



Union Capital Limited

Building a sustainable future

CONSOLIDATED FINANCIAL STATEMENTS (Un-audited) for the first quarter ended on 31 March 2014

Consolidated Balance Sheet (Un-audited)

As at 31 March 2014

Particulars	Amount in Taka	
	31.03.2014	31.12.2013
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	89,000	82,910
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	117,829,294	108,450,437
	117,918,294	108,533,347
Balance with other banks and financial institutions		
In Bangladesh	346,740,831	276,641,150
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	346,740,831	276,641,150
Money at call and short notice	-	-
Investments		
Government	-	-
Others	1,692,336,828	1,627,749,003
Total investments	1,692,336,828	1,627,749,003
Loans, advances and leases		
Loans, advances and leases	12,090,024,723	10,748,602,289
Bills purchased and discounted	-	-
	12,090,024,723	10,748,602,289
Fixed assets including land, building, furniture and fixtures	19,830,031	18,243,065
Other assets	1,496,697,963	1,125,820,151
Non - business assets	-	-
Total assets	15,763,548,671	13,905,589,006
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	2,141,431,227	1,988,792,036
Deposits and other accounts		
Term deposits	8,320,220,685	7,374,991,783
Other deposits	669,891,151	461,863,431
Total deposits and other accounts	8,990,111,836	7,836,855,214
Other liabilities	2,558,541,088	2,069,276,350
Total liabilities	13,690,084,151	11,894,923,599
Capital/shareholders' equity		
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	77,144,335	124,254,553
Total equity attributable to equity holders of the Company	2,073,464,350	2,010,665,237
Non-controlling interest	170	170
Total liabilities and shareholders' equity	15,763,548,671	13,905,589,006
OFF-BALANCE SHEET ITEMS		
Contingent liabilities	-	-
Other commitments		
Undisbursed contracted loans, advances and leases	555,550,000	986,200,000
Total off-balance sheet items including contingent liabilities	555,550,000	986,200,000
Net assets value per share (Restated 2013)	17.15	16.63

Consolidated Profit and Loss Account (Un-audited)

For the first quarter ended 31 March 2014

Particulars	Amount in Taka	
	31.03.2014	31.03.2013
Interest income	363,499,926	314,274,890
Interest paid on deposits and borrowings etc.	(321,798,821)	(220,356,951)
Net interest income	41,701,105	93,917,939
Investment income	66,591,778	(70,713,757)
Fees, commissions, exchange and brokerage	59,926,901	26,276,125
Other operating income	2,320,968	3,760,912
	128,839,648	(40,676,720)
Total operating income	170,540,753	53,241,219
Salaries and other employee benefits	19,251,448	10,768,594
Rent, taxes, insurance, electricity etc.	5,022,637	3,817,233
Legal expenses	(248,767)	(24,997)
Postage, stamp, telecommunication etc.	677,908	708,274
Stationery, printing, advertisements etc.	1,927,287	2,374,183
Managing Director's salary and fees	1,560,000	1,560,000
Directors' fees	393,500	210,000
Depreciation and repair of assets	2,081,164	2,500,271
Other expenses	6,333,714	4,580,320
Total operating expenses	36,998,890	26,493,877
Profit before provision	133,541,863	26,747,342
Provision for loans, advances, leases and investment		
Provision for loans, advances and leases	17,859,962	4,511,280
Provision for diminution in value of investments	23,397,817	36,245,140
Total provision	41,257,779	40,756,420
Total profit before tax	92,284,084	(14,009,079)
Provision for taxation		
Current	29,484,976	10,709,469
Deferred	-	-
	29,484,976	10,709,469
Net profit after tax	62,799,108	(24,718,548)
Weighted average no. of outstanding share	120,900,259	120,900,259
Earnings per share (par value Taka 10) (Restated 2013)	0.52	(0.20)

Consolidated Cash Flow Statement (Un-audited)

