less than three months	557,630,859	557,630,859
Over three months but less than 01 year	149,184,146	149,184,146
More than 01 year	-	-
	<u>1,183,765,378</u>	<u>1,183,765,378</u>

		31.03.2011	31.12.2010
		Taka	Taka
7.8	Litigation filed by the Bank		
	As of the responding date, the Bank filed lawsuit against recovery of its defaulted loans and advances as under:		
	Name of the Branch		
	Principal Branch	449,967,502	448,424,744
	Sena Kalyan Bhaban Branch	5,156,417	5,156,417
	Bogra Cantonment Branch	1,044,807	1,044,807
	Agrabad Branch	650,506,726	650,506,726
	Khaja Yunus Ali Medical College Hospital Branch	197,639	197,639
	Gulshan Corporate Branch	22,008,450	22,008,450
	Sylhet Corp.Br	453,667	-
	Dilkusha Corporate Branch	11,495,093	11,495,093
		<u>1,140,830,301</u>	<u>1,138,833,876</u>
7 (a)	Consolidated loans,advances /Investment		
	Trust Bank Limited	39,502,052,208	39,799,923,991
	Trust Bank Investment Limited	4,442,943,582	4,091,114,346
		43,944,995,790	43,891,038,337
	Less : Inter Company Transaction	1,222,484,743	1,130,605,342
		<u>42,722,511,047</u>	<u>42,760,432,995</u>
8	FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES		
	Cost		
	Leasehold Land	160,469	160,469
	Office Building	12,680,000	12,680,000
	Furniture and fixtures	119,439,394	115,373,659
	Office equipment	291,649,751	274,040,220
	Motor vehicles	143,127,056	140,145,542
	Office renovation	196,112,140	188,389,837
		<u>763,168,810</u>	<u>730,789,727</u>
	Less: Accumulated depreciation	341,292,918	317,665,458
		<u>421,875,892</u>	<u>413,124,269</u>
	For details please refer to Annexure - B		
8 (a)	Consolidated Fixed assets including premises, furniture and fixtures		
	Trust Bank Limited	421,875,892	413,124,269
	Trust Bank Investment Limited	21,476,184	17,881,888
		<u>443,352,076</u>	<u>431,006,157</u>
9	OTHER ASSETS		
	i) Investment in shares of subsidiary companies (In Bangladesh and outside)		
	In Bangladesh	2,999,999,300	2,999,999,300
	Outside Bangladesh		
	ii) Stationery, stamps, printing materials in stock etc.;	47,009,439	29,038,453
	iii) Advance Rent and Advertisement	74,826,492	73,481,523
	iv) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;	277,086,458	238,084,613
	Note - 9.1		
	v) Security Deposits	7,868,711	7,751,061
	vi) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses;	9,175,269	12,446,323
	Note - 9.2		
	vii) Branch Adjusting (net)	436,755,431	175,886,225
	viii) Suspense Account	248,745,948	239,779,218
	ix) Silver	-	-
	x) Others	402,514,904	346,982,587
		<u>4,503,981,952</u>	<u>4,123,449,303</u>

		31.03.2011 Taka	31.12.2010 Taka	
9.1	Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;			
	Interest accrued on investments and deposits	Note - 9.1.1	123,776,945	232,275,849
	Interest accrued on Loans & advances	Note - 9.1.2	146,371,937	-
	Commission Receivable on SP & WEDB		6,937,576	5,808,764
			277,086,458	238,084,613
9.1.1	Interest accrued on investments and deposits			
	Interest accrued on Fixed Deposits	Note - 9.1.1.1	-	-
	Interest accrued on Short Term Deposits		-	2,450,000
	Interest accrued on Money at Call		-	-
	Interest accrued on Bonds		22,451,442	10,478,778
	Interest accrued on Government Treasury Bond		101,325,503	219,347,071
			123,776,945	232,275,849
9.1.1.1	Interest/Profit accrued on Fixed Deposits/MTDR			
	Interest accrued on Fixed Deposits		-	-
	Profit accrued on MTDR		-	-
			-	-
9.1.2	Interest accrued on Loans & advances			
	Interest accrued on Conventional Loans & advances		146,371,937	-
	Profit Receivable on TIB Investment		-	-
			146,371,937	-
9.2	Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses;			
	Pre-opening Expenses		-	-
	Prepaid Expenses		9,175,269	12,446,323
			9,175,269	12,446,323
9.3	Others			
	Deferred Tax Asset	Note - 9.3.1	19,551,631	16,319,128
	Intangible Assets		7,790,138	6,295,963
	Intl. Credit Report Agency Charge		3,869,641	3,205,264
	Encashment of Sanchaya patra awaiting reimbursement-Principal		133,108,868	85,682,108
	Encashment of Sanchaya patra awaiting reimbursement-Interest		87,184,547	74,407,590
	Encashment of WEDB awaiting reimbursement-Principal		47,434,375	71,291,500
	Encashment of WEDB awaiting reimbursement-Interest		24,730,391	44,635,664
	US\$ Premium Bond - Principal		-	534,375
	US\$ Premium Bond - Interest		-	89,996
	US\$ Investment Bond - Principal		2,563,750	16,063,313
	US\$ Investment Bond - Interest		702,284	2,096,798
	Advance against Capital Expenditure		72,866,300	42,300,300
	Clearing Adjustment		2,462,979	(16,189,412)
	Fees Receivable on POS		-	-
	Receivable on Death Risk Benefit-WEDB		250,000	250,000
			402,514,904	346,982,587
9.3.1	Deferred tax Asset			
	Balance as on 1 January		16,319,128	6,907,377
	Addition during the period		3,232,503	9,411,751
	Closing Balance		19,551,631	16,319,128
9.3.1.1	To maintain the deferred tax Asset of Tk.19551631 as on 31 March 2011, a deferred tax Income of Tk.-3232503 has been made during the year ended 31 March 2011 as per BAS-12 -Income Taxes			

	31.03.2011 Taka	31.12.2010 Taka
9.4 Break-up of Other Assets		
Income generating other assets	2,999,999,300	2,999,999,300
Non income generating other asset	1,503,982,652	1,123,450,003
	4,503,981,952	4,123,449,303

9.5 Inter Branch Adjusting Account represents outstanding inter branch and head office transactions (net) originated but yet to be responded by Balance Sheet date. However, the status of unresponded entries of 31.03.2011

	No. of unrespondent entries		Unrespondent entries (Taka)	
	Debit	Credit	Debit	Credit
Upto 3 months	489	294	808,102	371,347
Over 3 months but within 6 months		-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
			808,102	371,347

9 (a) Consolidated other assets			
Trust Bank Limited	Note - 9	4,503,981,952	4,123,449,303
Trust Bank Investment Limited		170,553,217	-
		4,674,535,169	4,123,449,303
Less: Investment in Trust Investment Ltd.		2,999,999,300	-
		1,674,535,869	4,123,449,303

10 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

In Bangladesh

Call loans

Call Loan from Banks	-	-
Call Loan from Leasing Co.	-	-
Call Loan from Insurance Co.	-	-
Call Loan from Other Institutions	-	-

Other Borrowings

Borrowing from Bangladesh Bank - EDF	180,698,981	326,084,112
Bangladesh Bank: Re-finance	121,028,647	137,861,335
	301,727,628	463,945,447

Outside Bangladesh

	-	-
	301,727,628	463,945,447

10.1 Security wise borrowings

Secured Borrowings	-	-
Unsecured Borrowings	301,727,628	463,945,447
	301,727,628	463,945,447

10.2 Repayment nature wise borrowings

Repayment on Demand	301,727,628	463,945,447
Others	-	-
	301,727,628	463,945,447

10.3 Remaining maturity grouping of Borrowings from other banks, financial institutions and agents

Payable

On demand	301,727,628	463,945,447
Upto 1 month	-	-
Over 1 month but within 3 months	-	-
Over 3 months but within 1 Year	-	-
Over 1 Year but within 5 Years	-	-
Over 5 Years	-	-
	301,727,628	463,945,447

		31.03.2011 Taka	31.12.2010 Taka	
10 (a)	Consolidated borrowings from other Banks, financial institutions and agents			
	Trust Bank Limited	Note - 10	301,727,628	463,945,447
	Trust Bank Investment Limited		1,226,587,524	1,126,907,614
			1,528,315,152	1,590,853,061
	Less: Inter company transaction		1,222,484,743	1,130,605,342
			305,830,409	460,247,719
11	DEPOSITS AND OTHER ACCOUNTS			
	Current / Al-wadeeah Current Accounts and other Accounts	Note - 11.2	6,826,725,319	5,681,378,972
	Bills Payable	Note - 11.3	649,346,108	656,010,698
	Savings Bank Deposits/Mudaraba Savings Deposits	Note - 11.4	5,460,810,901	5,336,185,241
	Fixed Deposits/Mudaraba Term Deposits	Note - 11.5	42,965,611,440	38,739,716,060
			55,902,493,768	50,413,290,971
11.1	Remaining maturity grouping of Deposits and other accounts			
	Inside Bangladesh	Banks	Other than Banks	
	Payable			
	On demand	7,322,000	9,129,584,290	9,136,906,289
	Upto 1 month		7,778,057,581	7,778,057,581
	Over 1 month but within 3 months		17,879,370,835	17,879,370,835
	Over 3 months but within 1 Year	99,409,000	16,914,209,124	17,013,618,124
	Over 1 Year but within 5 Years		2,682,558,712	2,682,558,712
	Over 5 Years		1,411,982,227	1,411,982,227
		106,731,000	55,795,762,769	55,902,493,768
	Outside Bangladesh	-	-	-
		106,731,000	55,795,762,769	55,902,493,768
11.2	Current / Al-wadeeah Current Accounts and other Accounts			
	Under Conventional Banking	Note - 11.2.1	6,770,642,963	5,631,715,497
	Under Islamic Banking	Note - 11.2.2	56,082,356	49,663,475
			6,826,725,319	5,681,378,972
11.2.1	Under Conventional Banking			
	Current Account		3,170,933,577	2,698,132,604
	Other Accounts	Note - 11.2.3	3,599,709,386	2,933,582,893
			6,770,642,963	5,631,715,497
11.2.2	Under Islamic Banking			
	Al-wadeeah Current Accounts		32,519,266	33,016,922
	Other Accounts - profit payable		23,563,090	16,646,553
			56,082,356	49,663,475
11.2.3	Other Accounts			
	Foreign Currency Deposits		1,465,603,440	1,548,238,587
	Interest Payable on Deposits		977,490,295	747,221,292
	Sundry Deposits		1,156,615,651	638,123,014
			3,599,709,386	2,933,582,893
11.3	Bills Payable			
	Demand Draft payable		36,272,313	44,525,252
	Pay Order payable		613,073,795	611,485,446
			649,346,108	656,010,698

		31.03.2011 Taka	31.12.2010 Taka
11.4	Savings Bank Deposits/Mudaraba Savings Deposits		
	Savings Bank Deposits	5,185,771,990	5,105,732,885
	Mudaraba Savings Deposits	275,038,911	230,452,356
		5,460,810,901	5,336,185,241
11.5	Fixed Deposits/Mudaraba Term Deposits		
11.5.1	Under Conventional Banking		
	Fixed Deposits	33,298,974,420	29,273,164,437
	Short Notice Deposits	4,575,292,848	4,708,205,538
	Scheme Deposits	3,967,724,354	3,742,144,956
		41,841,991,622	37,723,514,931
11.5.2	Under Islamic Banking		
	Mudaraba Term Deposits	1,082,156,458	976,855,423
	Mudaraba Short Notice Deposits	4,488,899	8,075,750
	Mudaraba Scheme Deposits	36,974,461	31,269,956
		1,123,619,818	1,016,201,129
		42,965,611,440	38,739,716,060
11.5.3	Fixed Deposits		
		Banks	Other than Banks
	One month		785,960,057
	Three months		16,246,597,422
	Six months		3,304,076,615
	One year		12,140,794,405
	Two years	99,409,000	17,324,837
	Three years		584,424,613
	Five Years		89,692,364
	More than five years	-	30,695,107
		-	33,199,565,420
		33,298,974,420	29,273,164,437
11.5.3.a	Mudaraba Term Deposits		
		Banks	Other than Banks
	One month	-	57,921,006
	Three months	-	626,316,679
	Six months	-	115,058,015
	One year	-	176,594,485
	Three years	-	965,238
		-	976,855,423
11.6	Geographical location-wise concentration of Deposits & Other Accounts		
	Inside Bangladesh		
	Dhaka Division	38,296,765,606	39,297,176,989
	Chittagong Division	7,433,543,190	6,136,833,125
	Khulna Division	392,464,562	1,134,463,925
	Sylhet Division	2,097,875,848	2,258,970,643
	Rangpur Division	520,011,712	2,927,765
	Barisal Division	17,860,889	
	Rajshahi Division	1,582,918,524	1,582,918,524
		50,341,440,332	50,413,290,971
	Outside Bangladesh	-	-
		50,341,440,332	50,413,290,971
11.7	Sector-wise deposits		
	Government	1,273,437,000	1,152,509,000
	Deposit money banks	106,731,000	128,647,000
	Other public	3,026,109,000	2,664,107,000
	Private	49,053,123,033	44,155,921,539
	Foreign Currency Deposits	1,465,603,440	1,548,238,587
	Interest Payable on Deposits	977,490,295	763,867,845
		55,902,493,768	50,413,290,971

