



*SME for Sustainable Growth...*

## Half-yearly Report **2014**



**Union Capital Limited**  
Building a sustainable future

Dear Shareholders,

In compliance with Rule 13 of the Bangladesh Securities and Exchange Rules 1987, we are pleased to present the un-audited half-yearly Financial Statements of Union Capital Limited as at and for the half-year ended 30 June 2014. These Financial Statements are comprised of the Consolidated Balance Sheet, Consolidated Profit and Loss Account, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and important notes.

Thank you for your continued support and confidence on us.

*Sd/-*

Md. Akter H. Sannamat FCA, FCS  
Managing Director & CEO  
23 July 2014

# Consolidated Balance Sheet

as at 30 June 2014 (Un-audited)

Amount in Taka

	30 June 2014	31 Dec 2013
<b>PROPERTY AND ASSETS</b>		
<b>Cash</b>		
In hand (including foreign currencies)	89,000	82,910
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	149,784,727	108,450,437
	<b>149,873,727</b>	<b>108,533,347</b>
<b>Balance with other banks and financial institutions</b>		
In Bangladesh	297,820,906	276,641,150
Outside Bangladesh	-	-
	<b>297,820,906</b>	<b>276,641,150</b>
<b>Money at call and short notice</b>	<b>-</b>	<b>-</b>
<b>Investments</b>		
Government	-	-
Others	1,764,799,512	1,627,749,003
	<b>1,764,799,512</b>	<b>1,627,749,003</b>
<b>Loans, advances and leases</b>		
Loans, advances and leases	11,016,861,503	10,748,602,289
Bills purchased and discounted	-	-
	<b>11,016,861,503</b>	<b>10,748,602,289</b>
Fixed assets including land, building, furniture and fixtures	19,280,865	18,243,065
Other assets	3,845,688,754	1,125,820,151
<b>TOTAL ASSETS</b>	<b>17,094,325,267</b>	<b>13,905,589,006</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>Liabilities</b>		
Borrowings from other banks, financial institutions and agents	2,270,092,177	1,988,792,036
<b>Deposits and other accounts</b>		
Term deposits	9,086,503,525	7,374,991,783
Other deposits	1,141,734,388	461,863,431
	<b>10,228,237,913</b>	<b>7,836,855,214</b>
Other liabilities	2,545,057,238	2,069,276,350
<b>Total liabilities</b>	<b>15,043,387,328</b>	<b>11,894,923,599</b>
<b>Shareholders' equity</b>		
Paid up capital	1,209,002,591	1,099,093,260
Statutory reserve	281,817,425	281,817,425
Revaluation reserve	505,500,000	505,500,000
Retained earnings	54,617,799	124,254,553
<b>Total equity attributable to equity holders of the Company</b>	<b>2,050,937,815</b>	<b>2,010,665,237</b>
Non-controlling interest	124	170
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>17,094,325,267</b>	<b>13,905,589,006</b>
<b>OFF-BALANCE SHEET ITEMS</b>		
<b>Contingent liabilities</b>		
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Other contingent liabilities	-	-
	<b>-</b>	<b>-</b>
<b>Other commitments</b>		
Undisbursed contracted loans, advances and leases	1,447,230,000	986,200,000
<b>TOTAL OFF BALANCE SHEET ITEMS</b>	<b>1,447,230,000</b>	<b>986,200,000</b>

Sd/-

Md. Forhad Hossain ACA  
Chief Financial Officer (CC)

Sd/-

Md. Akter H. Sannamat FCA, FCS  
Managing Director & CEO

# Consolidated Profit and Loss Account

for the half-year ended 30 June 2014 (Un-audited)