For the first quarter ended 31 March 2014

Particulars	Amount in Taka	
	31.03.2014	31.03.2013
Cash flows from operating activities		
Interest receipts	348,464,999	317,227,177
Interest payments	(270,187,858)	(220,356,951)
Fee and commission receipts	59,926,901	26,276,125
Dividend receipts	-	-
Cash payments to employees	(20,811,448)	(12,328,594)
Cash payments to suppliers and management expenses	(10,692,201)	(6,965,967)
Income taxes paid	(45,879,347)	(22,627,485)
Receipts from other operating activities	2,320,968	3,725,420
Payments for other operating activities	(6,478,447)	(4,765,323)
Cash generated before changes in operating assets and liabilities	56,663,567	80,184,401
Increase/decrease in operating assets and liabilities		
Loans, advances and leases to customers	(1,241,422,434)	(531,385,497)
Other assets	(132,536,384)	(116,147,153)
Deposits from banks and other financial institutions	189,639,387	436,000,000
Deposits from customers	963,617,235	83,328,361
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities	418,521,984	67,106,333
Cash generated from operating assets and liabilities	197,819,788	(61,097,956)
Net cash generated from/(used) in operating activities	254,483,355	19,086,446
Cash flows from investing activities		
Proceeds from sale of securities	792,851,320	227,527,106
Payments for purchases of securities	(891,610,669)	(188,541,590)
Purchase of property, plant and equipment	(1,513,454)	(44,890)
Proceeds from sale of property, plant and equipment	-	55,000
Net cash used in investing activities	(100,272,803)	38,995,626
Cash flows from financing activities		
Receipts of long term loan	14,296,400	125,900,000
Repayment of long term loan	(171,618,061)	(123,300,236)
Non-controlling interest	-	-
Net draw down/(payment) of short term loan	82,595,738	(63,157,083)
Net cash generated from/(used) in financing activities	(74,725,923)	(60,557,319)
Net (decrease)/increase in cash and cash equivalents	79,484,629	(2,475,247)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the period	385,174,497	289,942,345
Cash and cash equivalents at end of the period	464,659,126	287,467,098
Cash and cash equivalents at end of the period represents		
Cash in hand	89,000	21,100
Balance with Bangladesh Bank and its agent bank	117,829,294	89,732,549
Balance with other banks and financial institutions	346,740,831	197,713,450
	464,659,126	287,467,098

Consolidated Statement of Changes in Equity (Un-audited)

For the first quarter ended 31 March 2014

Particulars	Amounts in Taka					
	Paid-up capital	Statutory reserve	Dividend equalization reserve	Revaluation reserves	Retained earnings	Non-controlling interest
Balance as at 1 January 2014	1,099,093,260	281,817,425	-	505,500,000	124,254,558	170
Net profit for the quarter	-	-	-	-	62,799,108	-
Transfer to retained earnings	-	-	-	-	-	-
Issuance of bonus share	109,909,331	-	-	-	(109,909,331)	-
Balance as at 31 March 2014	1,209,002,591	281,817,425	-	505,500,000	77,144,335	170
Balance as at 1 January 2013	1,046,755,490	254,068,611	7,000,000	505,500,000	55,581,159	149
Net profit for the quarter	-	-	-	-	(24,718,548)	-
Transfer to retained earnings	-	-	(7,000,000)	-	7,000,000	-
Issuance of bonus share	52,337,770	-	-	-	(52,337,770)	-
Balance as at 31 March 2013	1,099,093,260	254,068,611	-	505,500,000	(14,475,159)	149

Selected explanatory notes to the Financial Statements

Reporting

This first quarterly financial statements have been prepared based on Bangladesh Accounting Standard (BAS) 34: *Interim Financial Reporting*.

These interim financial statements should be read in conjunction with the published financial statements for the year ended 31 December 2013 as they provide an update to previously reported information.

Accounting policies and method of computations

Accounting policies and methods of computations 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.

Consolidation of operations of subsidiaries

The consolidation of the financial statements have been made after eliminating all material intra group transactions. The total profits of the Company and its subsidiaries are shown in the consolidated profit and loss account, with the proportion of profit after taxation pertaining to minority shareholders being deducted as 'non-controlling interest'.

Earnings Per Share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 31 March 2014 and profit for the same period. The number of shares outstanding for the period was 120.90 million. Earnings per shares for the preceding period of 2013 has also been calculated based on 120.90 million shares.

Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

Reclassifications

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/ restated/reclassified, whenever considered necessary, to conform to current period's presentation.

In compliance with Bangladesh Securities and Exchange Commission (BSEC) 's Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 and SEC letter No. SEC/CFD/Misc/233/2004/615 dated February 2, 2010, we are pleased to present the first quarter un-audited consolidated Financial Statements of Union Capital Limited as at and for the quarter ended March 31, 2014. The consolidated Financial Statements are comprised of the financials of Union Capital Limited and its wholly owned subsidiaries UniCap Securities Limited and UniCap Investments Limited are prepared as per Bangladesh Accounting Standard (BAS) 34 : *Interim Financial Reporting*.

The details of the Un-audited Financial Statements as at and for the 1st quarter ended 31 March 2014 are available at www.unicap-bd.com

Sd/-
Md. Forhad Hossain ACA
AVP, Finance & Accounts

Sd/-
Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO