Statement of Cash Flows

MTB Capital Ltd.
Statement of Cash Flows
For the year ended 31 December 2019

Particulars	Amount in BDT 2019	Amount in BDT 2018
Net profit during the year (after tax)	4,003,271	39,243,038
Add : Amount consider as non cash items :		
Depreciation charged during the year	683,462	805,767
Increase/(decrease) in provision for diminution in value of investments	7,000,000	500,000
Increase/(decrease) in provision for margin loan	15,000,000	2,500,000
Increase/(decrease) in provision for expenses	(165,000)	367,819
Increase/(decrease) in provision for income tax	13,212,994	1,407,121
Increase/(decrease) in deferred tax liability	(14,837)	(23,208)
Sub total of non cash items	**35,716,619**	**5,557,498**
Changes in working capital components		
Increase/(decrease) in accounts payable	(9,807,518)	7,634,558
(Increase)/decrease in accounts receivable	5,063,016	(3,425,878)
(Increase)/decrease in advance & prepayment	(10,072,443)	(4,573,829)
A) Net cash flow from operating activities	**24,902,945**	**44,435,388**
Cash flow from investing activities:		
(Increase)/decrease in investment in securities	(8,315,035)	(48,583,994)
(Increase)/decrease in purchase of premises & fixed asset	(94,290)	(24,214)
(Increase)/decrease in margin loan to clients	(25,906,159)	5,830,957
B) Net cash flow from investing activities	**(34,315,483)**	**(42,777,250)**
Cash flow from financing activities :		
Increase/(decrease) in short term borrowings	-	-
C) Net cash flow from financing activities	-	-
D) Net cash increase / (decrease) (A+B+C)	**(9,412,538)**	**1,658,137**
E) Opening cash and cash equivalents	18,153,727	16,495,590
F) Closing cash and cash equivalents	**8,741,189**	**18,153,727**
Net operating cash flow per share (NOCFPS) (Note: 32.00)	**7.33**	**13.07**

Chief Executive Officer   Director   Chairman

Notes to the Financial Statements

MTB Capital Ltd.
Notes to the Financial Statements
For the year ended 31 December 2019

1.00 Legal status of the company
MTB Capital Ltd. (MTBCL), a fully owned subsidiary of Mutual Trust Bank Limited, was incorporated in Bangladesh as a private limited company. MTBCL obtained registration certificate No. MB–55/2010 under the Bangladesh Securities and Exchange Commission Act, 1993 on December 06, 2010 as a full fledged merchant bank and obtained registration No. C-80040 from the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh on October 08, 2009 under the Companies Act, 1994. The company has commenced its operation on April 18, 2011.

The registered office of the company is situated at 111 Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka-1000, Bangladesh.

2.00 Nature of business
The main activities of the company are issue management, underwriting, portfolio management whether discretionary or non -discretionary, corporate advisory services to the clients including advisory services on merger and amalgamation, capital restructuring, etc.

3.00 Significant accounting policies

3.01 Basis of preparation of financial statements
The financial statements of the company are made up to 31 December 2019 and prepared under the historical cost convention except investment in securities as a going concern and in accordance with the Companies Act 1994, International Financing Reporting Standards (IFRS), the Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange Limited listing Regulations, Income Tax Ordinance, 1984 and other laws and rules applicable in Bangladesh.

3.02 Statement of cash flows
Statement of cash flows has been prepared in accordance with the International Accounting Standard (IAS) - 7 "Statement of Cash Flows".

3.03 Property, plant and equipment

3.03.1 Recognition and measurement:
Property, plant and equipments are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of asset and bringing to the location and conditioned necessary for it to be capable of operating in the intended manner.

3.03.2 Depreciation
Depreciation is charged using reducing balance method as per International Accounting Standard (IAS)-16 "Property plant & equipment". The rates of depreciation used are as follows:

Category of assets	Rate of depreciation
Furniture & fixture	10%
Office equipment	20%
Interior decoration	10%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss and other Comprehensive Income.

