



Bangladesh Commerce Bank Limited

Financial Statements

For the year ended 31 December 2017

AUDITORS' REPORT TO THE SHAREHOLDERS OF BANGLADESH COMMERCE BANK LIMITED

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Bangladesh Commerce Bank Limited and its subsidiary namely Commerce Bank Securities and Investment Limited ("the Group") as well as the separate financial statements of Bangladesh Commerce Bank Limited ("the Bank"), which comprise the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2017, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements of the Group and the Bank respectively for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also the separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note # 2.1 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company (Amendment) Act, 2013 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

- Our audit revealed the following for the year ended 31 December 2017:
 - There remains a shortfall of Taka 254.28 crore in making provision for loan-loss against classified loans and advances and off-balance sheet exposure (Note # 7.8.1 & 19);
 - The provision for employees' gratuity of Taka 32.82 crore has not been accounted for in the financial statements (Note # 13.5);
 - There has been a shortfall of Taka 1.03 crore in making provision against other assets (Note # 9); If the matters stated above have been considered in the financial statements, there would have been a net loss of Taka 285.20 crore as against net profit of Taka 2.94 crore (after tax).
- To comply with the BASEL-III capital adequacy requirement conforming to section 13(2) of Bank Company Act (Amendment) 2013 and BRPD Circular No. 35 dated 29 December 2010, the bank should have Minimum Capital Requirement (MCR) of Taka 400 crore as against which bank had Taka 92.38 crore; hence a shortfall of Taka 307.62 crore. (Note # 14.3)
- As per section 13 (2) of The Bank Company Act (Amendment) 2013 and BRPD Circular No. 35 dated 29 December 2010 to fulfill the Base-III requirement, the required Capital to Risk Weighted Assets Ratio (CRAR) of the Bank should have been 10.625% of Risk Weighted Assets but the Bank has maintained the same at 3.06% only as at 31 December 2017. (Note # 14.3)

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements of the Group and also the separate financial statements of the Bank give a true and fair view of the financial position of the Group and the Bank as at 31 December 2017, and of their financial performance and their cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note # 2.1.

Matter of Emphasis:

Without qualifying our report in respect of this matter, we draw attention of the shareholders of Bangladesh Commerce Bank Limited (BCBL) to the fact that the borrowers were not classified for required loan-loss provision on the ground of 'Order of Stay' by the High Court Division of the Honorable Supreme Court of Bangladesh except providing for 1% under unclassified category. Hence, a shortfall of Taka 166.94 crore in making provision for loan-loss against such loans and advances.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Bank Company (Amendment) Act, 2013 and the rules and regulations issued by Bangladesh Bank, we except for as mentioned above also report that:

- we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
 - internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in note # 2.19 to the financial statements appeared to be materially adequate;
 - nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- financial statements of the subsidiary, namely, Commerce Bank Securities and Investment Limited of the Bank has been audited by other auditor and has been properly reflected in the consolidated financial statements;
- in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- the expenditure incurred was for the purposes of the Bank's business;
- the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- except for the facts as stated in Basis for Qualified Opinion paragraph (a)(i), adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- the information and explanation required by us have been received and found satisfactory; and
- we have reviewed over 80% of the risk weighted assets and we have spent around 2,980 person hours for the audit of the books and accounts of the Bank.

Dhaka,
30 April 2018

MABS & J Partners
Chartered Accountants

Consolidated Balance Sheet As at 31 December 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
PROPERTY AND ASSETS			
Cash	3(a)	2,492,587,673	2,131,481,554
Cash in hand (including foreign currencies)	3.1(a)	334,875,762	288,114,950
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	2,157,711,911	1,843,366,604
Balance with other banks and financial institutions	4(a)	8,573,302,449	6,977,733,388
In Bangladesh		8,561,356,274	6,952,339,687
Outside Bangladesh		11,946,175	25,393,701
Money at call and short notice	5(a)	29,300,000	131,300,000
Investments	6(a)	4,167,867,054	3,600,400,845
Government		3,060,780,741	2,938,788,255
Others		1,106,886,313	661,612,590
Loans and Advances	7(a)	19,284,440,469	16,634,096,074
Loans, Cash Credit, Overdrafts etc.		19,227,364,416	16,617,169,656
Bills purchased and discounted		57,076,052	16,926,418
Fixed assets including premises, furniture and fixtures	8(a)	150,860,648	151,780,105
Other assets	9(a)	1,995,559,811	1,800,320,786
Non-banking assets	10	-	-
Total Assets		36,693,718,103	31,427,112,752
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	180,961,542	7,318,208
Deposits and other accounts	12(a)	30,009,139,139	25,223,480,009
Current Account and Other Accounts etc.		1,896,519,041	1,344,723,585
Savings Bank Deposits		3,133,155,563	2,845,192,074
Short Term Deposits		6,080,152,031	5,966,568,902
Fixed Deposits		11,364,383,131	9,673,347,551
Deposit under Different Schemes	12.1	1,364,383,131	9,673,347,551
Deposit under Different Schemes	12.3	2,861,749,046	2,859,699,949
Bills Payable		353,282,009	282,108,981
Bank Deposit		3,100,000,000	1,200,000,000
Other Deposits	12.4(a)	1,219,898,318	1,051,838,968
Other Liabilities	13(a)	2,952,603,453	2,695,972,746
Total Liabilities		33,142,704,134	27,926,770,963
Capital/Shareholders' Equity			
Paid-up Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		36,500,000	36,500,000
Minority Interest		90	90
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15(a)	275,060,371	245,714,600
Other Reserve	16(a)	8,920,366	8,920,366
Revaluation Reserve for HTM Securities	17(a)	156,205,739	156,568,071
Exchange Equalization Account		-	-
Profit and Loss Account-Retained Earnings	18(a)	168,324,953	146,636,215
Total Shareholders' Equity		3,551,013,969	3,500,341,790
Total Liabilities and Shareholders' Equity		36,693,718,103	31,427,112,752

OFF-BALANCE SHEET ITEMS

Contingent Liabilities			
Acceptances and Endorsements		-	-
Letter of Guarantees	19.1	678,809,575	539,357,438
Irrevocable Letter of Credit		472,019,531	402,945,225
Bills for Collection		1,191,985,301	763,516,439
Other contingent liability	19.2	204,362,819	285,983,694
TOTAL CONTINGENT LIABILITIES		2,660,969,026	2,105,594,596
Other commitments			
Documentary Credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet Items including contingent liabilities		2,660,969,026	2,105,594,596

The annexed notes form an integral part of these financial statements.

Dhaka,
30 April 2018

MABS & J Partners
Chartered Accountants

Consolidated Profit and Loss Account For the year ended 31 December 2017

Particulars	Notes	2017 Taka	2016 Taka
Interest Income	20	2,000,578,724	1,871,314,282
Interest Paid on Deposits and Borrowings etc	21(a)	1,252,735,475	1,245,548,448
Net Interest Income		747,843,249	625,765,835
Income from Investments	22(a)	348,285,041	334,364,877
Commission, Exchange Earnings & Brokerage	23(a)	242,362,221	168,952,200
Other Operating Income	24(a)	58,947,216	78,587,307
Total operating income (A)		1,397,437,727	1,207,670,218
Sabry and Allowances	25(a)	610,044,251	573,045,018
Rent, Taxes, Insurance, Electricity, etc.	26(a)	141,682,565	133,357,940
Legal Expenses		1,347,598	1,376,961
Postage, Stamp, Telecommunication etc.	27(a)	26,592,714	24,897,510
Stationery, Printing, Advertisement etc.	28(a)	16,999,555	11,728,597
Managing Director's salary and allowances	29	8,162,904	7,045,162
Directors' Fee	30	2,171,000	1,715,200
Audit & Evaluation Fee		1,689,000	1,116,500
Depreciation & Repair of Fixed Assets	31(a)	59,988,245	55,807,282
Other Expenses	32(a)	160,990,010	150,403,561
Total operating expenses (B)		1,029,667,842	960,493,731
Profit before Provision (C)=A-B		367,769,885	247,176,487
Provision for classified loans	13.1.1(a)	25,182,035	45,675,173
Provision for unclassified loans	13.1.2	-	-
Other provisions		155,870,137	47,883,288
Total provision (D)		181,052,172	93,558,461
Profit/(loss) before taxes (C-D)		186,717,713	153,618,026
Provision for Taxation		135,683,203	108,818,458
Current tax		135,677,830	104,951,217
Deferred tax		5,373	3,867,241
Net profit/(loss) after taxation		51,034,510	44,799,568
Appropriations			
Statutory Reserve	15	29,345,771	24,951,659
General Reserve		-	-
Dividends etc.		-	-
Retained surplus		29,345,771	24,951,659
Earning Per Share (EPS)	34(a)	2.57	2.25

The annexed notes form an integral part of these financial statements.