		31.03.2011	31.12.2010
		Taka	Taka
11 (a) CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS			
Current / Al-wadeeah Current Accounts and other Accounts			
Trust Bank Limited		6,826,725,319	5,681,378,972
Trust Bank Investment Limited		545,270,256	565,683,648
		7,371,995,575	6,247,062,620
Bills Payable		649,346,108	656,010,698
Savings Bank Deposits/Mudaraba Savings Deposits		5,460,810,901	5,336,185,241
Fixed Deposits/Mudaraba Term Deposits		42,965,611,440	38,739,716,060
Less : Inter Company Transaction		401,819,278	621,073,337
		42,563,792,162	38,118,642,723
		56,045,944,746	50,357,901,282
12 OTHER LIABILITIES			
Provision for Loans and Advances	Note - 12.1	1,082,900,000	1,082,900,000
Provision for Investment		23,700,217	11,932,760
Provision for other asset	Note - 12.2	3,789,274	3,184,239
Provision for CSR Fund		-	115,600,000
Provision for Gratuity		12,000,000	41,559,109
Unearned profit on TIB Investment		14,608,236	11,785,925
Interest Suspense Account	Note - 12.3	322,197,514	292,060,539
Exchange Equalization Fund	Note - 12.4	-	-
Provision for Income Tax Less Advance Income Tax	Note - 12.5	472,295,226	576,783,076
Accrued Expenses		151,205,257	128,294,703
Audit Fees Payable		287,500	517,500
Sundry Creditors		55,817,849	107,866,541
Others		692,782	649,253
		2,139,493,855	2,373,133,645
12.1 Provision for Loans and Advances/Islami Banking Investments			
Specific Provision			
Against Classified Loans & Advances		273,331,000	304,752,000
General Provision			
Against Unclassified Loans & Advances		584,045,000	575,318,000
Against Special Mention Accounts		28,532,000	28,830,000
Against Off Balance Sheet Exposures		196,992,000	174,000,000
		809,569,000	778,148,000
		1,082,900,000	1,082,900,000
12.1.1 Against Classified Loans & Advances			
Provision held on 1 January		304,752,000	439,000,000
Fully provided debts written off		-	-
Recoveries from previously written off debts		-	-
Provisions made during the period		(31,421,000)	(134,248,000)
Net Charge to the Profit Loss Account		(31,421,000)	(134,248,000)
Provision held at end of period		273,331,000	304,752,000
12.1.2 Against Unclassified Loans & Advances			
Provision held on 1 January		575,318,000	398,900,000
Provisions made during the year		8,727,000	176,418,000
Provision held at end of period		584,045,000	575,318,000
12.1.3 Against Special Mention Accounts			
Provision held on 1 January		28,830,000	17,500,000
Provisions made during the year		(298,000)	11,330,000
Provision held at end of period		28,532,000	28,830,000

31.03.2011 Taka	31.12.2010 Taka
----------------------------------	----------------------------------

12.1.4 Required Provision against Loans and Advances

Particulars	Base for Provision	Rate		
Unclassified				
a. Consumer Financing (House Financing)	3,781,923,306	2%	75,638,000	75,157,000
b. Consumer Financing (Loans to Professional)	27,551,361	2%	551,000	642,000
c. Consumer Financing (Other than a & b)	3,669,200,094	5%	183,460,000	111,914,000
d. Small & Medium Enterprise Financing	2,581,745,341	1%	25,817,000	17,353,000
e. Loans to BHs/ MBs/ Sds against Shares etc	1,301,291,729	2%	26,026,000	23,777,000
f. Short Term Agriculture & Micro Credit	2,042,573	5%	102,000	305,000
g. All other Credit	26,222,560,007	1%	262,226,000	289,881,000
	37,586,314,411		573,820,000	519,029,000
Special Mention Accounts	570,649,990	5%	28,532,000	28,830,000
Classified				
a. Substandard	83,255,655	20%	16,651,000	8,447,000
b. Doubtful	14,806,991	50%	7,403,000	75,098,000
c. Bad/Loss	249,274,544	100%	249,275,000	221,207,000
	347,337,190		273,329,000	304,752,000
	38,504,301,591		875,681,000	852,611,000

12.1.5 General Provision for Off Balance Sheet Exposures

Provision held on 1 January	107,000,000	103,000,000
Provisions made during the period	22,992,000	4,000,000
	129,992,000	107,000,000

12.1 (a) Consolidated General Provision for Loans and Advances

Trust Bank Limited	809,569,000	778,148,000
Trust Bank Investment Limited	40,911,143	40,911,143
	850,480,143	819,059,143

12.2 Provision for other asset

Balance on 1 January	3,789,274	2,126,573
Provisions made during the year	-	1,057,666
	3,789,274	3,184,239

12.3 Interest Suspense Account

Balance on 1 January	292,060,539	189,080,502
Amount transferred during the period	293,369,827	293,369,827
Amount recovered during the period	(189,862,677)	(189,862,677)
Amount written off / waived during the period	(527,113)	(527,113)
	395,040,576	292,060,539

12.4 Exchange Equalization Fund

Balance on 1 January	-	2,996,337
Less :Transferred to extra ordinary gain as per BBK circular	-	2,996,337
	-	-

12.5 Provision for Income Tax Less Advance Income Tax Provision for Income Tax

Balance on 1 January	1,947,500,000	1,096,470,800
Provisions made during the year	160,000,000	875,000,000
Provision made for previous year(s)	-	-
Settlement for previous year(s)	-	(23,970,800)
	2,107,500,000	1,947,500,000

Less: Advance Income Tax

Balance on 1 January	1,370,716,924	718,043,666
Paid during the year	264,487,850	676,644,058
Settlement for previous year(s)	-	(23,970,800)
	1,635,204,774	1,370,716,924