3.04 Revenue recognition
The accounting policies adopted for the recognition of revenue are as follows:

3.04.1 Interest income
Interest on margin loan to investors is recognized as revenue on an accrual basis and interest receivable on such loan is cap italized with original loan on quarterly basis.

3.04.2 Dividend income
Dividend income on investment in securities has been recognized when the shareholders right to receive payment is established.

3.04.3 Capital gain / (loss) on sale of securities
Capital gain/(loss) on sale of securities is accounted for based on difference between average sale proceeds of securities and cost of securities sold.

3.04.4 Fees and commission income
Fees and commission income includes portfolio management fees, settlement charges, issue management fees, underwriting commissions and any other such fees and commissions.

3.05 Cash and bank balance
Cash and bank balance includes cash in hand and cash at bank, which are held and are available for use by the company without any restriction.

3.06 Investment in securities
Investment in securities is recognized at the end of the period at cost price of investment made by the company.

3.07 Reporting in the period
These financial statements cover one year from 1st January 2019 to 31 December 2019.

3.08 General

i) Comparative information have been disclosed for all numerical information of the financial statements and also the narrative and descriptive information so as to clarify the current year position in with that to preceding year.

Changes Format:

Statement of financial position format has been changed for ensuring better comparability in line with IAS -1 without changes facts & figures. Prior period figure has remained unchanged and no rearrangement has been made due to change format.

ii) The figures in the financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency. Figures in these notes and financial statements have been rounded off to the nearest Taka value.

		Amount in BDT 31.12.2019	Amount in BDT 31.12.2018
4.00	**Property, plant & equipment**		
	Cost:		
	Opening balance	12,604,599	12,580,385
	Addition during the year	94,290	24,214
	Total cost	**12,698,889**	**12,604,599**
	Depreciation:		
	Opening balance	7,715,350	6,909,583
	Add: Depreciation charged during the year	683,462	805,767
		8,398,812	**7,715,350**
	Written down value	**4,300,077**	**4,889,249**
	(Detail is shown in Annexure - A)		
5.00	**Investment in securities**		
	Investment in securities represent the cost price of securities which have been invested by the company in the capital market.		
	Quoted shares **(Annexure-B)**	165,060,175	156,745,140
	Unquoted shares	-	-
		165,060,175	**156,745,140**
6.00	**Margin loans to clients**		
	Margin loan to investors - Non- Discretionary Account (NDA)	237,178,479	212,736,206
	Margin loan to investors - Discretionary Account (DA)	3,935,527	2,471,642
		241,114,007	**215,207,848**
7.00	**Accounts receivable**		
	Underwriting commission	1,538,818	1,288,818
	Issue management fees	7,117,556	7,035,881
	Trustee fees	500,000	800,000
	Dividend receivable	3,386,536	3,102,314
	Management fees	62,831	62,673
	Receivable from brokers	4,235,422	7,494,092
	Rental income	37,500	37,500
	Cheque in transit	-	285,000
	IPOs	563,035	2,398,435
		17,441,697	**22,504,713**
8.00	**Advance and prepayments**		
	Advance income tax (Note: 8.01)	40,116,584	29,677,469
	Advance to employees (Note: 8.02)	1,150,195	1,516,867
		41,266,779	**31,194,336**
8.01	**Advance income tax**		
	Opening balance	29,677,469	24,745,302
	Addition during the year	10,439,115	21,250,374
	Adjustment during the year	-	16,318,207
		40,116,584	**29,677,469**
8.02	**Advance to employees**		
	Advance to employee car	1,150,195	1,516,867
		1,150,195	**1,516,867**
9.00	**Cash & cash equivalents**		
	This is made up as under:		
	Cash in hand	20,965	3,316
	Cash at Bank (Mutual Trust Bank)		
	MTB-0012-0210010572 (CD)	678	678
	MTB Tower 0087-0210000208 (Own Portfolio)	760,173	1,155,280
	MTB Tower 0087-0320000045 (SND)	569,575	2,202,513
	MTB Tower 0087-0320000054 (IPO)	22,103	23,508
	MTB Tower 0087-0320000214 (NDA)	1,779,969	6,484,065
	MTB Tower 0087-0320000205 (DA)	2,567,315	5,311,856
	MTB Tower 0087-0320000223 (GA)	3,020,411	2,972,512
		8,720,224	18,150,411
	Cash and cash equivalents	**8,741,189**	**18,153,727**
10.00	**Share capital**		
	Authorized capital	**500,000,000**	**500,000,000**
	50,00,000 ordinary shares of Tk. 100 each.		
	Issued, subscribed and paid-up capital:	**339,889,000**	**308,990,000**
	3,398,990 ordinary shares of Tk. 100 each		