Dhaka,
30 April 2018

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This is the Consolidated Profit and Loss Account referred to in our separate report of even date.

Consolidated Cash Flow Statement For the year ended 31 December 2017

Particulars	2017 Taka	2016 Taka
A. Cash flow from operating activities		
Interest receipts	2,131,161,107	2,099,171,747
Interest payments	(1,110,947,726)	(1,043,493,747)
Dividend receipts	24,436,896	5,870,356
Fees and commission receipts in cash	138,287,736	142,599,939
Cash paid to employees	(586,057,038)	(564,053,089)
Cash paid to suppliers	(161,896,979)	(164,438,597)
Income Taxes paid	(64,891,566)	(75,282,519)
Receipts from other operating activities (Item-wise)	386,966,392	188,589,264
Payments for other operating activities (Item-wise)	(131,015,564)	(156,688,167)
Operating profit before changes in operating assets and liabilities	626,043,258	432,275,188
Increase/(Decrease) in operating assets & liabilities		
Statutory Deposits	1,890,391,945	467,865,534
Loan & advance to customers	(29,345,771)	(24,951,659)
Other assets (Item-wise)	(2,650,344,394)	(575,269,618)
Other assets (Item-wise)	(216,472,225)	(32,825,652)
Deposits from other banks	1,900,000,000	(95,969,167)
Deposits from customers	2,875,633,580	915,893,092
Other liabilities account of customers	10,920,755	280,988,535
Net cash flow from operating activities (A)	2,516,435,203	900,140,771
B. Cash flow from investing activities		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(498,161,849)	(360,698,928)
Purchase of property, plant & equipment	(44,628,137)	(35,220,440)
Purchase/sale of subsidiary	-	-
Investment in Margin Loan (CBSL)	62,098,550	64,187,248
Investment in Shares (CBSL)	(59,076,103)	(14,982,151)
Net cash flow from/ (used in) investing activities (B)	(539,767,539)	(346,714,235)
C. Cash flow from financing activities		
Receipts from issue of debt instruments	-	-
Long Term loan payment to BCB	-	-
Payment for redemption of debt instruments	-	-
Receipts from issuing ordinary share/ rights share	-	-
Dividend paid	-	-
Net cash flow from/ (used in) financing activities (C)	-	-
D. Net increase/(decrease) in Cash and Cash Equivalent (A+B+C)	1,976,667,665	553,426,487
E. Effects of exchange rate changes on cash and cash equivalents		
F. Opening Cash and Cash Equivalent	12,179,303,197	11,625,876,710
G. Cash and cash equivalents at end of year (D+E+F) (*)	14,155,970,862	12,179,303,197

(*) Closing Cash & Cash Equivalent

Cash in Hand (including foreign currency)	334,875,761	288,114,950
Balance with Bangladesh Bank and its Agent Banks	2,157,711,911	1,843,366,604
Balance with Other Banks & Financial Institutions	8,573,302,449	6,977,733,388
Money at Call on Short Notice	29,300,000	131,300,000
Prize Bond	613,500	684,500
Government Securities & FDR	3,060,167,241	2,938,103,755
Total	14,155,970,863	12,179,303,197

Dhaka,
30 April 2018

MABS & J Partners
Chartered Accountants

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

Particulars	Paid up Capital	Share Premium	Minority Interest	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total (Amount in Taka)
Balance as on 01 January 2017	1,988,742,800	-	90	245,714,600	156,568,071	8,920,366	146,636,215	2,546,582,142
Share Capital BCI Ltd.	36,500,000	-	-	-	-	-	-	36,500,000
Prior Year's Adjustment	-	-	-	-	-	-	-	-
Right Share Application Money	917,259,650	-	-	-	-	-	-	917,259,650
Income in Revaluation Reserve	-	-	-	29,345,771	-	-	-	29,345,771
Revaluation Reserve for HTM Securities	-	-	-	-	(262,312)	-	-	(262,312)
Net Profit/(Loss) for the year	-	-	-	-	-	21,688,739	21,688,739	21,688,739
Balance as on 31 December 2017	2,942,502,450	-	90	275,060,371	156,205,739	8,920,366	168,324,953	3,551,013,969
Balance as on 01 January 2016	1,988,742,800	-	90	220,762,941	115,574,519	8,920,366	126,788,306	2,460,789,021
Share Capital BCI Ltd.	36,500,000	-	-	-	-	-	-	36,500,000
Prior Year's Adjustment	-	-	-	-	-	-	-	-
Right Share Application Money	917,259,650	-	-	-	-	-	-	917,259,650
Income in Revaluation Reserve	-	-	-	29,345,659	-	-	-	29,345,659
Revaluation Reserve for HTM Securities	-	-	-	-	(40,993,552)	-	-	(40,993,552)
Balance of Share Capital	-	-	-	-	-	-	-	-
Redemption of Share Capital	-	-	-	-	-	-	-	-
Net Profit/(Loss) for the year	-	-	-	-	-	19,847,959	19,847,959	19,847,959
Balance as on 31 December 2016	2,942,502,450	-	90	245,714,600	156,568,071	8,920,366	146,636,215	3,500,341,790

Dhaka,
30 April 2018

MABS & J Partners
Chartered Accountants

Balance Sheet As at 31 December 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
PROPERTY AND ASSETS			
Cash	3	2,492,389,926	2,131,291,389
Cash in hand (including foreign currencies)	3.1	334,678,015	287,924,785
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.2	2,157,711,911	1,843,366,604
Balance with other banks and financial institutions	4	8,289,428,350	6,695,915,843
In Bangladesh		8,277,482,175	6,670,522,143
Outside Bangladesh		11,946,175	25,393,700
Money at call and short notice	5	29,300,000	133,300,000
Investments	6	4,731,377,194	4,223,187,090
Government		3,060,780,741	2,938,788,255
Others		1,670,596,453	1,284,398,835
Loans and Advances	7	19,284,440,469	16,634,096,074
Loans, Cash Credit, Overdrafts etc.		19,227,364,417	16,617,169,656
Bills purchased and discounted		57,076,052	16,926,418
Fixed assets including premises, furniture and fixtures	8	142,985,722	143,098,557
Other assets	9	1,424,917,137	1,208,444,913
Non-banking assets	10	-	-
Total Assets		36,394,838,798	31,167,333,866
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	180,961,542	7,318,208
Deposits and other accounts	12	30,009,139,141	25,223,477,302
Current Account and Other Accounts etc.		1,896,519,042	3,344,723,585
Savings Bank Deposits		3,133,155,646	2,845,192,074
Short Term Deposits		6,080,152,031	5,966,568,902
Fixed Deposits		11,364,383,131	9,693,347,551
Deposit under Different Schemes	12.1	2,861,749,046	2,859,699,490
Bills Payable	12.3	353,282,009	282,108,981
Bank Deposit		3,100,000,000	1,200,000,000
Other Deposits	12.4	1,219,898,318	1,051,836,260
Other Liabilities	13	2,709,556,613	2,470,403,094
Total Liabilities		32,899,657,296	27,701,198,604
Capital / Shareholders' Equity			
Paid-up Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		36,500,000	36,500,000
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15	275,060,371	245,714,600
Other Reserve	16	8,920,366	8,920,366
Revaluation Reserve for HTM Securities	17	156,205,739	156,568,071
Exchange Equalization Account			
Profit and Loss Account-Related Earnings	18	112,429,576	112,429,775
Total Shareholders' Equity		3,495,181,502	3,466,135,262
Total Liabilities & Shareholders' Equity		36,394,838,798	31,167,333,866



Bangladesh Commerce Bank Limited

Financial Statements

For the year ended 31 December 2017

Statement of changes in Equity For the year ended 31 December 2017

Particulars	Paid up Capital	Share Premium	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
Balance as on 01 January 2017	1,988,742,800	-	245,714,600	156,568,070	8,920,366	112,429,776	2,512,375,612
Share Capital (BCL) Ltd.	36,500,000	-	-	-	-	-	36,500,000
Right Share Application Money	917,259,650	-	-	-	-	-	917,259,650
Prior Year's Adjustment	-	-	-	-	-	-	-
Increase in Statutory Reserve	-	-	29,345,771	-	-	-	29,345,771
Revaluation Reserve for HTM Securities	-	-	-	(362,332)	-	-	(362,332)
Net Profit/(Loss) for the year	-	-	-	-	-	62,801	62,801
Balance as on 31 December 2017	2,942,502,450	-	275,060,371	156,205,739	8,920,366	112,492,576	3,495,181,502
Balance as on 01 January 2016	1,988,742,800	-	220,762,941	115,574,519	8,920,366	112,282,646	2,446,283,272
Share Capital (BCL) Ltd.	36,500,000	-	-	-	-	-	36,500,000
Right Share Application Money	917,259,650	-	-	-	-	-	917,259,650
Prior Year's Adjustment	-	-	-	-	-	-	-
Increase in Statutory Reserve	-	-	24,951,659	-	-	-	24,951,659
Revaluation Reserve for HTM Securities	-	-	-	40,993,551	-	-	40,993,551
Net Profit/(Loss) for the year	-	-	-	-	-	141,131	141,131
Balance as on 31 December 2016	2,942,502,450	-	245,714,599	156,568,070	8,920,366	112,429,777	3,466,135,262