Amount in Taka

	1 Jan to 30 June 2014	1 Jan to 30 June 2013	1 Apr to 30 June 2014	1 Apr to 30 June 2013
Interest income	893,672,204	655,039,716	530,172,278	340,764,826
Interest paid on deposits, borrowings etc.	(665,330,835)	(499,695,822)	(343,532,014)	(279,338,871)
<b>Net interest income</b>	<b>228,341,369</b>	<b>155,343,894</b>	<b>186,640,264</b>	<b>61,425,955</b>
Investment income	100,199,849	(38,428,029)	33,608,071	32,285,728
Fees, commissions, exchange and brokerage	112,212,490	64,554,903	52,285,589	38,278,778
Other operating income	4,355,113	6,193,052	2,034,145	2,432,140
<b>Total operating income</b>	<b>445,108,822</b>	<b>187,663,820</b>	<b>274,568,069</b>	<b>134,422,601</b>
Salaries and other employee benefits	43,436,428	22,191,505	24,184,980	11,422,911
Rent, taxes, insurance, electricity etc.	10,320,142	7,854,754	5,297,506	4,037,521
Legal expenses	218,211	103,500	466,978	128,497
Postage, stamp, telecommunication etc.	1,535,189	1,223,633	857,281	515,359
Stationery, printing, advertisements etc.	4,549,871	3,747,702	2,622,584	1,373,519
Managing Director's salary and fees	3,960,000	3,120,000	2,400,000	1,560,000
Directors' fees	951,500	510,000	558,000	300,000
Auditors' fees	-	-	-	-
Depreciation and repair of assets	4,398,022	4,848,361	2,316,858	2,348,090
Other expenses	19,200,836	14,488,763	12,867,122	9,908,443
<b>Total operating expenses</b>	<b>88,570,199</b>	<b>58,088,217</b>	<b>51,571,309</b>	<b>31,594,339</b>
<b>Profit before provision</b>	<b>356,538,624</b>	<b>129,575,603</b>	<b>222,996,760</b>	<b>102,828,262</b>
<b>Provision for loans, leases and investments</b>				
General provision for loans and leases	78,223,971	(64,435,494)	91,895,996	(72,834,630)
Specific provision for loans and leases	34,442,699	165,984,539	2,910,712	169,872,395
Provision for diminution in value of investments	117,803,900	-	94,406,083	(36,245,140)
<b>Total provision</b>	<b>230,470,571</b>	<b>101,549,045</b>	<b>189,212,792</b>	<b>60,792,625</b>
<b>Total profit before tax</b>	<b>126,068,053</b>	<b>28,026,558</b>	<b>33,783,969</b>	<b>42,035,637</b>
<b>Provision for taxation</b>				
Current tax	85,795,509	21,171,508	56,310,533	10,462,039
Deferred tax	-	-	-	-
	<b>85,795,509</b>	<b>21,171,508</b>	<b>56,310,533</b>	<b>10,462,039</b>
<b>Net profit after tax</b>	<b>40,272,544</b>	<b>6,855,050</b>	<b>(22,526,564)</b>	<b>31,573,598</b>
<b>Earnings per share (restated 2013)</b>	<b>0.33</b>	<b>0.06</b>	<b>(0.19)</b>	<b>0.26</b>

Sd/-

Md. Forhad Hossain ACA  
Chief Financial Officer (CC)

Sd/-

Md. Akter H. Sannamat FCA, FCS  
Managing Director & CEO

# Consolidated Statement of Changes in Equity

for the half-year ended 30 June 2014 (Un-audited)

Amount in Taka

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Retained earnings	Non- controlling interest	Total
Balance as at 1 January'14	1,099,093,260	281,817,425	505,500,000	124,254,558	170	2,010,665,412
Net profit for the half-year	-	-	-	40,272,573	(29)	40,272,544
Cash dividend of UniCap Investments Ltd.	-	-	-	-	(16)	(16)
Issuance of bonus share	109,909,331	-	-	(109,909,331)	-	-
Balance as at 30 June'14	1,209,002,591	281,817,425	505,500,000	54,617,800	124	2,050,937,939
Balance as at 30 June'13	1,099,093,260	254,068,611	505,500,000	17,098,416	153	1,875,760,440

Sd/-

Md. Forhad Hossain ACA  
Chief Financial Officer (CC)