Shareholding position:

Particulars	No. of shares	Amount	Percentage
Mutual Trust Bank Limited	3,398,755	339,875,500	99.996%
Mr. Md. Hedayetullah	135	13,500	0.004%
Total	**3,398,890**	**339,889,000**	**100%**

		2019	2018
11.00	**Retained earnings**		
	Opening balance	50,855,407	39,702,369
	Add: Net profit after tax during the year	4,003,271	39,243,038
	Less: Stock dividend	30,899,000	28,090,000
	Closing balance	**23,959,678**	**50,855,407**
12.00	**Deferred tax liability**		
	Opening balance	156,372	179,580
	Deferred tax during the year (Note-30.02)	(14,837)	(23,208)
		141,535	**156,372**
13.00	**Accounts payable**		
	LeadSoft BD Ltd.	414,556	414,556
	Audit fees payable	55,000	55,000
	Payable to brokers	4,150,946	8,376,827
	Client deposits	5,093,288	10,678,182
	VAT payable	1,131,143	1,111,510
	Source tax payable	5,500	21,875
		10,850,432	**20,657,950**
14.00	**Provision for expenses**		
	Incentive bonus:		
	Opening balance	1,530,500	1,162,681
	Paid during the year	(919,200)	(926,831)
	Addition during the year	754,200	1,294,650
	Closing balance	**1,365,500**	**1,530,500**
15.00	**Provision for diminution in value of investments**		
	Opening balance	13,000,000	12,500,000
	Addition during the year (Note-28.00)	7,000,000	500,000
		20,000,000	**13,000,000**
16.00	**Provision for margin loan**		
	Opening balance	15,000,000	12,500,000
	Addition during the year (Note-29.00)	15,000,000	2,500,000
		30,000,000	**15,000,000**
17.00	**Provision for current tax**		
	Opening balance	38,504,784	37,097,663
	Add: Addition during the year (Note-30.01)	13,212,994	20,537,777
	Less: Adjustment during the year	-	19,130,656
		51,717,778	**38,504,784**
18.00	**Net Assets Value (NAV) per share**		Restated
	Net Assets (18.01)	363,848,678	359,845,407
	Number of ordinary shares outstanding	3,398,890	3,398,890
		107	**106**
18.01	**Net Assets**		
	Total Assets	477,923,923	448,695,013
	Less:Non-current Liabilities	141,535	156,372
	Less:current Liabilities	113,933,710	88,693,234
		363,848,678	**359,845,407**