Managing Director
Director
Director
Chairman
MAB & J Partners
Chartered Accountants

Liquidity Statement (Asset and Liability Maturity Analysis) As at 31 December 2017

Particulars	Up to 01 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 Years	Total
Assets:						
Cash in hand & with Bangladesh Bank	2,492,389,926	-	-	-	-	2,492,389,926
Balance with other banks & financial institutions	1,780,037,255.89	2,661,566,196.90	3,847,824,895.61	-	-	8,289,828,350
Money at call and short notice	278,300,000	-	-	-	-	278,300,000
Investment	1,219,596,938	234,900,308	1,127,501,426	1,669,355,502	480,323,023	4,731,677,197
Loans and Advances	7,151,277,024	4,019,980,590	4,563,486,098	3,669,688,857	19,284,440,469	28,688,883,038
Fixed assets including premises, furniture and fixtures	47,480,578	35,877,143	86,564,391	27,880,592	1,207,106,323	1,424,917,137
Other Assets	-	-	-	-	-	-
Non-current assets	-	-	-	-	-	-
Total Assets	12,119,782,622	6,972,331,239	9,565,377,010	5,306,932,951	1,830,414,978	36,394,838,799
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	180,961,542	-	-	-	-	180,961,542
Deposits	4,865,433,469	12,347,914,876	8,351,118,594	4,444,672,201	-	30,009,139,141
Other Liabilities	39,756,616	1,560,293,923	948,992,387	253,480,881	-	2,799,523,617
Total Liabilities	5,077,331,427	13,914,258,809	9,300,116,978	4,708,156,082	-	32,899,657,295
Net Liquidity	7,042,451,195	(6,941,927,570)	365,260,032	598,776,869	1,830,414,978	3,495,181,503

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

Managing Director
Director
Director
Chairman

The following assumptions have been applied in preparing the maturity analysis:

- Balance with other banks and financial institutions, Money at call and short notice are on the basis of their maturity.
- Investments are on the basis of their maturity.
- Loans and advances are on the basis of their maturity.
- Fixed assets including premises and buildings, furniture & fixtures are on the basis of their useful life.
- Other assets are on the basis of their adjustment.
- Fixed assets including premises, furniture and fixtures are on the basis of their payment.
- Deposits and other accounts are on the basis of their maturity and payment.
- Provision and other liabilities are on the basis of their adjustment.

Notes to the Financial Statements For the year ended 31 December 2017

1.0 Legal Status and Nature of the Company

The Bangladesh Commerce Bank Limited was incorporated in Bangladesh as a Public Limited Company as on the 01 June 1998 under Companies Act 1994 and commenced commercial operation on the 16 September 1999. It has 56 branches all over Bangladesh.

The principal place of business is at the Registered Office at Eunoo Trade Center, Level -22, 52-53 Dilkusha C/A, Dhaka, Bangladesh. The principal activities carried out by the bank include all kinds of commercial banking activities/services to its customers through its branches.

1.1 Subsidiary of the Bank

Commerce Bank Securities & Investments Limited (CBSIL) is fully owned subsidiary company of Bangladesh Commerce Bank Limited incorporated as a private limited company on 20 September 2010 with the registrar of Joint Stock Companies & Firms, Dhaka vide certificate of incorporation No. C-87050/10. CBSIL started its operation from 01 June 2011. The main objective of the company for which was established are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting etc.

1.2 Basis of preparation of financial statements & significant accounting policies

1.2.1 Statements of compliance

The consolidated financial statements of the group (comprising the Bank and its subsidiary) financial statements of Bangladesh Commerce Bank Limited as at and for the year ended 31 December 2016 have been prepared under the historical cost convention, except for Government Securities which are stated at fair value and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the First Schedule (Section 38) of the Bank Company (Amendment) Act- 2013, as amended by the BRPD Circular 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994 and other rules and regulations are applicable in Bangladesh. In case any requirement of the Bank Company (Amendment) Act- 2013, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Company (Amendment) Act- 2013, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

i) Investment in shares and securities

BFRS: As per requirements of BAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular No. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision has been made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

ii) Revaluation gains/losses on Government securities

BFRS: As per requirement of BAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognized through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: According to DOS circular 05 dated 26 May 2008 and subsequently clarification in DOS Circular 05 dated 28 January 2009, HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) Provision on loans and advances/investments

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular No.14 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012 and BRPD circular No. 05 dated 29 May 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular No. 10 dated 18 September 2007 and BRPD circular No. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) Recognition of interest in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular No. 14 dated 23 September 2012, once a loan is classified, interest on loans is not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

v) Other comprehensive income

BFRS: As per BAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

vii) Financial guarantees

BFRS: As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003 financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

viii) Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

ix) Non-banking asset

BFRS: No indication of Non-banking asset is found in any BFRS.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003 there must exist a face item named Non-banking asset.

x) Cash flow statement

BFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14, cash flow is the mixture of direct and indirect methods.

xi) Balance with Bangladesh Bank: (Cash Reserve Requirement)

BFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xii) Presentation of intangible asset

BFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD Circular No. 14.

xiii) Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD circular No. 14 dated 25 June 2003 off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xiv) Loans and advances/Investments net of provision

BFRS: Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per BRPD circular No. 14 dated 25 June 2003 provision on loans and advances/investments are presented separately as liability and can not be netted off against loans and advances.

2.2 Consolidation Procedure

The consolidated financial statements include the financial statements of Bangladesh Commerce Bank Limited and its subsidiary Commerce Bank Securities & Investments Limited made up to the end of the financial year.

The consolidated financial statements have been prepared in accordance with Bangladesh Financial Reporting Standard 10. The consolidated financial statements are prepared to a common financial year ended 31 December 2016.

2.3 Subsidiary

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

2.4 Use of estimates and judgments

The preparation of 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 recognized in the period in which the estimates is revised and in any future periods affected.

2.5 Revenue Recognition

The revenue during the period under audit is recognized satisfying the conditions as specified in Bangladesh Accounting Standards (BAS) 18 "Revenue Recognition". Details are as under:

Interest/ income

(i) Interest is calculated on daily product on unclassified loans and advances and accounted for quarterly on accrual basis.

(ii) Interest is charged on classified loans and advances as per Bangladesh Bank BRPD circular No. 16 of 1989 and such interest was not taken into income account upon realization.

(iii) Dividend income is recognized at the time when it is realized.

(iv) Commission and discounts on bills purchased and discounted are recognized at the time of realization.

Fees, commission and discounts income

Fees, commission and discounts on bills purchased and discounted are recognized at the time of realization.

Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

Interest paid and other expenses

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

2.6 Earnings Per Share (EPS)

The Company calculates Earnings Per Share (EPS) in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of Profit and Loss Account. This has been calculated by dividing the basis earnings by the number of ordinary shares outstanding during the year.

2.7 Foreign Currency Transactions

Transaction in Foreign Currencies are translated into Bangladesh Taka and recorded at the ruling Exchange rates applicable on the dates of transactions in accordance with Bangladesh Accounting Standards (BFRS/BAS) – 21 "The Effects of Changes in Foreign Exchange Rates". As such -

(i) Assets and liabilities denominated in foreign currency are translated into Bangladesh Taka at the balance sheet date at the mid rates.

(ii) Transactions in foreign currencies are converted into Bangladesh Taka currency at the rate of exchange prevailing on the dates of such transactions and any gains or losses thereon are adjusted to revenue through foreign exchange trading account.

2.8 Reporting Period

These financial statements of the Bank and its subsidiary cover one calendar year from 1 January 2017 to 31 December 2017.

2.9 Statement of Cash Flows

Cash Flow Statement is prepared principally in accordance with BAS 7 "Statement of Cash Flows" under direct method as per the guidelines of BRPD circular No-14 dated 25 June 2003. The statement of Cash Flows shows the structure & changes in cash & cash equivalents during the year. Cash Flows during the period have been classified as operating activities, investing activities & financing activities.

2.10 Statement of Changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with Bangladesh Accounting Standard (BAS) "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.11 Statement of Liquidity

The Liquidity Statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on 31 December 2017.

2.12 Taxation

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

2.12.1 Current Tax

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

2.12.2 Deferred taxation

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

2.13 Assets and basis of their valuation

2.13.1 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.