Net Closing Balance

472,295,226	576,783,076
--------------------	--------------------

		31.03.2011 Taka	31.12.2010 Taka
12.5 (a) Consolidated tax expenses			
Trust Bank Limited	Note - 12.5	160,000,000	875,000,000
Trust Bank Investment Limited		59,861,478	-
		<u>219,861,478</u>	<u>875,000,000</u>
12.5.1	Provision for current tax of Tk.16,000,000 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 period after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.		
12 (a) Consolidated other liabilities			
Trust Bank Limited	Note - 12	2,139,493,855	2,373,133,645
Trust Bank Investment Limited		145,502,602	123,765,483
		2,284,996,457	2,496,899,128
Less: Inter company transaction		-	-
		<u>2,284,996,457</u>	<u>2,496,899,128</u>
13 CAPITAL			
13.1 Authorized Capital			
50,000,000 Ordinary shares of Tk. 100 each		<u>5,000,000,000</u>	<u>5,000,000,000</u>
13.2 Issued, Subscribed and Paid Up Capital			
11,666,700 Ordinary shares of Tk. 100 each issued for cash		1,166,670,000	1,166,670,000
1,166,670 Ordinary shares of Tk. 100 each issued bonus shares		116,667,000	116,667,000
2,566,674 Ordinary shares of Tk. 100 each issued for right 1R:5		256,667,400	256,667,400
3,080,008 Ordinary shares of Tk. 100 each issued bonus shares		308,000,800	308,000,800
3,696,010 Ordinary shares of Tk. 100 each issued bonus shares		369,601,000	369,601,000
22,176,062		<u>2,217,606,200</u>	<u>2,217,606,200</u>
13.3 Capital Adequacy Ratio			
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 March 31, 2011 is shown below:			
<u>Tier – I (Core Capital)</u>			
Paid up Capital		2,217,606,200	2,217,606,200
Share Premium Account		-	-
Statutory Reserve		1,633,563,937	1,566,403,090
Retained Earnings		1,234,943,059	1,123,067,166
		<u>5,086,113,196</u>	<u>4,907,076,456</u>
<u>Tier –II (Supplementary Capital)</u>			
General Provision		809,569,000	778,148,000
Exchange Equalization		-	-
Revaluation reserves (50% of such reserve)		68,280,966	59,140,366
		<u>877,849,966</u>	<u>837,288,366</u>
A. Total Capital (Tier-I + Tier-II)		<u>5,963,963,162</u>	<u>5,744,364,822</u>
B. Total Risk Weighted Assets (RWA)		<u>64,995,600,000</u>	<u>63,209,700,000</u>
C. Required Capital based on RWA @ 9% on B		<u>5,849,604,000</u>	<u>5,688,873,000</u>
D. Surplus Capital as per Bank weighted Assets (A - C)		<u>114,359,162</u>	<u>55,491,822</u>
Capital Adequacy Ratio			
Core Capital to RWA		7.83%	7.76%
Supplementary Capital to RWA		1.35%	1.32%
		<u>9.18%</u>	<u>9.09%</u>

	31.03.2011 Taka	31.12.2010 Taka
13.3 (a) Capital Adequacy Ratio under Consolidated basis		
<u>Tier – I (Core Capital)</u>		
Paid up Capital	2,217,606,200	2,217,606,200
Minority Interest	723	705
Share Premium Account	-	-
Statutory Reserve	1,633,563,937	1,566,403,090
Retained Earnings	1,354,374,915	1,142,729,910
	5,205,545,775	4,926,739,905
<u>Tier –II (Supplementary Capital)</u>		
General Provision	850,480,143	819,059,143
Exchange Equalization	-	-
Revaluation reserves (50% of such reserve)	68,280,966	59,140,366
	918,761,109	878,199,509
A. Total Capital (Tier-I + Tier-II)	6,124,306,884	5,804,939,414
B. Total Risk Weighted Assets (RWA)	64,886,500,000	64,104,600,000
C. Required Capital based on RWA @ 9%	5,839,785,000	5,769,414,000
D. Surplus Capital as per Bank weighted Assets (A - C)	284,521,884	35,525,414
Capital Adequacy Ratio		
Core Capital to RWA	8.02%	7.69%
Supplementary Capital to RWA	1.42%	1.37%
	9.44%	9.06%

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.

13.4 Percentage of shareholdings at the closing date

	Amount (in Taka)		Percentage (%)	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
Sponsors	1,330,740,100	1,330,740,100	60.00%	60.01%
Financial Institutions	360,430,000	411,162,400	16.26%	19.51%
Foreign Investors	-	-	-	-
Non-Resident Bangladeshi	9,132,300	9,256,800	0.41%	0.41%
General Public	517,303,800	466,446,900	23.33%	20.08%
Total	2,217,606,200	2,217,606,200	100.00%	100.00%

13.5 Shareholding Range on the basis of shareholdings as on 31 March 2011

Shareholding Range			No. of Sh. Holders	Number of Shares	%
1	to	500	27888	2,365,960	10.67%
501	to	5,000	1133	1,491,445	6.73%
5,001	to	10,000	59	427,316	1.93%
10,001	to	20,000	39	543,734	2.45%
20,001	to	30,000	13	315,633	1.42%
30,001	to	40,000	8	284,409	1.28%
40,001	to	50,000	4	180,683	0.81%
50,001	to	100,000	13	816,499	3.68%
100,001	to	1,000,000	8	2,444,937	11.03%
1,000,001	and More		1	13,305,446	60.00%
Total			29,166	22,176,062	100.00%

		31.03.2011 Taka	31.12.2010 Taka
13 (a) MINORITY INTEREST			
Share Capital (7 nos. shares of Trust Bank Investment Limited @ Tk. 100 each)		700	700
Profit as of 1 January 2010		5	
Profit for the year		18	5
		23	5
		723	705
14 STATUTORY RESERVE			
Balance on 1 January		1,233,993,190	1,138,330,330
Reserve made during the period		67,160,847	95,662,860
Closing Balance		1,301,154,037	1,233,993,190
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		118,280,731	122,565,154
Reserve made/(adjusted) during the period		18,281,200	(4,284,423)
Closing Balance		136,561,931	118,280,731
	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.		
16 RETAINED EARNINGS			
Balance on 1 January		1,123,067,166	463,963,772
Issue of Bonus Shares		-	(187,599,400)
Income Tax Provision for the previous Income year		-	-
		1,123,067,166	276,364,372
Net Profit for the year transferred from Profit and Loss Account		179,036,740	287,113,699
Less: Transferred to Statutory Reserve		67,160,847	95,662,860
		111,875,893	191,450,839
Closing Balance		1,234,943,059	467,815,211
16 (a) Consolidated retained earnings			
Trust Bank Limited	Note - 16	1,234,943,059	467,815,211
Trust Bank Investment Limited		119,431,879	19,662,749
		1,354,374,938	487,477,960
Less minority interest		23	5
Closing Balance		1,354,374,915	487,477,955
17 CONTINGENT LIABILITIES			
17.1 Acceptances and endorsements			
Acceptance Bills - Local		2,578,716,222	2,174,497,354
Acceptance Bills - Foreign		1,410,251,793	1,208,218,702
Acceptance Liabilities - Back to Back L/C		469,185,026	350,822,848
		4,458,153,041	3,733,538,904
17.2 Letters of Guarantee			
Letters of Guarantee - Local		3,889,509,092	4,072,730,745
Letters of Guarantee -Foreign		1,800,000.00	1,850,000.00
		3,891,309,092	4,074,580,745