Sd/-

Md. Akter H. Sannamat FCA, FCS  
Managing Director & CEO

# Consolidated Cash Flow Statement

for the half-year ended 30 June 2014 (Un-audited)

Amount in Taka

	30 June 2014	30 June 2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest receipts	855,440,180	661,072,137
Interest payments	(596,869,588)	(499,695,822)
Fee and commission receipts	112,212,490	64,554,903
Dividend receipts	8,247,620	57,560
Cash payments to employees	(59,047,477)	(25,311,505)
Cash payments to suppliers and management expenses	(19,692,269)	(3,747,702)
Income taxes paid	(50,448,888)	(34,204,609)
Receipts from other operating activities	4,355,113	6,157,560
Payments for other operating activities	(20,370,547)	(24,230,685)
<b>Cash generated before changes in operating assets and liabilities</b>	<b>233,826,635</b>	<b>144,651,837</b>
<b>Increase/decrease in operating assets and liabilities</b>		
Loans, advances and leases to customers	(3,242,827,938)	(1,087,666,433)
Other assets	17,467,559	(28,694,981)
Deposits from banks and other financial institutions	414,000,000	1,086,000,000
Deposits from customers	1,977,382,700	(9,916,677)
Other liabilities	159,514,808	(23,511,400)
<b>Cash generated from operating assets and liabilities</b>	<b>(674,462,871)</b>	<b>(63,789,491)</b>
<b>Net cash generated from/(used) in operating activities</b>	<b>(440,636,236)</b>	<b>80,862,346</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of securities	1,450,128,327	983,959,572
Payments for purchases of securities	(1,523,375,952)	(1,205,387,966)
Purchase of property, plant and equipment	(4,856,612)	(829,866)
Proceeds from sale of property, plant and equipment	-	55,000
<b>Net cash used in investing activities</b>	<b>(78,104,237)</b>	<b>(222,203,259)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts of long term loan	1,025,639,386	226,900,000
Repayment of long term loan	(611,639,386)	(249,915,560)
Non-controlling interest	(16)	(19)
Net draw down/(payment) of short term loan	167,260,626	281,958,514
<b>Net cash generated from/(used) in financing activities</b>	<b>581,260,610</b>	<b>258,942,935</b>
Net (decrease)/increase in cash and cash equivalents	62,520,136	117,602,022
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	385,174,497	289,942,345
<b>Cash and cash equivalents at end of the half-year</b>	<b>447,694,633</b>	<b>407,544,368</b>
<b>Cash and cash equivalents at end of the half-year represents</b>		
Cash in hand	89,000	20,450
Balance with Bangladesh Bank and its agent bank	149,784,727	90,218,550
Balance with other banks and financial institutions	297,820,906	317,305,368
	<b>447,694,633</b>	<b>407,544,368</b>

Sd/-

Md. Forhad Hossain ACA  
Chief Financial Officer (CC)

Sd/-

Md. Akter H. Sannamat FCA, FCS  
Managing Director & CEO

## Notes to the Financial Statements

As at and for the half-year ended 30 June 2014 (Un-audited)

Accounting polices and methods of computation followed in preparing these Financial Statements are consistent with those used in the Annual Financial Statements prepared and published for the year ended 31 December 2013.

## CORPORATE INFORMATION

### **Registered and Corporate Office**

Noor Tower, 5<sup>th</sup> Floor  
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Fax: +880 (2) 861 6878  
Email: [mailbox@unicap-bd.com](mailto:mailbox@unicap-bd.com)

### **Chittagong Branch**

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### **Sylhet Branch**

Bengal Shopping Complex, 2<sup>nd</sup> Floor  
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### **Motijheel Branch**

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### **Gulshan Branch**

Richmond Concord  
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Tel: +880 (2) 882 0366, 882 8220  
Fax: +880 (2) 882 5740

### **Corporate Website**

[www.unicap-bd.com](http://www.unicap-bd.com)