2.13.2 Loans & Advances and Provision

Interest is calculated on daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans is kept in interest suspense account as per Bangladesh Bank guidelines and such interest is not accounted for as income until realized from borrowers. Interests are not charged on bad / loss loans as per instructions of Bangladesh Bank. Advances are stated at gross value.

Provision for loans and advances is made on the basis of year-end review by the management and on the basis of instructions contained in Bangladesh Bank BCD Circular No- 34 of 1989, BCD Circular No. 20 dated 27 December 1994, BRPD Circular No-12 dated 04 September 1995, BRPD Circular No- 16 dated 06 December 1998, BRPD Circular No-9 dated 14 May 2001, BRPD Circular No-8 of 2005, BRPD Circular No-14 dated 23 September 2012, BRPD Circular No-19 dated 27 December 2012 and BRPD Circular No-05 dated 29 May 2013 at the following rates:

Particulars	Rate
General Provision on:	
Unclassified (Including SMA) general loans and advances	1%
Unclassified (Including SMA) Small and Medium Enterprise Financing (SMEF)	0.25%
Unclassified (Including SMA) Loans to BFs/MBs/SDs against Share	2%
Unclassified (Including SMA) Loans for Housing Finance, Professionals and Small Enterprise	5%
Unclassified Consumer finance other than Loans for Housing Finance, Professionals and Small Enterprise	5%
Short term agriculture credit and micro credit	2.5%
Off-Balance Sheet Exposure	1%
Specific Provision on:	
Substandard loans and advances other than Short term agriculture credit and micro credit	20%
Doubtful loans and advances other than Short term agriculture credit and micro credit	50%
Bad / loss loans and advances	100%
Doubtful Short term agriculture credit and micro credit	5%

2.13.3 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 07 August, 2007 and 18 September, 2007 respectively issued by Bangladesh Bank.

2.13.4 Investment

Values of investments have been shown as under:
Treasury Bills : Face Value (Including unearned Income thereon)
Prize Bond : Cost Price
Shares and Debenture : Cost Price

2.14 Fixed Assets and Depreciation

- Assets are stated at cost less accumulated depreciation.
- Depreciation has been charged at the following rates on reducing balance method on all fixed asset other than motor vehicle, machinery and computer, which are depreciated on straight-line basis:

Name of Assets	Rate of depreciation
Furniture & Fixture	10%
Interior Decoration	20%
Machinery	20%
Motor Vehicles	20%
Computer	30%

2.14.1 Intangible assets

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

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

The software used by BCBIL represents the value of computer application software licensed for the use of the bank. Software is carried at cost less accumulated amortisation and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customising the software for its intended use. Software is amortised using the straight line method over the estimated useful life of 3 (Three) years commencing from the month at which the application software is made available for use.

2.15 Reconciliation of Books of Accounts

Books of account with regard to inter bank (in Bangladesh and outside Bangladesh) are reconciled and no material difference was found which might affect the financial statement significantly.

2.16 Retirement benefits of the employees

- Employee benefit for gratuity is expensed on payment of the benefit.
- The Bank operates a Bangladesh Commerce Bank Ltd. Gratuity Fund, provision for which is made annually covering all its eligible employees. It is operated by a separate Board of Trustees of the Bank.

2.17 Auditors work-hour



Bangladesh Commerce Bank Limited

Financial Statements

For the year ended 31 December 2017

Notes to the Financial Statements

For the year ended 31 December 2017

vi. Risk Management of Information and Communication Technology (ICT)

The ICT Risk Management is a full blown process for the bank to ensure maintenance or recovery including uninterrupted services to customers in all adverse events such as natural disasters, technological failures, human error etc. In order to organize Network resources, the bank pursues a central policy for administrator to secure intranet and internet network access. A security policy is in place with a formal statement of the rules that people who are given access must abide by and adhere to what is laid in the policy. A disaster recovery plan covers data, hardware and software critical for business to restart in the event of a natural or human caused disaster. The steps have been implemented.

vii. Fraud & Forgeries

The term 'Fraud' commonly includes activities such as theft, corruption, conspiracy, embezzlement, money laundering, bribery & extortion. Fraud risk is one of the components of Operational risk. Operational risk focuses on the risks associated with errors or events in transaction processing or other operation. We are absolutely committed to maintain an honest, open & well intentioned atmosphere within the organization. It is, therefore, also committed to fraud prevention and fraud detection. Fraud & Forgery has emerged as one of the major threats in banking sector with regular development of avenues by the fraudsters.

In the year 2017, Internal Control & Compliance Division (ICCD), BCB, has started to further develop the Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in the Bank. Internal Control & Compliance Division (ICCD) of Bangladesh Commerce Bank Limited has arranged to conduct Spot Inspection on Anti Fraud Internal Control (AFIC) systems to protect the bank from anticipated fraud & forgery in addition to regular comprehensive Audit & Inspection in the branches.

In connection with dealing the situation and ensuring safety checking measures against fraud & forgery related issues, ICCD division has developed a questionnaire/ Checklist to perform spot AFIC, which shall continue upon regular review, up-gradation & improvisation.

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 (FAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Bangladesh Commerce 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
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Date	10	Applied
Construction Contracts	11	Applied
Income Taxes	12	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	N/A
Accounting for Investments	25	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Disclosures in the Financial Statements of Banks and similar	30	Applied
Interest in Joint Ventures	31	N/A
Financial Instrument: Presentation	32	*
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	*
Investment Property	40	N/A
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	Applied
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	*
Operating Segments	8	Applied
Consolidated Financial statements	10	Applied
Joint Arrangements	11	Applied
Disclosures of interests in other Entities	12	Applied
Fair Value Measurement	13	Applied

* Relevant disclosures are made according to the requirement of Bangladesh Bank.

2.21 General

- Wherever considered necessary figures of previous year have been rearranged for comparison purpose.
- Figures appearing in these Financial Statements have been rounded off to the nearest Taka.

	31.12.2017 Taka	31.12.2016 Taka
3 Cash		
Cash in hand	334,678,015	287,924,785
Balance with Bangladesh Bank and its agent bank(s)	2,157,711,911	1,843,366,604
	2,492,389,926	2,131,291,389
3(a) Consolidated Cash		
Bangladesh Commerce Bank Limited	2,492,389,926	2,131,291,389
CSBL	197,747	190,166
	2,492,587,673	2,131,481,554

	31.12.2017 Taka	31.12.2016 Taka
3.1 Cash in Hand		
In local currency	334,678,015	287,924,785
In foreign currencies	-	-
	334,678,015	287,924,785

	31.12.2017 Taka	31.12.2016 Taka
3.1(a) Consolidated Cash in Hand		
Bangladesh Commerce Bank Limited	334,678,015	287,924,785
CSBL	-	-
	334,678,015	287,924,785

	31.12.2017 Taka	31.12.2016 Taka
3.2 Balance with Bangladesh Bank and its agent bank(s)		
Balance with Bangladesh Bank		
In local currency	1,823,052,456	1,689,616,370
In foreign currencies	2,107,431,173	1,815,258,634
	3,930,483,629	3,504,875,004
Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)		
	2,157,711,911	1,843,366,604

	31.12.2017 Taka	31.12.2016 Taka
3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)		
Bangladesh Commerce Bank Limited	2,157,711,911	1,843,366,604
CSBL	-	-
	2,157,711,911	1,843,366,604

	31.12.2017 Taka	31.12.2016 Taka
3.3 Statutory Deposit		
As per MPO circular No-01 dated 23 June 2014 of Bangladesh Bank (effective from 24 June 2014), all scheduled banks have to maintain a CRR of minimum 6% on daily basis and 6.50 % on bi-weekly basis on weekly average demand and time liabilities of the base month which is two months back of reporting month (i.e. CRR of December 2016 was based on weekly average balance of October 2016). BCB has been maintaining it bi-weekly basis.		

