

AB Bank Limited & its Subsidiaries Financial Statements 2015

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Notes to the Financial Statements For the year ended 31 December 2015

	31.12.2015	31.12.2014
	Taka	Taka
3.2.2 Balance with Bangladesh Bank-Foreign currency		
Balance as per Bank Ledger	636,067,309	563,838,581
Unresponded debit entries:		
Bangladesh Bank statement	91,784,804	4,985,182
AB Bank's ledger	69,780,153	4,985,182
Unresponded credit entries:		
Bangladesh Bank statement	29,977,233	242,379,951
AB Bank's ledger	117,186,981	71,164,115
AB Bank's ledger	176,790,252	171,215,836
Balance as per Bangladesh Bank Statement	838,259,238	804,233,355
Bangladesh Bank Account represents outstanding transactions (net) originated but yet to be responded at the Balance sheet date. However the status of unresponded entries as of 31.12.2015 is given below:		
Period of Unreconciliation	Number of	Unresponded Amount
	Debit	Credit
Less than 3 months	42	159
3 months to less than 6 months	-	1
6 months to less than 12 months	-	-
12 months and more	-	-
Total	42	160
	91,784,804	293,977,233

	31.12.2015	31.12.2014
3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)		
AB Bank Limited	15,829,128,241	12,809,767,620
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Limited	-	-
Total	15,829,128,241	12,809,767,620

3.3 Statutory deposits
Conventional Bankings (Inside Bangladesh)
Cash Reserve Requirement and Statutory Liquidity Ratio
 Cash reserve requirement and statutory liquidity ratio have been calculated and maintained in accordance with section 33 of the Bank Company Act, 1991 (Amendment up to 2013), Bangladesh Bank's MPD circular no. 05 dated 01 December 2010, MPD circular no. 01 dated 23 June 2014 and DOS circular no. 01 dated 19 January 2014.
 The statutory cash reserve requirement is on the Bank's time and demand liabilities at the rate of 6.50% and has been calculated and maintained with Bangladesh Bank in current account while statutory liquidity ratio of 13.00% is required, on the same liabilities is also maintained in the form of Government Securities and other regulatory components which supported to SLR. Both the reserves are maintained by the Bank in excess of the statutory requirements, as shown below:

	31.12.2015	31.12.2014
(a) Cash Reserve Requirement (CRR)		
As per Bangladesh Bank MPD circular no. 01 dated 23 June 2014, Bank has to maintain CRR @ 6.50% on fortnightly cumulative average basis and minimum CRR @ 6.00% on daily basis.		
Required reserve	14,311,926,525	11,138,537,332
Actual reserve maintained	14,511,833,382	11,716,558,324
Surplus	199,906,857	578,020,992

	31.12.2015	31.12.2014
i. Daily Position as on the reporting date		
Required reserve	14,311,926,525	11,138,537,332
Actual reserve maintained	14,511,833,382	11,716,558,324
Surplus	199,906,857	578,020,992

As per Bank ledger, balance with Bangladesh Bank (local currency) is Tk.14,529,335,595.55 while as per Bangladesh Bank Statements balance is Tk.14,462,833,381.95 difference between the balance as per Bank Ledger and as per the Bangladesh Bank Statement is properly reconciled and adjusted accordingly.

	31.12.2015	31.12.2014
ii. Fortnightly cumulative Position		
As per Bangladesh Bank MPD Circular No. 01 dated 23 June 2014, Bank has to maintain CRR @ 6.50% on fortnightly cumulative average basis		
Required reserve (6.5% of total time & demand liabilities)	243,302,750,923	189,355,134,644
Actual reserve maintained	243,672,654,926	191,003,842,243
Surplus	369,904,004	1,648,707,599

	31.12.2015	31.12.2014
(b) Statutory Liquidity Ratio (SLR)		
Required reserve (13% of total time & demand liabilities)	28,623,853,500	22,277,074,664
Actual reserve maintained	29,356,067,647	27,005,008,364
Total surplus	732,214,597	4,727,933,700

As per Bangladesh Bank MPD circular no. 05 dated 01 December 2010, MPD circular no. 01 dated 23 June 2014 and Bangladesh Bank's DOS circular no. 01 dated 19 January 2014 all scheduled Banks have to maintain CRR and SLR @ 6.50% and @ 13.00% respectively of their total time and demand liabilities on bi-weekly average basis, where the Bank maintained @ 6.56% and @ 13.33% respectively at the year end.

	31.12.2015	31.12.2014
(c) Components of Statutory Liquidity Ratio (SLR)		
Cash in hand	1,194,823,535	1,131,735,000
Balance with Sonali Bank	364,143,664	387,777,000
HTM Securities	18,599,744,739	15,973,246,093
HFT Securities	9,057,448,852	8,929,129,280
Excess Reserve of CRR	139,906,857	578,020,992
Other Eligible Security	-	5,000,000
Total	29,356,067,647	27,005,008,364

Islamic Banking
Cash Reserve Requirement and Statutory Liquidity Ratio
 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with section 33 of the Bank Company Act, 1991 (Amendment up to 2013) and subsequent Bangladesh Bank (BB) MPD's circular no. 01 dated 23 June 2014.
 The Statutory Cash Reserve is required on the Bank's Time and Demand Liabilities at the rate of 6.50% which has been calculated and maintained with Bangladesh Bank in Al-Wadeeah Current Account while Statutory Liquidity Ratio of 5.50% is required including excess amount of CRR on the same liabilities. The required amount maintained in the form of Bangladesh Government Islamic Investment Bond (GGIIB), Cash Balance in the Vault and Foreign Currency (FC) Balance with Bangladesh Bank. Both the reserves (CRR & SLR) are maintained in excess, as shown below:

	31.12.2015	31.12.2014
(a) Cash Reserve Requirement (CRR)		
Required reserve	299,107,166	229,438,260
Actual reserve maintained	299,581,674	231,953,093
Surplus	474,508	2,514,833

	31.12.2015	31.12.2014
(b) Statutory Liquidity Ratio (SLR)		
Required reserve	283,965,610	302,149,255
Actual reserve maintained	406,296,241	325,151,337
Surplus	122,330,631	23,002,082

	31.12.2015	31.12.2014
Total required reserve	297,556,677	312,671,422
Total actual reserve held	425,992,275	352,017,842
Total surplus	128,435,598	39,346,420

4. Balance with other banks and financial institutions
 In Bangladesh (Note: 4.1) 2,159,121,205 4,171,908,425
 Outside Bangladesh (Note: 4.2) 2,551,882,052 2,316,879,897
4,711,003,257 6,488,688,322

	31.12.2015	31.12.2014
4(a) Consolidated balance with other banks and financial institutions		
In Bangladesh (Note: 4.1)	2,196,851,448	4,214,889,228
Outside Bangladesh (Nostro Accounts) (Note: 4.2.a)	2,555,849,680	2,340,832,909
Total	4,752,701,128	6,555,722,137

	31.12.2015	31.12.2014
4.1 In Bangladesh		
Current Deposits		
Standard Chartered Bank, Dhaka City Centre Branch	3,753,023	3,695,559
Agri Bank Limited, VIP Road Branch, Sylhet	3,779	18,214
Agri Bank Limited, Local Office, Dhaka	24,885	24,885
Agri Bank Limited, Local Office, Dhaka	17,277	17,277
Agri Bank Limited, Jessore Branch	30,000,534	30,000,534
Agri Bank Limited, Jessore Branch	4,810	5,049
Agri Bank Limited, Mymensingh Branch	29,490,600	10,000,464
Trust Bank Limited, Mymensingh Branch	6,296,589	6,296,589
Janata Bank Limited, Corporate Branch, Bogra	86,791	2,328
Rupali Bank Limited, Bogra Branch	24,410	4,425
Agri Bank Limited, Thana Road Branch, Bogra	15,090,109	4,580
RAKUB, Bogra Branch	11,220	5,000
Agri Bank Limited, Shaheb Bazar Branch, Rajshahi	5,230	5,000
Janata Bank Limited, Rajshahi Branch	5,000	5,000
IFIC Bank Limited, Rajshahi Branch	265	840
Rupali Bank Limited, Rajshahi Branch	10,575	10,575
Janata Bank Limited, Rangpur Branch	52,021,549	59,041,890
RAKUB, Rangpur Branch	110,168	111,818
Rupali Bank Limited, Rangpur Branch	16,765	169,394
Janata Bank Limited, Chapai Nawabganj Branch	1,216	1,316
Agri Bank Limited, Brahmansaria Branch	41,647	4,939
Agri Bank Limited, Pabna Branch	1,000	1,000
Janata Bank Limited, Pabna Branch	1,000	1,000
Total	136,791,715	103,164,073

	31.12.2015	31.12.2014
Special Notice Deposits		
Agri Bank Limited, Rangpur Branch	66,508,857	85,396,550
Agri Bank Limited, Saidpur Branch	15,307	15,307
Agri Bank Limited, VIP Road Branch	34,026	33,756
Agri Bank Limited, Bogra Branch	7,530	7,530
Agri Bank Limited, Brahmansaria Branch	24,420,554	50,955,077
Agri Bank Limited, Sirajbar Road Branch	1,691	7,622
Agri Bank Limited, Naogaon Branch	4,133,689	12,802,674
Agri Bank Limited, Jessore Branch	8,595	12,015,582
Agri Bank Limited, Moulvi Bazar Branch	12,757,552	12,757,552
Agri Bank Limited, Sathkira Branch	10,018	11,168
Southeast Bank Limited, Principal Branch	48,120	48,120
Agri Bank Limited, Principal Branch	189	90,683
Agri Bank Limited, Brahmansaria Branch	37,524	72,077
Bangladesh Krishi Bank, Barisal Branch	90,425	3,356
Janata Bank Limited, Barisal Branch	4,953	4,735
Standard Chartered Bank, Dhaka City Centre Branch	1,041,033	1,042,033
Islami Bank Bangladesh Limited, Head Office Corporate Branch	515,815	448,957
Bank Asia Limited, Islami Banking Window, Shantinagar Branch	41,647	1,320,235
First Security Islami Bank Limited, Dilkusha Branch	156,386	154,289
Al-Arafah Islami Bank Ltd, Dilkusha Branch	3,100,111	208,835,048
Shajalal Islami Bank Ltd, Dhaka Main Branch	80,630	76,359
The City Bank Ltd, Islamic Banking Branch	88,303	967,141
Bank Alfalah Ltd, Main Branch	254,112,588	255,805,569
Southeast Bank Limited, Motijheel Branch (Islami Banking)	5,729,315	110,608,819
ICB Islamic Bank Limited, Rajshahi Branch	29,993,421	100,000,000
Agri Bank Limited, Brahmansaria Branch	298,831,582	725,492,113
Jamuna Bank Limited Nayabazar Islami Banking Branch	150,207,721	17,534,226
Union Bank Limited, Dilkusha Branch	8,083	384,082
Total	851,991,342	1,596,293,843