	31.03.2011 Taka	31.12.2010 Taka
17.2.1 Money for which the bank is contingently liable in respect of quarantees given favoring :		
Directors or Officers	-	-
Government	2,167,915,873	1,760,354,672
Banks and other financial institutions	510,207,136	789,336,456
Others	1,051,366,532	1,524,889,617
	3,729,489,541	4,074,580,745
17.3 Irrevocable Letter of Credits		
Letter of Credit - Local	287,233,703	358,803,438
Letter of Credit - Foreign	6,676,956,198	5,952,895,505
Letter of Credit - Back to Back L/C	1,317,350,329	1,234,417,914
Letter of Credit - Usance (Foreign)	655,211,016	662,413,513
	8,936,751,246	8,208,530,370
17.4 Bills for Collection		
Outward Bills for Collection	31,410,612	37,721,285
Foreign Bills for Collection	-	2,120,000
Inland Bills for Collection	50,000	50,000
Local Documentary Bill for Collection	1,625,730,909	2,173,230,253
Inward Foreign Documentary Bills for Collection	266,608,783	287,917,625
Foreign Documentary Bills for Collection	489,111,217	432,991,347
	2,412,911,521	2,934,030,510
	31.03.2011 Taka	31.03.2010 Taka
18 INCOME STATEMENTS		
Income:		
Interest/Profit, discount and similar income	1,394,847,981	5,300,276,552
Dividend income	600,000	32,328,818
Fees, commission and brokerage	151,676,482	465,133,566
Gains less losses arising from dealing in securities	6,009,177	317,841,405
Gains less losses arising from investment securities	-	-
Gains less losses arising from dealing in foreign currencies	-	-
Income from non-banking assets	-	-
Other operating income	32,305,435	163,204,735
Profit less losses on interest rate changes	-	-
	1,585,439,075	6,278,785,076
Expenses:		
Interest / profit paid on deposits, borrowings etc,	977,065,904	833,877,981
Losses on loans and advances	-	-
Administrative expenses	215,896,739	209,946,122
Other operating expenses	40,099,744	39,521,769
Depreciation on banking assets	4,804,994	4,121,296
	1,237,867,381	1,087,467,168
	347,571,694	5,191,317,908
19 INTEREST INCOME		
19.1 Interest Income under Conventional banking		
Interest from Loans and Advances		
Interest on Repair & Recon. of Dwelling House (RRDH)	33,892,093	10,755,230
Interest on Consumer Durable Scheme	17,865	56,667
Interest on Marriage Loans	1,128,673	1,223,148
Interest on Car Loans	11,306,387	12,794,677
Interest on House Building Loans	87,084,448	43,630,526
Interest on Term Loans	299,170,706	282,843,730
Interest on Other Loans	177,903,971	112,002,580
Interest on SME Loan	16,043,698	5,000,810
Interest on PAD - EDF	2,598,965	159,128
Interest on Staff Loan	4,644,203	2,931,763
Interest on LTR	181,348,794	148,542,614

	31.03.2011	31.03.2010
	Taka	Taka
Interest on Payment Against Documents (PAD)	20,806,657	14,336,413
Interest on Cash Credit	36,715,654	23,193,178
Interest on Cash Collateral	6,411,266	5,450,818
Interest on Overdraft	88,649,682	22,410,738
Interest on SOD	174,662,042	286,456,470
Interest on Inland Bills Purchased and Discounted	35,727,715	29,811,527
Interest on Foreign Bills Purchased and Discounted	2,699,590	713,952
	1,180,812,409	1,002,313,969
Interest from Banks and Other Financial Institutions		
Interest on FDR Account	932,439	44,427,695
Interest on Bangladesh Bank Foreign Currency Accounts	419,190	363,613
Interest on SND Account	692,158	3,899,892
Interest on Call Deposits	52,328,403	35,504,144
	54,372,190	84,195,344
Interest received from Foreign Banks	119,515	44,010
	1,235,304,114	1,086,553,323
19.2 Profit under Islamic banking		
Profit on BARAKAT Car Scheme	725,905	479,332
Profit on IHSAN Apartment Purchase Scheme	349,610	167,018
Profit on BARAKAT Home Construction Scheme	828,175	27,997
Profit on HPSM-Capital Machinery	7,216,101	4,025,684
Profit on HPSM- Real Estate	317,763	-
Profit on Murabaha (RM)	-	100,277
Profit on Bai-Muajjal	1,212,018	1,074,686
Profit on Bai-Salam	1,078,160	219,729
Profit on Murabaha TR	5,030,673	850,600
Profit on Murabaha Import Bills (MIB)	-	-
Profit on Musharaka agt. IBP	126,282	675,155
	16,884,687	7,620,478
Profit from Banks and Other Financial Institutions		
Profit on Mudarab Term Deposits	-	-
	16,884,687	7,620,478
	1,252,188,801	1,094,173,801
19 (a) Consolidated Interest Income/profit on investment		
Trust Bank Limited	1,252,188,801	1,094,173,801
Trust Bank Investment Limited	155,321,626	-
	1,407,510,427	1,094,173,801
Less : Inter Company Transaction	46,700,809	-
	1,360,809,618	1,094,173,801
20 INTEREST PAID ON DEPOSITS AND BORROWINGS		
20.1 Interest paid on deposits		
Interest on SND Account	11,457,235	53,656,456
Interest on FDR Account	767,784,910	626,042,824
Interest on Foreign Currency Deposit	495,827	406,171
Interest on Savings Account	54,627,198	50,230,297
Interest on Scheme Deposits	98,724,401	87,760,080
	933,089,571	818,095,828
20.2 Profit paid on Islamic Banking Deposits		
Profit Paid on Mudaraba Savings Account	2,586,633	1,574,894
Profit Paid on Mudaraba SND	57,887	35,245
Interest Paid on Mudaraba TDR	21,730,055	13,230,531
Profit Paid on Mudaraba MTDR - 1 Month	659,936	401,808
Prifit Paid on TBL Barakat Hajj Deposit Scheme	17,226	10,488
Profit Paid on Mudaraba Monthly Savings Scheme	869,147	529,188
	25,920,884	15,782,153

		31.03.2011	31.03.2010
		Taka	Taka
20.3 Interest paid on borrowings			
Interest on Call Deposits.		3,490,764	-
Interest on Repo		1,432,530	-
Discount & Commission paid		413,000	-
Interest on Other Borrowings		12,719,155	-
		18,055,449	-
		977,065,904	833,877,981
20 (a) Consolidated Interest / profit paid on deposits, borrowings etc. on investment			
Trust Bank Limited	Note - 20	977,065,904	833,877,981
Trust Bank Investment Limited		47,815,903	-
		1,024,881,807	833,877,981
Less : Inter Company Transaction		46,700,809	-
		978,180,998	833,877,981
21 INCOME FROM INVESTMENTS			
21.1 Income from Conventional Banking			
Income from Treasury bills		-	-
Income from Treasury bonds		116,315,009	-
Income from Reverse REPO		-	162,249,944
Income from Other Approved Securities		-	-
Income from Debentures & Bond		26,344,171	3,458,104
Dividend Income		600,000	340,000
Gain from sales of shares		5,008,380	45,755,753
		148,267,560	211,803,801
21.2 Income from Islamic Banking Investments			
Dividend Income		-	-
Profit on Investment in Islamic Bank Bond		-	-
Profit on Sale of Shares		1,000,797	210,003
		1,000,797	210,003
		149,268,357	212,013,804
22 Commission, exchange and brokerage			
Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order etc.		815,396	883,095
Travelers Cheque		1,100	7,000
Bills		4,028,972	2,496,837
Letter of Guarantees		9,780,631	15,716,714
Letter of Credits		40,136,800	25,339,046
Foreign Remittances		158,605	147,742
Commission on Sale of Government Securities		1,400,209	2,573,407
Fund Transfer Commission		7,698	32,835
Commission on Sale & Purchase of Shares		257,003	165,064
Under writing Commission		1,590,061	544,912
Acceptance Commission		15,052,496	9,822,351
Foreign Correspondence Charges		-	34,000
Miscellaneous Commission		3,808,900	3,649,069
		77,037,871	61,412,072
Foreign Currency Exchange Gain		74,638,611	41,065,006
		151,676,482	102,477,078
22 (a) Consolidated Commission, exchange and brokerage			
Trust Bank Limited	Note - 22	151,676,482	102,477,078
Trust Bank Investment Limited		349,894	-
		152,026,376	102,477,078