	31.12.2017 Taka	31.12.2016 Taka
3.4 Cash Reserve Ratio (CRR) : 6.5% of Average Demand & Time Liabilities		
Required Reserve	1,697,526,983	1,483,108,891
Actual Reserve held with Bangladesh Bank	1,823,052,456	1,689,616,370
TT in Transit	1,823,052,456	1,689,616,370
	3,646,104,912	3,379,232,740
Surplus/(Deficit)	125,525,473	206,507,479
Maintained Ratio	6.98%	7.41%

	31.12.2017 Taka	31.12.2016 Taka
3.5 Statutory Liquidity Ratio (SLR) : 13% of Average Demand & Time Liabilities		
Required Reserve	3,395,053,966	2,966,217,782
Actual Reserve held	3,571,263,947	3,461,327,468
Surplus/(Deficit)	176,209,981	495,109,686
Maintained Ratio	13.67%	15.17%
Average Deposit (Demand & Time Liabilities)	26,115,799,738	22,817,059,863

	31.12.2017 Taka	31.12.2016 Taka
4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
In Bangladesh	8,277,482,175	6,670,522,143
Outside Bangladesh (NOSTRO A/C)	11,946,175	25,393,700
	8,289,428,350	6,695,915,843

	31.12.2017 Taka	31.12.2016 Taka
4(a) CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
Bangladesh Commerce Bank Limited	8,289,428,350	6,695,915,843
CSBL	283,874,099	281,817,544
	8,573,302,449	6,977,733,388

	31.12.2017 Taka	31.12.2016 Taka
4.1 In Bangladesh		
Current Deposits:	97,415,948	109,531,211
Agrani Bank Ltd.	59,662,212	49,077,920
Janata Bank Ltd.	2,109,360	5,818,407
Bangladesh Krishi Bank	671,800	1,000
Trust Bank Ltd.	2,314,731	-
Sonali Bank Ltd.	16,949,733	11,647,366
Dutch Bangla Bank Limited	374,199	325,349
Puabank Bank Ltd.	3,283,328	20,681
Islamic Bank Bangladesh Ltd.	-	-
Al-Arafah Islamic Bank Ltd.	3,396,326	7,751,419
Commerce Bank Securities & Investment Ltd.	5,229,912	30,573,339
BASIC Bank Ltd.	5,230,000	-
Rupali Bank Limited	308,079	2,001,000
	12,835,671	14,290,932
STD Accounts:	12,835,671	14,290,932
Uttara Bank Limited	130,045	126,480
Bangladesh Finance & Investment Ltd.	99,493	-
Rupali Bank Limited	6,000	-
Social Islamic Bank Limited	3,716,230	675,531
Agrani Bank Ltd.	0	2,501,000
	8,167,230,556	6,546,700,000
FOR Accounts:	8,167,230,556	6,546,700,000
The City Bank Ltd.	176,700,000	-
BFC	350,000,000	150,000,000
Hajj Finance Company Ltd.	1,400,000,000	950,000,000
People's Leasing and Financial Services Ltd.	1,350,000,000	1,000,000,000
Far Finance & Investment Ltd.	300,000,000	300,000,000
Union Capital Ltd.	400,000,000	300,000,000
International Leasing & Financial Services Ltd.	1,350,000,000	1,000,000,000
First Lease Finance & Investment Ltd.	1,000,000,000	1,000,000,000
Far East Finance & Investment	1,000,000,000	1,000,000,000
Premier Leasing & Finance Ltd.	150,000,000	600,000,000
GP Finance Company Ltd.	400,000,000	200,000,000
Bangladesh Finance & Investment Limited	350,000,000	300,000,000
JPFC Finance Limited	400,000,000	-
LankaBangla Finance Limited	300,000,000	-
National Finance Limited	300,000,000	-
	8,277,482,175	6,670,522,143

31.12.2017							Taka
4.1.1 Balance With other Bank & Financial Institutions (Current Deposits and STD Accounts)							
Name of Banks & Financial Institutions	On Demand	Up to 1 month	1 to 3 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Agrani Bank Ltd.	59,662,212	-	-	-	-	-	59,662,212
Janata Bank Ltd.	10,993,263	-	-	-	-	-	10,993,263
Bangladesh Krishi Bank	1,000	-	-	-	-	-	1,000
Trust Bank Ltd.	671,800	-	-	-	-	-	671,800
Sonali Bank Ltd.	16,949,733	-	-	-	-	-	16,949,733
Dutch Bangla Bank Ltd.	374,199	-	-	-	-	-	374,199
Puabank Bank Ltd.	3,283,328	-	-	-	-	-	3,283,328
Al-Arafah Islami Bank Ltd.	3,396,326	-	-	-	-	-	3,396,326
CSBL	5,229,912	-	-	-	-	-	5,229,912
Uttara Bank Ltd.	130,045	-	-	-	-	-	130,045
Rupali Bank Ltd.	314,079	-	-	-	-	-	314,079
Social Islami Bank Ltd.	3,716,230	-	-	-	-	-	3,716,230
BASIC Bank Ltd.	5,230,000	-	-	-	-	-	5,230,000
Islami Bank Bangladesh Ltd.	29,493	-	-	-	-	-	29,493
Grand Total	110,251,619	-	-	-	-	-	110,251,619

	31.12.2017 Taka	31.12.2016 Taka
4.2 Outside Bangladesh		
Non Interest-bearing Accounts	-	-
Interest-bearing Accounts	11,946,175	25,393,700
	11,946,175	25,393,700
Non Interest-bearing Accounts		
Habib Metropolitan Bank, Pakistan	2,359	18,386
Sonali Bank Ltd, Kolkata	1,505,816	1,864,749
Mashreq Bank PSC, NY	5,947,589	10,825,563
NB Bank Karachi	11,962	11,383
Standard Chartered Bank, Kolkata, India	-	4,213,448
Standard Chartered Bank, Mumbai, India	4,277,477	-
Sonali Bank Ltd, London (USD)	-	2,250,660
Sonali Bank Ltd, London (GBP)	-	3,353,268
Sonali Bank Ltd, London (Euro)	-	709,557
United Bank of India, Kolkata	50,973	2,146,692
	11,946,175	25,393,700
Total	11,946,175	25,393,700

4.2.1 Non Interest bearing A/C (Outside Bangladesh NOSTRO A/C)

	31.12.2017 Taka	31.12.2016 Taka
Particulars	Amount in US\$	Amount in US\$
Habib Metropolitan Bank, Pakistan	28.52	235.60
Sonali Bank Ltd, Kolkata	18,208.12	1,505,815.66
Mashreq Bank PSC, NY	21,917.64	5,947,588.83
NB Bank Karachi	14.65	11,261.12
Standard Chartered Bank, Mumbai, India	53,536.69	4,427,476.82
Sonali Bank Ltd, London	-	26,357.17
Sonali Bank Ltd, London (USD)	-	2,250,660.00
Sonali Bank UK, London	-	8,569.38
United Bank of India, Kolkata	616.36	50,972.97
	144,451.94	11,946,174.61
		314,537.94

Balance with other Bank and financial institutions includes Taka 42,13,448 equivalent to USD 53,536.69 which was freed by Standard Chartered Bank (former the American Express Bank) based on the order of the Calcutta High court against which provision is yet to be made.

4.3 Maturity grouping of foreign currency balances

	31.12.2017 Taka	31.12.2016 Taka
On demands	11,946,175	25,393,700
Up to 1 month	-	-
1-3 month	-	-
3-6 month	-	-
6-9 month	-	-
9 months to 1 year	-	-
1 year and above	-	-

	31.12.2017 Taka	31.12.2016 Taka
5 MONEY AT CALL AND SHORT NOTICE		
In Bangladesh	29,300,000	131,300,000
Outside Bangladesh	-	-
	29,300,000	131,300,000

	31.12.2017 Taka	31.12.2016 Taka
5.1 In Bangladesh		
ICB Islamic Bank Ltd.	29,300,000	131,300,000
	29,300,000	131,300,000

	31.12.2017 Taka	31.12.2016 Taka
Non-bank Financial Institution		
LankaBangla Finance	-	100,000,000
	-	100,000,000

	31.12.2017 Taka	31.12.2016 Taka
5.2 Outside Bangladesh		
Money at Call and Short Notice includes Taka 31,300,000, which was freed by ICB Islamic Bank (former Al-Baraka Bank) since 23-01-2007. The Bangladesh Bank vide circular # BRPD(R)/1651/9(10)/2007-446 dated 02 August, 2007 has given directives for repayment of such balances which is yet to be implemented by the Bank.		