	31.12.2015	31.12.2014
Savings Deposits		
Special Islamic Bank Limited, Principal Branch	160,982	2,080,821
EXIM Bank Limited, Motijheel Branch	177,168	269,689
Total	338,149	2,350,510

	31.12.2015	31.12.2014
4.1.a Consolidated In Bangladesh		
AB Bank Limited	2,159,121,205	4,171,908,425
AB Investment Limited	407,922	544,019
AB International Finance Limited	165,337,954	114,444,709
AB Securities Limited	2,541,951	6,384,834
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Limited	-	-
Less: Intercompany transaction	2,327,408,902	4,293,181,988
Total	2,196,851,448	4,214,889,228

Notes to the Financial Statements For the year ended 31 December 2015

	31.12.2015	31.12.2014
	Taka	Taka
4.2 Outside Bangladesh		
Current Deposits		
The Bank of Tokyo Mitsubishi Limited	2,346,493	707,665
HSCB AUST	1,964,146	923,416
JP Morgan Chase Bank	289,365,303	198,961,345
Sonali Bank (Kolkata)	3,214,619	3,279,538
Sonali Bank (UK) Limited USD	61,274,722	86,807,464
Sonali Bank (UK) Limited GBP	2,908,780	36,813,329
Myanmar Economic Bank	32,185	31,959
Citic Bank NA	58,445,573	50,967,821
Hatton National Bank Limited	6,100,873	1,820,962
Commerz Bank AG	52,995,482	40,148,266
NIB Bank Limited	11,115,678	6,017,517
Habib Sons Bank Plc	2,102,504	36,567,861
Nepal Bangladesh Bank Limited	1,705,203	2,054,142
Bank of Bhutan	1,896,107	24,440,385
HABIB ZINC	494,717	4,719,240
Wachovia Bank/Wells Fargo N.A	113,463,895	39,887,587
Habib American Bank	50,804,395	37,454,925
Commerz Bank AG	56,399,858	34,496,508
Hypoveris Bank	4,314,679	2,090,000
National Commercial Bank Limited	29,866,788	29,866,788
Habib Metro Bank	43,348,031	13,408,724
Habib Bank AG(AED)	494,717	703,347
COMMERZ BK CAD	3,903,641	3,903,641
COMMERZ BK CHF	2,916,759	10,098,144
HSCB NY (GBU)	14,423,769	103,738,518
JPKC NY (GBU)	978,422	34,796,121
HSCB New York	173,528,238	768,564,087
Reserve Bank of India	19,205,033	16,866,506
HDFC Bank CDSL	125,003	303,823
HDFC Bank Limited	45,616,675	7,836,576
Commerz Bank AG (Euro)	3,756,767	10,560,432
Commerz Bank AG (ACU)	9,167,230	7,966,631
Kotak Mahindra Bank	65,991,225	9,585,173
HSCB (USD)	69,666,468	69,666,468
HSCB (AUD)	41,322,812	7,313,278
Habib American Bank Limited	42,990,297	42,990,297
Standard Chartered Bank, NY, USA	86,167,373	76,243,747
Standard Chartered Bank, Singapore	5,091,531	2,782,254
Standard Chartered Bank, UK, GBP	4,050,657	-
HABIB UK, GBP	3,808,784	-
HABIB UK, USD	56,579,791	-
JP Morgan Chase Bank	442,907,785	4,536,060
(Details are given in Annexure - A)	2,551,882,052	2,316,879,897

	31.12.2015	31.12.2014
4.2.a Consolidated Outside Bangladesh (Nostro Accounts)		
AB Bank Limited	2,551,882,052	2,316,879,897
AB Investment Limited	-	-
AB International Finance Limited	20,473,829	20,114,404
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Limited	-	-
Less: Intercompany transactions	116,291	4,003,394
Total	2,572,472,172	2,340,997,695
	16,622,492	164,787
Total	2,555,849,680	2,340,832,909