		31.03.2011	31.03.2010
		Taka	Taka
23	OTHER OPERATING INCOME		
	Locker Rent	184,000	167,000
	Swift Charge (Net)	1,806,170	1,671,620
	Postage Charge (Net)	802,549	343,563
	Incidental Charges	-	448
	Sale Proceeds of Forms	133,627	400,425
	Service Charges	1,344,149	10,169,899
	Service Compensation	285,000	305,000
	Front End Fees	1,577,700	11,333,614
	Notice Pay	359,800	244,650
	Closing Charge	174,593	235,276
	Sale Proceeds of Cheque books	9,000	7,000
	BO Account Transfer Fee	-	47,350
	Introductory Commission	-	151,985
	Syndication Fees	-	-
	Income through Credit & ATM Card	2,219,029	2,004,756
	Profit on sale of Fixed Assets	160,713	134,519
	Port Folio Management Fees	-	25,692,167
	Extra Ordinary Gain	-	-
	Port Folio Transaction Fees	-	93,997,237
	Service Charge on Passport	-	548,600
	Miscellaneous Foreign Exchange Income	15,896,415	11,246,250
	Miscellaneous Earnings	7,352,690	4,503,376
		32,305,435	163,204,735
23 (a)	Consolidated other operating income		
	Trust Bank Limited	32,305,435	163,204,735
	Trust Bank Investment Limited	77,107,480	-
		109,412,915	163,204,735
24	Salaries and allowances		
	Basic Salary	58,328,936	56,601,702
	House Rent Allowances	29,152,477	28,308,917
	Conveyance Allowances	4,244,005	4,360,995
	Medical Allowances	15,017,033	15,107,646
	Leave Fare Assistances	6,062,555	6,167,897
	Leave Encashment	1,511,250	3,485,900
	Utility Allowances	720,903	651,566
	Telephone Allowance	50,387	-
	Club Membership Allowance	232,161	-
	Personal Pay	477,420	-
	Managers' Charge Allowance	325,500	318,500
	Key Holding Allowance	220,500	165,000
	Commission to Sales Promotion Officers	-	-
	Festival Bonus	3,000	13,400
	Incentive Bonus	49,494	-
	Bank's Contribution to Provident Fund	5,284,213	4,760,963
	Bank's Contribution to Superannuation Fund	399,999	468,279
	Bank's Contribution to Employees' Gratuity Fund	12,000,000	11,258,375
		134,079,833	131,669,140
24 (a)	Consolidated salaries and allowances		
	Trust Bank Limited	134,079,833	131,669,140
	Trust Bank Investment Limited	7,479,880	-
		141,559,713	131,669,140
25	RENT, TAXES, INSURANCE, ELECTRICITY, ETC.		
	Rent	22,762,755	22,899,927
	Electricity and Lighting	3,468,578	3,389,703
	Insurance	5,695,409	5,493,093
	Rates, Taxes & Excise Duty	64,215	696,706
	Fees & Renewals	388,475	81,550
	Generator Fuel	555,699	576,213
	Gas/Water Bill	237,212	300,790
		33,172,343	33,437,982

		31.03.2011	31.03.2010
		Taka	Taka
25 (a)	Consolidated rent,taxes,insurance, electricity,etc.		
	Trust Bank Limited	33,172,343	33,437,982
	Trust Bank Investment Limited	6,479,690	-
		39,652,033	33,437,982
26	POSTAGE, STAMPS, TELECOMMUNICATION, ETC.		
	Stamp	3,580	5,514
	ATM Connectivity Charges	225,000	365,000
	ATM Maintenance Charges	750,000	750,000
	Online Expenses	5,819,094	5,163,425
	ATM Card Expenditure	670,000	553,000
	Internet Charge	552,532	442,478
	Router Charge	549,409	499,601
	Telegram, Telex, Telephone, Trunk Call etc. (Net)	1,927,217	1,688,248
		10,496,832	9,467,266
26 (a)	Consolidated postages, stamps, telecommunication, etc.		
	Trust Bank Limited	10,496,832	9,467,266
	Trust Bank Investment Limited	454,037	-
		10,950,869	9,467,266
27	STATIONERY, PRINTING, ADVERTISEMENT, ETC.		
	Printing and Stationery (Net)	6,927,556	5,210,421
	Publicity and Advertisement	3,722,057	4,133,621
		10,649,613	9,344,042
27 (a)	Consolidated stationery, printing, advertisement,etc etc.		
	Trust Bank Limited	10,649,613	9,344,042
	Trust Bank Investment Limited	1,170,991	-
		11,820,604	9,344,042
28	DIRECTORS' FEES		
	Meeting fees	375,000	205,400
	Other benefits	-	-
		375,000	205,400
28 (a)	Consolidated directors fees		
	Trust Bank Limited	375,000	205,400
	Trust Bank Investment Limited	69,000	-
		444,000	205,400
29	Depreciation and repair of bank's assets		
	Depreciation		
	Fixed assets (For details please refer to Annexure - B)	24,237,385	23,410,307
	Repairs		
	Building	138,830	73,539
	Furniture and fixtures	316,256	147,059
	Office equipment	1,055,910	1,433,858
	Bank's vehicles	2,791,997	1,739,771
	Maintenance	502,001	727,069
		4,804,994	4,121,296
		29,042,379	27,531,603
29 (a)	Consolidated depreciation and repair of bank's assets		
	Trust Bank Limited	29,042,379	27,531,603
	Trust Bank Investment Limited	1,314,686	-
		30,357,065	27,531,603
30	OTHER EXPENSES		
	Business Development Expenses	10,025,197	2,511,222
	Clearing House Charge	23,656	17,392
	Conveyance	1,906,367	2,001,982
	Entertainment	3,110,231	2,250,779
	Car Expenses	1,242,390	27,945
	Cash Handling Charge	373,200	359,700
	Bank charges	12,912	6,583
	Meeting Expenses	92,571	144,011
	Donation, Subscription and Membership Fees	1,133,790	786,950
	News Paper and Periodicals	149,541	134,773
	Oil and Lubricant	1,088,806	1,821,198