	31.12.2017 Taka	31.12.2016 Taka
5(a) CONSOLIDATED MONEY AT CALL AND SHORT NOTICE		
Bangladesh Commerce Bank Limited	29,300,000	131,300,000
CSBL	-	-
	29,300,000	131,300,000

	31.12.2017 Taka	31.12.2016 Taka
6 INVESTMENTS		
Government Securities		
Treasury Bond/ Bill	4,731,377,195	4,223,187,089

	31.12.2017 Taka	31.12.2016 Taka
6.1 Government Securities (HFT)		
91-day Treasury Bill	1,198,940,189	399,644,033
182-day Treasury Bill	148,890,941	99,598,700
364-day Treasury Bill	-	-
5-year Treasury Bond	245,346,250	679,191,000
10-year Treasury Bond	248,509,350	204,767,843
15-year Treasury Bond	297,215,090	676,024,079
20-year Treasury Bond	693,833,225	549,297,780
Prize Bond	89,275,720	90,953,833
	3,060,167,241	2,938,103,755

	31.12.2017 Taka	31.12.2016 Taka
6.2 Government Securities (HTM)		
91-day Treasury Bill	1,198,940,189	399,644,033
182-day Treasury Bill	148,890,941	99,598,700
364-day Treasury Bill	-	-
5-year Treasury Bond	245,346,250	679,191,000
10-year Treasury Bond	248,509,350	204,767,843
15-year Treasury Bond	297,215,090	676,024,079
20-year Treasury Bond	693,833,225	549,297,780
	3,060,167,241	2,938,103,755

91-day Treasury Bill		99,598,700
182-day Treasury Bill		
264-day Treasury Bill	245,246,350	622,916,700



Bangladesh Commerce Bank Limited

Financial Statements

For the year ended 31 December 2017

Notes to the Financial Statements

For the year ended 31 December 2017

9.4 Accrued Interest & Commission Receivable					
Interest Receivable		206,303,269	141,260,775		
Dividend Receivables from Preference Share		11,132,000	-		
		217,435,269	141,260,775		
9.5 Security Deposits					
Security Deposits		1,437,195	1,286,120		
9.6 Suspense Accounts					
Sundry Debtors		25,711,114	8,923,926		
Advance against TA/DA		22,595,534	16,500		
Advance against Sanchay Patra		14,513,216	2,689,212		
Advance against Printing Stationary		12,263	6,870		
Advance Against Fixed Assets		19,838,937	-		
Advance against Ddr Bari Ddr Khamar (EBEK)		-	830,826		
		60,135,064	12,467,335		
9.7 Sundry Assets					
Cash Remittance		7,000,400	-		
Foreign Remittance Settlement A/C		6,335,661	10,070,928		
ATM cash settlement		1,696,500	3,435,000		
Protected Bill		33,174,385	33,174,385		
Excise Duty Adjustment (FDR)		6,630,870	1,328,970		
Sub-total (a)		54,837,816	48,009,283		
Blocked Assets:					
Sundry Deposits with National Bank Ltd.		3,500,000	3,500,000		
Advance against Building		52,200,000	52,200,000		
Sub-total (b)		55,700,000	55,700,000		
Grand-total (a+b)		110,537,816	103,709,283		
9.8 Blocked Assets shown above relates to BCI period, against which court case is pending.					
9.9 Deferred Tax Assets					
Opening Balance		-	-		
Add : Addition during the year		-	-		
Less: Adjustment during the year		-	-		
Closing Balance		-	-		
9.10 BCBL General Account					
BCBL General Account Cr.		21,181,041,576	(19,184,517,172)		
BCBL General Account Dr.		(21,181,041,576)	19,184,517,172		
		114,549,542	100,578,304		
9(a) Consolidated Other Assets					
Bangladesh Commerce Bank Limited	(Note: 9.7)	1,424,917,137	1,208,444,912		
CSBL		520,642,674	591,875,874		
		1,995,559,811	1,800,320,786		
10 Non Banking Assets					
11 Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents					
From Inside Bangladesh - Call Borrowings from Banks		140,000,000	-		
From Inside Bangladesh - Re-finance Scheme under SME		40,961,542	7,318,208		
From Outside Bangladesh		180,961,542	7,318,208		
11(a) Consolidated Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents					
Bangladesh Commerce Bank Limited		180,961,542	7,318,208		
CSBL		-	-		
		180,961,542	7,318,208		
11.2 Maturity-wise borrowings					
Repayable on demand		150,961,542	7,318,208		
Not more than 3 months		30,000,000	-		
Over 3 Months but less than 1 year		-	-		
Over 1 year but not less than 5 years		-	-		
Over 5 years		-	-		
		180,961,542	7,318,208		
11.3 Security wise borrowings					
Secured (by Bangladesh Bank deposits)		180,961,542	7,318,208		
Unsecured		-	-		
		180,961,542	7,318,208		
12 Deposits and other Accounts					
Deposits (General)					
Current Deposits		26,909,139,141	24,023,477,301		
Savings Bank Deposits		1,896,510,042	1,344,723,585		
More than 6 months but less than 1 year		3,133,155,564	2,845,192,074		
Short Term Deposits		6,080,152,031	5,966,568,902		
Fixed Deposits		11,364,383,131	9,673,347,551		
Deposits under different schemes	(Note: 12.1)	2,861,749,046	2,859,699,949		
Bills Payable	(Note: 12.3)	353,282,009	282,108,981		
Other Deposits	(Note: 12.4)	1,219,898,318	1,051,836,260		
Deposits from Banks		3,100,000,000	1,200,000,000		
		30,009,139,141	25,233,477,301		
12(a) Consolidated Deposits and other Accounts					
Bangladesh Commerce Bank Limited		30,009,139,141	25,233,477,301		
CSBL		-	-		
		30,009,139,141	25,233,477,301		
12.1 Deposits under different schemes					
Monthly Pension Scheme		61,285,000	97,771,763		
Life Pension Deposit Scheme		9,012,270	8,576,255		
Marriage Deposit Scheme		53,200,018	51,956,629		
Microfinance Deposit Scheme		189,894,338	214,671,946		
Monthly Savings Schemes		1,705,387,728	1,461,161,634		
Education Deposit Scheme		18,446,689	16,965,292		
Lifespan Deposit Scheme		20,716,794	27,786,794		
Triple Deposit Scheme		22,099,521	23,886,571		
Kugudi Deposit Scheme		89,562,021	95,299,455		
Double Deposit Scheme		490,264,901	629,207,076		
Investor Deposit Scheme		203,880,136	232,536,480		
		2,861,749,046	2,859,699,949		
12.2 Maturity wise Classification					
Payable:					
On Demand		1,144,092,000	961,639,752		
Within 1 Month		3,897,464,651	3,275,922,401		
More than 1 month but less than 6 months	(Note: 13.3)	6,275,385,944	5,274,544,259		
More than 6 months but less than 1 year		10,630,851,067	8,935,512,256		
More than 1 year but within 5 years		2,699,215,842	2,268,762,499		
More than 5 years but within 10 years		5,362,229,537	4,507,096,134		
Over 10 years and Undecided		-	-		
		30,009,139,141	25,233,477,301		
12.3 Bills Payable					
Pay Order Payable		351,915,930	279,252,902		
D.D. Payable		1,366,079	2,856,079		
		353,282,009	282,108,981		
12.4 Other Deposits					
Margin on Letter of Credit		141,520,640	80,510,581		
Margin on Letter of Guaranty		22,391,264	15,691,198		
Margin on Letter of Shipping Guaranty		21,929,746	4,563,990		
Export Fund Development		5,976,044	4,570,623		
EBEK Grant Payable		14,093	2,259		
Risk Fund		713,507	1,075,265		
Service charge / CIB Service Charge		487,963	393,591		
Buying House Commission		1,150,455	1,150,455		
Revenue Stamp/ Stamp		10	12,660		