Notes to the Financial Statements

		Amount in BDT 2019	Amount in BDT 2018
19.00	**Interest income**		
	Interest on margin loan - Non- Discretionary Account (NDA)	33,325,056	31,338,207
	Interest on margin loan - Discretionary Account (DA)	139,568	13,319
	Interest on bank accounts	6,041	1,367,999
		33,470,666	**32,719,525**
20.00	**Income from investment**		
	Dividend income	3,495,979	3,638,355
	Capital gain on sale of securities	5,708,927	19,695,329
		9,204,906	**23,333,684**
21.00	**Underwriting commission**		
	Zaheen Spinning Limited	-	1,288,818
	Silco Pharmaceutical Ltd.	157,500	-
	Ring Shine Textiles Ltd.	131,250	-
	Coppertech Ind. Ltd.	250,000	-
	Bashundhara Paper Mills Ltd.	-	250,000
		538,750	**1,538,818**
22.00	**Issue management fees**		
	Zaheen Spinning Limited	-	500,000
	Krishibid Feed Ltd.	800,000	700,000
	Mutual Trust Bank Ltd.	3,330,937	1,000,000
	Unique Infoway Ltd.	-	971,750
	Gardenia Wears Limited	-	2,800,000
	Coppertech Industries Limited	2,000,000	2,500,000
	Nialco Alloys Limited	1,100,000	-
	Strategic Finance Ltd.	150,000	-
	Alliance Capital Asset Management Ltd.	100,000	-
	Classic Foils Ltd.	300,000	-
	R.A. Spinning Mills Ltd.	200,000	-
		7,980,937	**8,471,750**
23.00	**Settlement fees & documentation charges**		
	Settlement fee	1,463,606	2,968,690
	Documentation charge	22,000	22,000
		1,485,606	**2,990,690**
24.00	**Portfolio management fees**		
	Non-discretionary account	4,058,698	10,996,704
	Discretionary account	270,047	443,178
		4,328,744	**11,439,882**
25.00	**Trustee fees**	1,150,000	1,250,000
		1,150,000	**1,250,000**
26.00	**Other operationg income**		
	IPO charges	10,340	12,910
	Annual BO account charge	163,350	144,450
	Share transmission fees	138,114	-
	Dematerialisation fees	502,234	-
	Rental income	732,000	732,000
		1,546,038	**889,360**
27.00	**Office & administrative expenses**		
	Salary and remuneration	11,902,633	11,074,769
	Office rent expense	3,487,392	3,631,437
	Postage, telephone, fax, stamp	111,000	113,358
	Printing & stationery	211,267	95,468
	Advertising expense	-	184,192
	Directors' fee	658,833	675,000
	Auditors' fee	68,750	68,750
	Depreciation expenses	683,462	805,767
	Repairs and maintenance	267,700	284,825
	Car expense	901,182	911,438
	CDBL charge	483,305	294,145
	Entertainment	627,682	610,598
	Cleaning service charge	405,900	349,805
	Fee & registration	199,540	261,565
	Bank charges	80,481	124,037
	Conveyance	251,053	138,065
	Internet expense	28,488	30,070
	Staff training	3,450	5,000
	Travelling expense	26,800	12,200
	Business promotion expense	-	76,528
	Books & newspaper	9,495	7,180
	Holiday working bill	17,250	10,350
	Domain and hosting charge	8,000	8,000
	Professional fee	55,556	55,556
	IPO expense	15,000	48,000
		20,504,219	**19,876,102**
28.00	**Provision for diminution in value of investments**	**7,000,000**	**500,000**
	This provision is made as per BSEC guideline and to reduce the risk of investment.		
29.00	**Provision for margin loan**	**15,000,000**	**2,500,000**
	This provision is made as per BSEC guideline and to reduce the risk of investment.		
30.00	**Income tax expenses**		
	Current tax (Note-30.01)	13,212,994	20,537,777
	Deferred tax (Note-30.02)	(14,837)	(23,208)
		13,198,157	**20,514,569**
	Income tax expenses is calculated as per guideline of Income Tax Ordinance and Rules.		
30.01	**Current tax**	13,212,994	20,537,777
		13,212,994	**20,537,777**
	(Details is shown in Annexure-C)		

		Amount in BDT 2019	Amount in BDT 2018
30.02	**Deferred tax expense/(income)**	(14,837)	(23,208)
		(14,837)	**(23,208)**
	(Detail is shown in Annexure - D)		
31.00	**Earnings per share**		Restated
	Net profit after tax	4,003,271	39,243,038
	Number of ordinary shares outstanding	3,398,890	3,398,890
31.00	**Earnings per share**		Restated
	Net profit after tax	4,003,271	39,243,038
	Number of ordinary shares outstanding	3,398,890	3,398,890
	Earnings per share	**1.18**	**11.55**
32.00	**Net operating cash flows per share (NOCFPS)**		Restated
	Net operating cash flows	24,902,945	44,435,388
	Number of shares	3,398,890	3,398,890
		7.33	**13.07**

33.00 Number of employees
The number of employees engaged for the whole year or part there of, who received a total remuneration of Taka 36,000 or above were 08 persons.