		31.03.2011	31.03.2010
		Taka	Taka
Remittance Charges		313,761	354,936
Other Contractual Service		10,958,165	7,236,776
Internship Allowances		622,953	355,767
Honorarium for Banking Diploma Ex- Gratia		340,000	310,000
Training & Recruitment Expenses		3,512,334	596,333
Traveling Expenses		856,131	1,930,959
Up Keep of Office Premises		1,004,827	884,787
Washing Charges		202,083	158,933
Financial Assistance		-	-
Loss on revaluation of Investment		-	-
Foreign Correspondence Expenses		581,422	585,075
Pre-opening Expenses		-	6,502
Amortization of Intangible Assets		1,154,885	1,639,796
Special Reserve Fund		-	-
CDBL Charges		48,916	12,699,700
Security Expenses		631,535	805,916
Foreign Remittance Expenses		220,865	1,457,945
Sales Commission		8,000	-
Cash Carrying Charges		242,006	239,190
Wages paid to daily Labor		12,210	7,370
Purchase of Utensils		157,247	67,515
Medical Expenses		6,972	2,078
Contact Point Verification Fees (RB)		12,330	19,900
Miscellaneous Expenses		54,441	77,256
		40,099,744	39,521,769
30 (a) Consolidated other expenses			
Trust Bank Limited	Note - 30	40,099,744	39,521,769
Trust Bank Investment Limited		8,335,455	-
		48,435,199	39,521,769
31 PROVISION FOR LOANS AND ADVANCES / INVESTMENTS			
Specific Provisions-against classified loans & advances		(31,421,000)	(4,000,000)
General Provisions-against un-classified loans & advances		8,727,000	-
General Provisions-against special mentioned accounts		(298,000)	-
		(22,992,000)	(4,000,000)
31 (a) Consolidated Provision for Loans & Advances / Investment			
Trust Bank Limited	Note - 31	(22,992,000)	(4,000,000)
Trust Bank Investment Limited		-	-
		(22,992,000)	(4,000,000)
32 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:			
Decline in value of investment should consist of the following divisions:			
(a) Dealing securities			
- Quoted		-	-
- Unquoted		-	-
		-	-
(b) Investment securities			
- Quoted		11,767,457	5,030,282
- Unquoted		-	-
		11,767,457	5,030,282
		11,767,457	5,030,282
Provision for Investment in Share has been made as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.			
33 OTHER PROVISION			
General Provision for Off Balance Sheet Exposures		22,992,000	4,000,000
Provision for Other Assets		-	1,057,666
		22,992,000	5,057,666

	31.03.2011 Taka	31.03.2010 Taka
33.1	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 respectively.	
33.2	Provision for other asset has been made @ 50% on legal expenses of Tk. 7,578,548 as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.	
34	The Bank has no secured liabilities on the reporting date and therefore the Bank has no asset pledged as security against such liabilities.	
35	EARNING PER SHARE (EPS)	
	Profit attributable to outstanding ordinary share holders	179,036,740
		287,113,699
	Nos of Ordinary Outstanding Share	22,176,062
		18,480,052
	Earning per Share	8.07
		15.54
35 (a)	Consolidated Earning per Share (EPS)	
	Profit attributable to outstanding ordinary share holders	278,805,870
		287,113,699
	Nos of Ordinary Outstanding Share	22,176,062
		18,480,052
	Earning per Share	12.57
		15.54
36	INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES	
	Locker Rent	184,000
	Swift Charge (Net)	1,042,239
	Postage Charge (Net)	802,549
	Incidental Charges	-
	Sale Proceeds of Forms	133,627
	Service Charges	1,344,149
	Service Compensation	285,000
	Front End Fees	1,577,700
	Notice Pay	359,800
	closing Charge	174,593
	Sale Proceeds of Cheque books	9,000
	BO Account Transfer Fee	-
	Introductory Commission	-
	Syndication Fees	-
	Income through Credit & ATM Card	2,219,029
	Income from Government Securities	225,186,224
	Interest on Debentures & Bond	26,344,171
	Profit on Investment in Islamic Bank Bond	-
	Income from sale proceed of shares	6,009,177
	Port Folio Management Fees	-
	Port Folio Transaction Fees	-
	Service Charge on Passport	-
	Miscellaneous Foreign Exchange Income	15,896,415
	Miscellaneous Earnings	7,352,690
		288,920,363
		750,854,326

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

Name of the Bank	Name of the foreign currency	31.03.2011			31.12.2009		
		Amount in foreign currency	Exchange rate as on 31.03.2011	Total amount equivalent to Taka	Amount in foreign currency	Exchange rate as on 31.12.2009	Total amount equivalent to Taka
Citibank N.A., USA	USD	3,655,357	71.25	267,754,936	277,379.33	69.55	19,291,732
Union De Banques, HKG	USD	17,041	71.25	1,248,230	24,270.68	69.55	1,688,026
Mashreqbank psc, USA	USD	100,778	71.25	7,381,964	162,205.26	69.55	11,281,376
Standard Chartered Bank, USA	USD	292,940	71.25	21,457,883	34,329.99	69.55	2,387,651
HSBC Bank, USA	USD	3,731,739	71.25	273,349,877	67,398.47	69.55	4,687,564
ICICI Bank Ltd., Hongkong	USD	291,983	71.25	21,387,744	191,488.32	69.55	13,318,013
Wachovia Bank, NY USA	USD	420,331	71.25	30,789,232	110,354.94	69.55	7,675,186
Standard Chartered Bank, UK	GBP	23,250	112.01	2,775,661	139,081.56	111.68	15,532,170
Citibank N.A., UK	GBP	53,116	112.01	6,341,282	168,609.06	111.68	18,829,703
HSBC, PLC, UK	GBP	78,718	112.01	9,397,807	253,030.93	111.68	28,257,659
Standard Chartered Bank, Japan	YEN	648,383	0.90	594,373	1,077,843.00	0.78	845,783
Wachovia Bank, NY USA	YEN	622,091	0.90	570,271	1,012,790.00	0.78	794,736
HSBC, PLC, UK	EURO	31,315	95.56	3,282,815	12,459.52	100.41	1,251,004
Standard Chartered Bank, UK	EURO	113,568	95.56	11,905,518	10,250.63	100.41	1,029,220
ICICI Bank Ltd., Mumbai, India	EURO	37,640	95.56	3,945,851	8,275.00	100.41	830,855
Citibank N.A., UK	EURO	178,200	95.56	18,680,984	26,739.56	100.41	2,684,799
Citibank N.A., Mumbai, India	ACU	215,033	71.25	15,751,201	63,912.26	69.55	4,445,098
ICICI Bank Ltd., Mumbai, India	ACU	274,137	71.25	20,080,556	11,726.32	69.55	815,566
HSBC Bank, Pakistan	ACU	91,142	71.25	6,676,148	18,622.81	69.55	1,295,216
HSBC Bank, Mumbai, India	ACU	131,331	71.25	9,619,962	7,361.81	69.55	512,014
AB Bank, Mumbai, India	ACU	312,562	71.25	22,895,156	121,701.73	69.55	8,464,355
Mashreqbank, Mumbai, India	ACU	173,759	71.25	12,727,815	53,724.57	69.55	3,736,544
Standard Chartered Bank, Mumbai, India	ACU	138,028	71.25	10,110,530	63,239.02	69.55	4,398,274
Habib Bank, Zurich	CHF	12,054.31	76.33	970,782	7,631.22	67.61	515,920