Export Bill		317,932	36,706,699		
Margin on FWP / Acceptance on B/L/LC / Margin on LTR		249,088	154,066		
BEFTN & BACPS/ITCL/S-cash		12,735,297	17,500,614		
Sundry Creditors		34,282,126	67,761,686		
Interest Payable on Deposits		979,280,408	837,492,659		
		1,219,898,318	1,051,836,260		
12.4(a) Consolidated Other Deposits					
Bangladesh Commerce Bank Limited	(Note: 12.04)	1,219,898,318	1,051,836,260		
CSBL		-	-		
		1,219,898,318	1,051,836,260		
13 Other Liabilities					
Provision for Loans and Advances	(Note: 13.1)	854,213,622	829,597,348		
Interest Suspense Accounts	(Note: 13.2)	805,123,051	810,630,729		
Provision for Current Income Tax	(Note: 13.3)	640,886,578	532,348,916		
Provision for Deferred Tax	(Note: 13.4)	5,720,352	5,720,352		
Provision for Gratuity	(Note: 13.5)	15,000,000	15,000,000		
Provision for Share & Debenture Unrealized Gain / Loss	(Note: 13.6)	158,622,362	174,049,121		
Provision for IT Assets	(Note: 13.7)	284,111	284,111		
Accrued Expense Payable	(Note: 13.8)	16,030,846	2,565,752		
Provision for Incentive Bonus	(Note: 13.9)	27,695,878	20,159,946		
Provision for Off Balance Sheet Exposure	(Note: 13.10)	26,192,036	26,436,043		
VAT/Tax Payable to NBR	(Note: 13.11)	114,350,484	114,350,484		
Provision for Other Assets	(Note: 13.12)	114,350,484	114,350,484		
BCBL General Accounts	(Note: 13.12)	-	-		
		2,709,556,615	2,470,403,094		
As per tripartite meeting held between Bangladesh Bank, MAIB & 3 Partners (external auditor) and Bank Management on 28th March 2018 all the parties to the meeting agreed on that bank has a provision shortfall of BDT 463.65, 50% of which has to be fulfilled within 31st December 2018 and the rest within 31st December 2019 as recommended by Bangladesh bank vide letter ref: DBE/11/11/2018-1303 dated: 26/04/2018.					
13.1 Provision for Loans and Advances					
Provision for Classified Loans and Advances	(Note: 13.1.1)	765,351,670	740,735,396		
Provision for Unclassified Loans and Advances	(Note: 13.1.2)	88,861,952	88,861,952		
		854,213,622	829,597,348		
13.1.1 Provision for Classified Loans and Advances*					
Opening Balance		740,735,396	683,055,027		
Less: Fully Provided Bad Loan Written off		-	-		
Add : Received from Previous Written off Bad Loan		24,616,273	57,680,369		
Add : Specific Provision kept for the year (Transfer from surplus provisions)		-	-		
Less: Provision not more Required due to Recovery of Bad Loan		-	-		
Less: Interest Waiver During the Year		-	-		
Add : Net Change in the Profit and Loss Account		-	-		
		765,351,670	740,735,396		
13.1.1(a) Consolidated Provision for Classified Loans and Advances					
Bangladesh Commerce Bank Limited	(Note: 13.1.1)	765,351,670	740,735,396		
CSBL		80,624,878	58,041,463		
		845,976,548	798,776,859		
13.1.2 Provision for Unclassified Loans and Advances					
Opening Balance		88,861,952	103,367,936		
Add : Transferred during the year		-	-		
Less: Adjustment during the year		-	(14,505,984)		
		88,861,952	88,861,952		
13.2 Interest Suspense A/C					
Opening Balance		810,630,729	725,450,686		
Add : Addition during the year		119,259,409	124,793,603		
Less: Interest Realized during the year		124,767,087	49,613,560		
Less: Written off during the year		-	-		
		805,123,051	810,630,729		
13.3 Provision for Current Income Tax					
Opening Balance		532,348,916	436,423,824		
Add : Current year tax		117,000,000	73,338,312		
Add : Prior years tax		(8,462,230)	22,586,780		
Less: Adjustment during the year		-	-		
		640,886,578	532,348,916		
13.3.1 Income Tax Assessment for the year 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2011-2012 and 2012-2013 are pending before appeal, Income tax return has been filed under section 82BB (3)/83(2) for the year 2014-2015, Income tax has been provided @ 42.5% on the net profit earned by the bank for the year 2014-2015. As per assessment order at DCT held there exist shortfall in the provision for income tax against Appeals are pending at different levels of income tax authorities. The details of income tax Assessment are as follows:					
Accounting Year	Assessment Year	Provision as per Accounts	Tax Payable as per Assessment Order	Cumulative Shortfall	Status
31-12-2004	2005-2006	-	(26,010,067.00)	(26,010,067.00)	Appeal is pending at the tribunal and honorable high court.
31-12-2005	2006-2007	-	(33,482,050.00)	(59,492,117.00)	
31-12-2006	2007-2008	-	51,371,498.00	(110,833,619.00)	Settled
31-12-2007	2008-2009	-	-	(110,833,619.00)	Settled
31-12-2008	2009-2010	-	20,682,000.00	(131,495,619.00)	Appeal has been filed under section 173(a) of the Income Tax Ordinance, 1988.
31-12-2009	2010-2011	110,635,242	110,635,242	(131,495,619.00)	Settled
31-12-2010	2011-2012	100,000,000	32,401,168.00	(63,896,780.00)	Appeal is pending at the commissioner of taxes.
31-12-2011	2012-2013	155,000,000	10,951,399.00	(29,418,129.00)	
31-12-2012	2013-2014	65,000,000	121,175,046.00	(85,593,225.00)	
31-12-2013	2014-2015	67,953,707	-	-	Under Assessment in ITO.
31-12-2014	2015-2016	89,552,613	-	-	
31-12-2015	2016-2017	3,515,417	-	-	
31-12-2016	2017-2018	95,925,092	-	-	
31-12-2017	2018-2019	117,000,000	-	-	Due date to submit return 30 June 2018.
13.4 Provision for Deferred Tax Liability					
Opening Balance		5,720,352	-	1,845,444	
Add : Addition during the year		-	-	3,874,908	
Less: Adjustment during the year		-	-	-	
		5,720,352	5,720,352		
13.5 Provision for Gratuity					
Opening Balance		15,000,000	-	-	
Add : Addition during the year		20,000,000	15,000,000	-	
Less: Transfer to Gratuity Fund		(35,000,000)	-	-	
Less: Adjustment during the year		-	-	-	
		15,000,000	15,000,000		
13.5.1 According to gratuity rules of the bank the total requirement of provision as on 31. Dec. 2017 was Taka 485.32 crore as against which the bank has build an accumulated fund of Taka 15.70 crore. The remaining shortfall of Taka 32.82 crore shall be build gradually.					
13.6 Provision for Share & Debenture (unrealized Gain / Loss)*					
Opening Balance		174,049,121	129,788,369		
Add : Addition during the year		23,766,344	44,260,751		
Less: Adjustment during the year		(39,193,102)	-		
		158,622,362	174,049,121		
13.7 Provision for IT Assets					
Opening Balance		284,111	284,111		
Add : Addition during the year		-	-		
Less: Adjustment during the year		-	-		
		284,111	284,111		
13.8 Accrued Expenses Payable					
Sancypaid		84,000,000	-		
Accrued Rent		1,943,917	1,943,917		
Others		7,630,846	201,835		
Wages Bill/Electricity bill		-	17,500		
Audit Fee/Rating fee		16,030,846	2,565,752		