34.00 Events after the balance sheet date
Subsequent to the reporting date, the Board of Directors recommended 5% stock dividend.

Schedule of Property, Plant & Equipment

MTB Capital Ltd.
Schedule of Property, Plant & Equipment
As at 31 December 2019

Annexure-A

(Amount in BDT)

Particulars	Cost: Opening balance	Cost: Addition during the year	Cost: Disposal during the year	Cost: Balance as on 31.12.2019	Rate (%)	Depreciation: Opening balance	Depreciation: Charged during the year	Depreciation: Disposal for the year	Depreciation: Accumulated depreciation	Written down value as on 31.12.2019
Furniture & Fixture	1,367,694	-	-	1,367,694	10%	396,532	97,116	-	493,649	874,045
Office Equipment	8,471,266	94,290	-	8,565,556	20%	6,569,330	384,731	-	6,954,061	1,611,495
Interior Decoration	2,765,639	-	-	2,765,639	10%	749,488	201,615	-	951,103	1,814,536
Balance as on 31 December 2019	**12,604,599**	**94,290**	-	**12,698,889**		**7,715,350**	**683,462**	-	**8,398,812**	**4,300,077**
Balance as on 31 December 2018	**12,580,385**	**24,214**	-	**12,604,599**		**6,909,583**	**805,767**	-	**7,715,350**	**4,889,249**

Investment in Quoted Securities

MTB Capital Ltd.
Investment in Quoted Securities
As at 31 December 2019

Annexure- B

(Amount in BDT)

Name of the company	No. of shares	Total cost	Merket rate per share	Market value	Difference
Familytex(BD) Limited	106,581	2,430,056	2.00	213,162	(2,216,894)
GBB POWER LTD.	50,000	771,540	14.00	700,000	(71,540)
JMI Syringes & Med. Devi.	1,000	402,845	310.50	310,500	(92,345)
Libra Infusions Limited	1,010	1,130,549	657.70	664,277	(466,272)
Monno Ceramics	27,050	9,597,661	123.30	3,458,565	(6,139,096)
Wata Chemicals Ltd.	700	294,391	365.80	256,060	(38,331)
ACI Formulations Limited	27,263	5,689,381	91.70	2,500,017	(3,189,364)
BATBC	2,200	3,277,019	969.90	2,133,780	(1,143,239)
BBS Cables Ltd.	110,000	10,751,051	58.80	6,468,000	(4,283,051)
Beximco Limited	131,000	3,548,149	13.80	1,807,800	(1,740,349)
BRAC Bank Limited	2,000	115,325	57.10	114,200	(1,125)
Central Pharmaceuticals Ltd.	466,830	13,018,392	9.00	4,201,470	(8,816,922)
City Bank	20,000	422,760	21.10	422,000	(760)
Confidence Cement Limited	29,577	4,453,299	106.10	3,138,104	(1,315,195)
Dhaka Bank	157,500	2,757,842	12.00	1,890,000	(867,842)
ADN Telecom Limited	18,968	569,040	0.00	0	(569,040)
Esquire Knit Composite Ltd	20,000	981,537	28.30	566,000	(415,537)
EXIM Bank Limited	90,000	1,081,944	10.10	909,000	(172,944)
Far Chemical Ind. Ltd.	137,759	3,590,467	8.20	1,129,620	(2,460,847)
Federal Insurance	20,000	324,583	14.10	282,000	(42,583)
Fu-Wang Food	55,000	1,121,138	10.10	555,500	(565,638)
Genex Infosys Limited	393	3,415	67.40	26,468	23,053
Golden Harvest Agro Ind. Ltd.	59,600	1,442,147	19.20	1,144,320	(297,827)
Grameen Phone Limited	3,510	1,573,371	285.80	1,003,158	(570,213)
Hamid Fabrics Limited	30,000	770,441	15.80	474,000	(296,441)
Heidelberg Cement Bd. Ltd.	220	52,836	164.80	36,256	(16,580)
Hwa Well Textile BD Ltd.	25,100	1,306,625	32.40	813,240	(493,385)
IFIC Bank Limited	70,000	763,413	9.90	693,000	(70,413)
Khulna Power Co. Limited	14,000	856,910	46.70	653,800	(203,110)
Marico Bangladesh	180	300,916	1,673.30	301,194	278
Meghna Petroleum Ltd.	56,100	13,740,249	163.80	9,189,180	(4,551,069)
Olympic Accessories Limited	154,073	2,747,783	6.30	970,660	(1,777,123)
Olympic Industries	25,000	6,091,509	165.00	4,125,000	(1,966,509)
Padma Oil	70,100	23,943,183	192.20	13,473,220	(10,469,963)
Premier Bank Limited	350,000	4,766,522	12.50	4,375,000	(391,522)
Ratanpur Steel Re-Rolling M	60,000	3,924,433	23.50	1,410,000	(2,514,433)
Runner Automobiles Limited	40,477	3,499,248	59.50	2,408,376	(1,090,872)
Saif Powertec Ltd	10,600	181,326	13.40	142,040	(39,286)
Shasha Denims Limited	126,000	7,457,699	24.70	3,112,200	(4,345,499)
Sonar Bangla Insurance	6,000	274,047	35.90	215,400	(58,647)
Square Pharmaceuticals Ltd.	7,490	1,762,810	190.00	1,423,100	(339,710)
Standard Bank Limited	30,000	266,479	8.90	267,000	521
Titas Gas T & D Co. Ltd.	215,360	18,729,349	30.90	6,654,624	(12,074,725)
United Power G & D Co	5,050	1,796,476	245.30	1,238,765	(557,711)
Western Marine Ship. Ltd	126,500	2,480,021	11.20	1,416,800	(1,063,221)
Total		**165,060,175**		**87,286,855**	**(77,773,320)**