Total

779,696,578154,568,464

**Schedule of Fixed Assets
As at 31 March 2011**

PARTICULARS	COST				DEPRECIATION				WRITTEN DOWN VALUE at 31 March 2011
	Balance on 1 January 2011	Additions during the period	Disposal/ adjustment during the period	Balance at 31 March 2011	Balance on 1 January 2011	Charge for the period	Disposal/ adjustment during the period	Balance at 31 March 2011	
	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	660,431	79,251	-	739,682	11,940,318
Furniture and Fixtures	115,373,659	4,065,735	-	119,439,394	43,542,330	2,293,893	-	45,836,223	73,603,171
Office Equipment	274,040,220	17,609,531	-	291,649,751	147,420,482	11,889,426	-	159,309,908	132,339,843
Motor Vehicles	140,145,542	4,057,852	1,076,338	143,127,056	57,536,915	6,069,076	609,925	62,996,066	80,130,990
Office Renovation	188,389,837	7,722,303	-	196,112,140	68,505,300	3,905,739	-	72,411,039	123,701,101
31 March 2011	730,789,727	33,455,421	1,076,338	763,168,810	317,665,458	24,237,385	609,925	341,292,918	421,875,892
31 December 2010	617,902,687	157,658,458	44,771,418	730,789,727	235,983,543	94,971,221	13,289,306	317,665,458	413,124,269

Annexure - C

Financial Highlights

Sl No	Particulars	Base	31.12.2010	31.12.2009
1	Paid up Capital	Taka	2,217,606,200	2,217,606,200
2	Total Capital	Taka	6,124,306,884	5,804,939,414
3	Capital surplus/(deficit)	Taka	284,521,884	35,525,414
4	Total Assets	Taka	63,566,390,378	58,276,332,285
5	Total Deposits	Taka	55,902,493,768	50,413,290,971
6	Total Loans and Advances	Taka	39,502,052,208	39,799,923,991
7	Total Contingent Liabilities and Commitments	Taka	19,699,124,900	18,950,680,529
8	Credit Deposit Ratio	%	70.66	78.95
9	Percentage of classified loans against total loans and advances	%	2.62	2.41
10	Profit after tax and provision	Taka	179,036,740	287,113,699
11	Amount of classified loans during current year	Taka	75,569,855	167,438,685
12	Provisions kept against classified loan	Taka	273,331,000	304,752,000
13	Provision surplus/(deficit)	Taka	10,227,000	56,289,000
14	Cost of fund	%	6.38	7.88
15	Interest earning Assets	Taka	52,150,038,855	47,433,498,211
16	Non-interest earning Assets	Taka	11,416,351,523	10,842,834,074
17	Return on Investment (ROI)	%	3.00	4.95
18	Return on Asset (ROA)	%	0.28	0.49
19	Income from Investment	Taka	149,268,357	212,013,804
20	Earning per Share (EPS)	Taka	8.07	15.54
21	Net income per Share	Taka	8.07	15.54
22	Price Earning Ratio	%	1.07	7.62
23	Net Asset Value (NAV)	Taka	5,222,675,127	5,025,357,187
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	239.72	(173.66)

Balance Sheet of Islami Banking Division
As of 31 March 2011

Notes	31.03.2011 Taka	31.12.2010 Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	-	96,100,000
	-	96,100,000
Balance with other banks and financial institutions		
In Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
Placement with banks and other financial institution		
	-	-
Investments in Shares and Securities		
Government	50,000,000	50,000,000
Others	144,062,108	180,814,935
	194,062,108	230,814,935
Investments		
General Investments etc.	611,852,203	567,815,305
Bills purchased and discounted	100,222,020	75,076,016
	712,074,223	642,891,321
Fixed assets including premises	539,014	1,843,149
Other assets	562,673,976	341,412,587
Non-banking assets	-	-
Total Assets:	1,469,349,321	1,313,061,992
LIABILITIES AND CAPITAL		
Liabilities:		
Placement from banks and other financial institutions	-	-
Deposits and other accounts:		
Al-wadeeah Current Accounts and Other Deposit Accounts	56,082,356	49,663,475
Mudaraba Savings Deposits	275,038,911	230,452,356
Mudaraba Term Deposits	1,123,619,818	1,016,201,129
Other Mudaraba Deposits	-	-
Bills Payable	-	-
	1,454,741,085	1,296,316,960
Other liabilities	14,608,236	16,745,032
Deferred Tax Liabilities/(assets)	-	-
Total profit /(loss) before taxes	-	-
Total Liabilities:	1,469,349,321	1,313,061,992

Profit and Loss Account of Islami Banking Division
For the year period from January 2011 to March 31,12011

Notes	31.03.2011 Taka	31.03.2010 Taka
Investment Income	16,884,687	57,133,195
Profit paid on deposits	25,920,884	83,260,806
Net Investment Income	(9,036,197)	(26,127,611)
Income from investments in Shares/Securities	1,000,797	88,233,628
Commission, exchange and brokerage	-	-
Other operating income	-	-
	1,000,797	88,233,628
Total operating income	(8,035,400)	62,106,017
Salaries and allowances	612,150	4,015,502
Rent, taxes, insurance, electricity, etc.	-	-
Legal expenses	-	-
Postage, stamps, telecommunications, etc.	-	-
Stationery, printing, advertisement etc.	-	-
Chief Executive's Salary & Fees	-	-
Directors' Fees and Expenses	-	-
Shariah Supervisory Committee's Fees ad Expenses	-	28,800
Auditors' Fees	-	-
Changes in Investment Losses	-	-
Depreciation and repair to bank's assets	60,000	416,630
Zakat Expenses	-	-
Other expenses	-	-
Total operating expenses	672,150	4,460,932
Profit before provision	(8,707,550)	57,645,085
Provision for loans / Investments	-	-
Provision for Diminution in value of Investment	7,276,659	5,475,138
Other provision	-	-
	7,276,659	5,475,138
Total Profit / (Loss) before Taxes	(15,984,209)	52,169,947