Provision Incentive Bonus				
Opening Balance		28,799,550	18,843,308	
Add : Addition during the year		18,950,970	10,000,000	
Less: Adjustment during the year		(20,054,642)	43,758	
		27,695,878	28,799,550	
13.10 Provision for Off Balance Sheet Exposure				
Opening Balance		21,055,946	17,433,409	
Add : Addition during the year		5,137,340	3,622,537	
Less: Adjustment during the year		-	-	
		26,193,286	21,055,946	
13.11 Provision for Other Assets				
Opening Balance		11,700,000	11,700,000	
Add : Addition during the year		102,650,484	-	
Less: Adjustment during the year		-	-	
		114,350,484	11,700,000	
13(a) Consolidated Other Liabilities				
Bangladesh Commerce Bank Limited		2,709,556,615	2,470,403,094	
CSBL	(Note: 13)	243,046,838	225,569,622	
		2,952,603,453	2,695,972,716	
Less: Inter Company Transaction		-	-	
		2,952,603,453	2,695,972,716	
14. Capital				
14.1 Authorized Capital				
100000000 Ordinary share of Tk. 100 each		10,000,000,000	10,000,000,000	
14.2 Issued, Subscribed and Paid up Capital				
19,887,428 Ordinary share of Tk. 100 each		1,988,742,800	1,988,742,800	
Break up of Issued, Subscribed & Paid up Capital as follows				
Particulars	No. of Shares as on 31 Dec. 2017	% of Total	31.12.2017 Amount in Taka	31.12.2016 Amount in Taka
Directors	8	0.00%	800	800
KA Category - Government	6,750,000	33.94%	675,000,000	675,000,000
KA Category - Three State Owned Bank	2,249,982	11.31%	224,998,200	224,998,200
GA Category - Autonomous/Govt owned corporate bodies	1,024,613	5.15%	102,461,300	102,461,300
Depositors and other private shareholders	9,862,825	49.59%	986,282,500	986,282,500
Total	19,887,428	100.00%	1,988,742,800	1,988,742,800
14.3 Capital to Risk weighted assets ratio (CRAR)				
In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 35 dated 29 December 2010, required capital, available core capital and supplementary capital of the bank for the year ended as at 31 December 2017 is shown below:				
Tier –I (Core Capital)			3,338,975,763	5,515,567,193
Paid up capital			1,988,742,800	1,988,742,800
Right Share Application Money			917,259,650	917,259,650
Share capital of BCI			36,500,000	36,500,000
Non-Repayable share premium account			-	-
Statutory Reserve			275,060,371	2,451,714,600
General Reserve			8,920,366	8,920,366
Retained Earnings			112,492,576	112,492,576
Minority interest in subsidiaries			-	-
Non cumulative Irredeemable preference share			-	-
Deductions from Tier-I (Core Capital) :				
Book value of Goodwill			2,542,522,200	2,971,291,867
Shortfall in provisions required against classified assets			2,542,522,200	2,971,291,867
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the provisions,			-	-
Reciprocal crossholdings of bank capital/subordinated debt			-	-
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991.			-	-
Investments in subsidiaries which are not consolidated			-	-
Other if any			-	-
Total Eligible Tier-I Capital			796,453,562	2,544,275,326
Tier –II (Supplementary Capital)			127,007,193	121,869,853
General Provision on Undiscovered Losses			88,861,592	88,861,592
Revaluation Reserve for HTM Securities			11,951,955	11,951,955
Assets Revaluation Reserve			-	-
All Others Preference Share			-	-
General Provision (Off balance sheet items)			26,193,286	21,055,946
Exchange Equalization Fund			-	-
Total Eligible Capital (Tier-I + Tier-II)			923,460,755	2,666,145,179
Total Risk Weighted Assets (As per BASEL-III guideline)			30,294,323,691	26,719,732,133
Required Capital			4,000,000,000	4,000,000,000
Details are shown in Annexure - D				
Actual Capital Held:				
Core Capital			923,453,562	338,275,326
Supplementary Capital			127,007,193	121,869,853
			796,460,755	460,145,179
Capital to Risk weighted assets ratio (CRAR) (Required 10.625%)				
Core Capital to RWA			3.06%	1.27%
Supplementary Capital to RWA			0.42%	0.46%
Raising capital to the required level through public issue may require amending the act no.102 of 1997 which is now pending in Ministry of Bank and Financial Institutions. Although through letter Ref: DOS(BS-6)/1162/20/2016-1082 dated: 29 January 2016 Bangladesh Bank permits Bangladesh Commerce Bank Limited to raise capital through issuance of right share within 3 months of coming the law by Honorable Parliament.				
15 Statutory Reserve				
Opening Balance		245,714,600	220,762,941	
Add : Transferred during the year to provision for loans & advances		29,345,271	24,953,659	
Add : Transferred during the year		275,060,371	245,714,600	
		275,060,371	245,714,600	
15(a) Consolidated Statutory Reserve				
Bangladesh Commerce Bank Limited		275,060,371	245,714,600	
CSBL		275,060,371	245,714,600	
16 Other Reserve				
Opening Balance		8,920,366	8,920,366	
Add : Transferred during the year		-	-	
Less: Adjustment during the year		-	-	
		8,920,366	8,920,366	
* Amount of other Reserve has been maintained for Future Stock Dividend for the Shareholders.				
16(a) Consolidated Other Reserve				
Bangladesh Commerce Bank Limited		8,920,366	8,920,366	
CSBL		8,920,366	8,920,366	
17 Revaluation Reserve for HTM Securities				
Opening Balance		156,568,071	115,574,519	
Add : Transferred during the year		35,602,321	70,194,315	
Less: Adjustment during the year		(662,321)	(29,200,323)	
		156,505,759	156,568,071	
17(a) Consolidated Revaluation Reserve for HTM Securities				
Bangladesh Commerce Bank Limited		156,505,759	156,568,071	
CSBL		156,505,759	156,568,071	
18 Profit and Loss Accounts / Retained Earnings				
Opening Balance		112,429,756	112,282,645	
Prior year's Adjustment		63,000	147,130	
Profit/Loss for the year as per Profit and Loss Accounts		112,492,576	112,429,756	
		112,492,576	112,429,756	
(Note: 18)				
18(a) Consolidated Profit and Loss Accounts / Retained Earnings				
Bangladesh Commerce Bank Limited		112,492,576	112,429,756	
CSBL		112,492,576	112,429,756	
19 Contingent Liabilities and Other Commitments				
Acceptances and Endorsements		678,809,575	593,547,438	
Letter of Guarantees	(Note: 19.01)	472,019,531	402,945,225	
Interest Letter of Credit		1,191,985,280	763,165,830	
SBIs for Collection	(Note: 19.02)	294,362,819	295,983,694	
Other Contingent Liability		133,791,800	113,791,800	
		2,660,969,026	2,105,954,596	
19.1 Letter of Guarantees				
Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others				
		448,218,414	399,077,634	
Commitments		23,801,117	3,857,591	
Less than 1 Year		472,019,531	402,945,225	
Equal to or more than 1 year		472,019,531	402,945,225	
19.2 Other Contingent Liabilities				
Companies Liabilities for L/G		9,400,000	9,400,000	
Companies Liabilities for L/G SBIs for Collection		3,732,120	3,732,120	
Tax liability*		6,400,000	6,400,000	
		119,791,800	119,791,800	
* This includes Tax Assessment for BCI and BCBL. The tax liability of BCI period relates to assessment year 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, which are pending at the Supreme Court. This has been carried forward since long which is shown under contingent liability for BCI 71,103,301. And Income Tax Assessment of BCBL for the year 2005-06, 2006-07, 2007-08, 2009-10, 2011-2012 and 2012-2013 are pending before which amounted BDT 29,418,179.				
20 Interest Income				
Interest received from Loans and Advances		1,321,597,638	1,240,415,302	
Interest received from Banks and Other Financial Institutions		658,273,434	615,732,434	
		1,980,340,072	1,856,128,833	
20 (a) Consolidated Interest Income				
Bangladesh Commerce Bank Limited	(Note: 20)	1,580,349,672	1,856,128,833	
CSBL		20,229,652	15,185,449	
		2,000,578,724	1,871,314,282	
Less: Inter Company Transaction		-	-	
		2,000,578,724	1,871,314,282	
21 Interest Paid on Deposits				
Interest Paid on Deposits		1,247,592,497	1,240,579,052	
Interest Paid on Borrowing		4,742,977	4,969,056	
Interest Paid on Foreign Bank Accounts		-	-	
Discount Paid		-	-	
		1,252,735,475	1,245,548,148	
21(a) Consolidated Interest Paid on Deposits				
Bangladesh Commerce Bank Limited	(Note: 21a)	1,252,735,475	1,245,548,148	
CSBL		1,252,735,475	1,245,548,148	
Less: Inter Company Transaction		-	-	
		1,252,735,475	1,245,548,148	
22 Income from Investment				
Treasury Bill/Bond		226,624,197	219,247,648	
Capital Gain		55,489,211	74,933,154	
Dividend on Share		24,456,896	29,570,131	
Corporate Bond		21,468,872	30,676,976	
Revaluation of Govt. Securities		328,019,176	330,627,976	
22(a) Consolidated Income from Investment				
Bangladesh Commerce Bank Limited	(Note: 22a)	328,019,176	330,627,976	
CSBL		20,205,865	3,736,801	
		348,225,041	334,364,877	
23 Exchange, Commission and Brokerage				
Commission		85,361,678	71,476,096	
Exchange Earnings		51,366,058	34,767,793	
Brokerage		138,287,736	106,243,889	
23(a) Consolidated Exchange, Commission and Brokerage				
Bangladesh Commerce Bank Limited	(Note: 23)	138,287,736	106,243,889	
CSBL		138,287,736	106,243,889	
24 Other Operating Income				
Rent on Lender		185,412	145,776	
Other Receipts	(Note: 24.1)	58,761,804	61,726,849	
		58,947,216	61,772,625	
24.1 Other Receipts				
Accounts Maintenance Charge		41,750	47,13,862	
Appraisal Fee		1,845,833	2,561,015	
Postage		6,348,096	6,348,096	
Telex, Telephone & Telegram Recoveries		58,761,804	61,726,850	
24(a) Consolidated Other Operating Income				
Bangladesh Commerce Bank Limited	(Note: 24)	58,947,216	61,772,625	
CSBL		58,947,216	61,772,625	
25 Salary and Allowances				
Basic Salary		294,332,823	232,102,462	
Allowance including Provident Fund		294,793,712	237,312,160	
Bonus		27,456,134	19,499,787	
		57,682,669	52,107,402	
		577,884,134	541,912,925	
25(a) Consolidated Salary and Allowances				
Bangladesh Commerce Bank Limited	(Note: 25)	577,884,134	541,912,925	
CSBL		577,884,134	541,912,925	
26 Rent, Taxes, Insurance, Electricity, etc.				
Rent		79,505,210	77,773,286	
Rates and Taxes		13,947,844	8,511,785	
Insurance		17,194,248	17,361,554	
Car Insurance, Tax		3,037,981	2,643,380	
Consolidated Gas/Water Bill		19,104,703	18,279,723	
		132,779,985	125,569,729	
26(a) Consolidated Rent, Taxes, Insurance, Electricity, etc.				
Bangladesh Commerce Bank Limited	(Note: 26)	132,779,985	125,569,729	
CSBL		8,902,588	8,788,212	
		141,682,565	133,357,940	
27 Postage, Telegram, Telephone				
Telephone		4,354,115	4,111,239	
Postage, Telegram & Connectivity		21,646,802	20,240,899	
		26,000,916	24,352,128	
27(a) Consolidated Postage, Telegram, Telephone				
Bangladesh Commerce Bank Limited	(Note: 27)	26,000,916	24,352,128	
CSBL		26,000,916	24,352,128	
28 Stationery, Printing & Advertisement				
Printing Stationery		6,181,358	4,315,016	
Other Stationery		6,902,643	4,380,273	
Security Stationery		667,400	1,864,243	
Publicity and Advertisement		16,599,362	20,747,187	
		15,610,162	11,268,819	