Calculation of Current Tax

MTB Capital Ltd.
Calculation of Current Tax
For the year ended 31 December 2019

Annexure-C

Current tax:			**Amount in BDT**
A. Operational income	**31,847,749**	37.50%	11,942,906
B. Dividend income	**3,495,979**	20.00%	699,196
C. Capital gain on sale of securities	**5,708,927**	10.00%	570,893
Total current year tax			**13,212,994**

Calculation of Deferred Tax

MTB Capital Ltd.
Calculation of Deferred Tax
For the year ended 31 December 2019

Annexure-D

Amount in BDT

Deferred tax expense/(income)	**2019**	**2018**
Carrying amount of property, plant & equipment	4,300,077	4,889,249
Tax base property, plant & equipment	(3,922,650)	(4,472,257)
Taxable temporary difference	**377,427**	**416,992**
Applicable tax rate	37.50%	37.50%
Provision for deferred tax	**141,535**	**156,372**
Less: Opening balance	(156,372)	(179,580)
Deferred tax expense/(income)	**(14,837)**	**(23,208)**

Directors Report

Jahan & Co

MTB EXCHANGE (UK) LIMITED
Directors' Report
For the year ended 31 December 2019

The directors present their annual report and the financial statements for the year ended 31 December 2019.

Principal activities

Principal activity of the company during the financial year was of financial intermediation.

Directors
The directors who served the company throughout the year were as follows:
Md. Hedayetullah
Syed Manzur Elahi
Mohamed Abdur Rouf
Rashed Ahmed Chowdhury
Syed Mahbubur Rahman

Statement of Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.
In preparing these financial statements, the directors are required to :

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions
Each director who held office at the date of approval of this report confirms that: so far as the director is aware, there is no relevant audit information needed by the company's auditor in connection with preparing their report of which the company's auditor is unaware; and the director has taken all the steps that they ought to have taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information .

This report was approved by the board and signed on its behalf.

Syed Mahbubur Rahman
Director

Date approved: 29 January 2020

Accountant's Report

Jahan & Co

MTB EXCHANGE (UK) LIMITED
Accountants' Report
For the year ended 31 December 2019

Chartered Management Accountants' report to the board of directors on the preparation of the unaudited statutory accounts MTB EXCHANGE (UK) LIMITED for the year ended 31 December 2019
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of MTB EXCHANGE (UK) LIMITED for the year ended 31 December 2019 which comprise of the Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.
As a practising member firm of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at http://www.cimaglobal.com.
This report is made solely to the Board of Directors of MTB EXCHANGE (UK) LIMITED , as a body, in accordance with the terms of our engagement letter dated . Our work has been undertaken solely to prepare for your approval the accounts of MTB EXCHANGE (UK) LIMITED and state those matters that we have agreed to state to the Board of Directors of MTB EXCHANGE (UK) LIMITED, as a body, in this report in accordance with the requirements of the Chartered Institute of Management Accountants as detailed at http://www.cimaglobal.com. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than MTB EXCHANGE (UK) LIMITED and its Board of Directors as a body for our work or for this report
It is your duty to ensure that MTB EXCHANGE (UK) LIMITED has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit MTB EXCHANGE (UK) LIMITED. You consider that MTB EXCHANGE (UK) LIMITED is exempt from the statutory audit requirement for the year
We have not been instructed to carry out an audit or a review of the accounts of MTB EXCHANGE (UK) LIMITED. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Jahan & Co
Chartered Management Accountants
22 Osborn Street
London
E1 6TD
16 January 2020

Income Statement

Jahan & Co

MTB EXCHANGE (UK) LIMITED
Income Statement
For the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover		238,008	149,612
Gross profit		**238,008**	**149,612**
Selling and Distribution Costs		(4,454)	(2,992)
Administrative Expenses		(185,353)	(148,347)
Other operating income	2	30,000	30,000
Operating Profit	3	**78,201**	**28,273**
Profit/Loss on ordinary activities before taxation		**78,201**	**28,273**
Tax on profit on ordinary activities	6	(744)	(744)
Profit/Loss for the financial year		**77,457**	**27,529**

Statement of Financial Position

Jahan & Co

MTB EXCHANGE (UK) LIMITED
Statement of Financial Position
As at 31 December 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible fixed assets	7	13,431	16,037
		13,431	**16,037**
Current assets			
Debtors: amounts falling due within one year	8	50,904	36,757
Debtors: amounts falling due after one year	9	8,750	8,750
Cash at bank and in hand		104,517	38,559
		164,171	**84,066**
Creditors: amount falling due within one year	10	(1,772)	(1,730)
Net current assets		**162,399**	**82,336**
Total assets less current liabilities		175,830	98,373
Creditors: amount falling due after more than one year	11	(338,580)	(338,580)
Net assets		**(162,750)**	**(240,207)**
Capital and reserves			
Called up share capital	12	230,000	230,000
Profit and loss account	13	(392,750)	(470,207)
Shareholders funds		**(162,750)**	**(240,207)**

For the year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the companies act 2006 relating to small companies.

Directors' Responsibilities:
1. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
2. The directors acknowledge their responsibilities for complying with the requirements of the companies act 2006 with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors

Syed Mahbubur Rahman
Director

Date approved by the board: 29 January 2020

Notes to the Financial Statements

Jahan & Co

MTB EXCHANGE (UK) LIMITED
Notes to the Financial Statements
For the year ended 31 December 2019

General Information
MTB EXCHANGE (UK) LIMITED is a private company, limited by shares, registered in England and Wales, registration number 07282261, registration address 25 WHITECHAPEL ROAD, LONDON, E1 1DU.

The presentation currency is £ sterling

1. Accounting Policies

Significant accounting policies

Statement of compliance

These financial statements have been prepared in compliance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of land and buildings and certain financial instruments measured at fair value in accordance with the accounting policies.

The financial statements are prepared in sterling which is the functional currency of the company.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Tangible fixed assets
Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures and Fittings — 20% Reducing Balance

2. Other operating income

	2019 £	2018 £
Rents Received	30,000	30,000
	30,000	**30,000**

3. Operating Profit

	2019 £	2018 £
The operating profit is stated after charging:		
Depreciation of tangible fixed assets	3,007	3,652

4. Directors' Emoluments

The directors did not withdraw any salary during the period.

5. Staff Costs

	2019 £	2018 £
Wages and salaries	47,769	42,615
Pension costs, defined contribution plan	1,571	858
Other staff costs	1,196	953
	50,536	**44,426**
Average number of employees during the year	**Number**	**Number**
Administration	1	2
Sales	2	3
	3	**5**

6. Tax on profit on ordinary activities

	2019 £	2018 £
UK Corporation Tax	744	744
	744	**744**

7. Tangible fixed assets

	Fixtures and Fittings £	Computer Equipment £	Total £
Cost			
At 01 January 2019	56,813	14,415	71,228
Additions	251	150	401
Disposals	-	-	-
At 31 December 2019	**57,064**	**14,565**	**71,629**
Depreciation			
At 01 January 2019	43,650	11,541	55,191
Charge for year	2,466	541	3,007
On disposals	-	-	-
At 31 December 2019	**46,116**	**12,082**	**58,198**
Net book values			
Closing balance as at 31 December 2019	**10,948**	**2,483**	**13,431**
Opening balance as at 01 January 2019	**13,163**	**2,874**	**16,037**

8. Debtors: amounts falling due within one year

	2019 £	2018 £
Prepayments & Accrued Income	3,356	-
Other Debtors	32,647	34,764
Money in Transit	14,901	1,993
	50,904	**36,757**

9. Debtors: amounts falling due after one year

	2019 £	2018 £
Other Debtors	8,750	8,750
	8,750	**8,750**

10. Creditors: amount falling due within one year

	2019 £	2018 £
Corporation Tax	744	744
Accrued Expenses	900	900
Pension Scheme	128	86
	1,772	**1,730**

11. Creditors: amount falling due after more than one year

	2019 £	2018 £
Other Creditors	338,580	338,580
	338,580	**338,580**

12. Share Capital

Allotted	2019 £	2018 £
230,000 Class A shares of £1.00 each	230,000	230,000
	230,000	**230,000**

13. Profit and loss account

	2019 £
Balance at 01 January 2019	(470,207)
Profit for the year	77,457
Balance at 31 December 2019	**(392,750)**

Detailed Income Statement

Jahan & Co

MTB EXCHANGE (UK) LIMITED
Detailed Income Statement
For the year ended 31 December 2019

	2019 £	2019 £	2018 £	2018 £
Turnover				
Remittance Commission		130,489		82,501
Bureau De Change Commission		10,185		5,308
Exchange Rate Gain		97,334		61,803
		238,008		**149,612**
Gross Profit		238,008		149,612
Selling and Distribution Costs				
Advertising	2,079		1,015	
Travel Expenses	2,375		1,977	
		(4,454)		(2,992)
Administrative Expenses				
Wages & Salaries	47,769		42,615	
Pension Contributions	1,571		858	
Staff Training	60		340	
Staff Welfare	1,136		613	
Accountancy Fees	3,600		3,300	
Legal and Professional Fees (Allowable)	140		130	
Light, Heat & Power	2,594		2,414	
Cleaning of Premises	704		578	
Rent, Rates & Insurance	52,690		51,339	
Bank Charges	62,041		34,486	
Depreciation Charge: Fixtures & Fittings	2,466		2,998	
Depreciation Charge: Computer Equipment	541		654	
Fees & Subscriptions	1,070		1,462	
General Insurance	-		1,062	
Computer Expenses	3,663		2,556	
Repairs & Renewals	1,413		675	
Stationery & Postage	2,008		1,217	
Telephone, Fax & Internet	1,887		1,048	
Sundry Expenses	-		2	
		(185,353)		(148,347)
Other operating income				
Rents Received	30,000		30,000	
		30,000		30,000
Operating Profit		78,201		28,273
Tax on profit on ordinary activities				
UK Corporation Tax	744		744	
		(744)		(744)
Profit/Loss for the financial year		77,457		27,529