

Union Capital Limited
Consolidated Financial Statements (Un-Audited)
As at and for the third quarter ended 30 September 2019

Union Capital Limited
Consolidated Balance Sheet (Un-audited) as at 30 September 2019

Figures in BDT

Particulars	Notes	30-Sep-19	31-Dec-18
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		73,026	74,248
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.a	174,491,002	175,207,143
		174,564,028	175,281,391
Balance with other banks and financial institutions			
In Bangladesh		2,858,367,748	3,202,477,475
Outside Bangladesh	5.a	-	-
		2,858,367,748	3,202,477,475
Money at call and short notice			
		-	-
Investments			
Government		-	-
Others	6.a	996,794,294	1,431,489,840
		996,794,294	1,431,489,840
Loans, advances and leases			
Loans, advances and leases		14,277,993,841	15,504,101,032
Bills purchased and discounted	7.a	-	-
		14,277,993,841	15,504,101,032
Fixed assets including land, building, furniture and fixtures			
	8.a	35,050,409	40,216,407
Other assets			
	9.a	2,411,424,558	2,458,489,656
Non-banking assets			
	10	472,119,675	311,626,044
TOTAL ASSETS		21,226,314,553	23,123,681,846
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.a	4,257,368,245	4,700,955,232
Deposits and other accounts			
Term deposits	12.a	11,578,760,711	12,345,110,270
Other deposits	13	260,210,042	384,098,167
		11,838,970,753	12,729,208,437
Other liabilities	14.a	3,054,905,809	3,392,195,191
Total liabilities		19,151,244,808	20,822,358,860
Shareholders' equity			
Paid up capital	15	1,725,738,430	1,643,560,419
Statutory reserve	16	451,897,399	451,897,399
Retained earnings	17.a	(102,566,312)	205,864,936
Total equity attributable to equity holders of the Company		2,075,069,516	2,301,322,754
Non-controlling interest		229	232
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		21,226,314,553	23,123,681,846
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		948,100,000	758,610,000
TOTAL OFF BALANCE SHEET ITEMS		948,100,000	758,610,000
Net assets value per share (NAV) (2018: Restated)	37.a	12.02	13.34

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union Capital Limited
Consolidated Profit and Loss Account (Un-Audited)
For the third quarter ended 30 September 2019

Figures in BDT

Particulars	Notes	30-Sep-19	30-Sep-18	1 July to 30 Sep 2019	1 July to 30 Sep 2018
Interest income	18.a	1,412,489,393	1,478,478,607	442,949,895	430,551,969
Interest paid on deposits and borrowings etc.	19.a	(1,297,935,644)	(1,131,960,762)	(512,494,191)	(315,684,906)
Net interest income		114,553,749	346,517,845	(69,544,296)	114,867,063
Investment income	20.a	(90,187,637)	59,079,161	(2,206,949)	37,576,736
Fees, commissions, exchange and brokerage	21.a	107,068,004	160,365,797	25,285,476	80,662,317
Other operating income	22.a	36,409,447	7,933,158	23,201,630	1,687,168
Total operating income		167,843,563	573,895,961	(23,264,139)	234,793,284
Salaries and other employee benefits	23.a	182,495,928	167,466,915	59,822,142	52,891,134
Rent, taxes, insurance, electricity etc.	24.a	37,187,468	35,077,410	13,905,130	12,304,817
Legal expenses	25.a	5,323,270	3,251,293	1,243,242	1,258,419
Postage, stamp, telecommunication etc.	26.a	4,882,016	4,551,284	1,698,270	1,518,034
Stationery, printing, advertisements etc.	27.a	6,394,909	4,916,696	1,499,292	1,536,059
Managing Director's salary and fees	28	-	3,295,000	-	-
Directors' fees	29.a	1,210,500	1,108,750	327,000	347,750
Auditors' fees	30.a	-	120,175	-	94,875
Depreciation and repair of assets	31.a	14,885,839	17,557,276	3,827,075	6,677,858
Other expenses	32.a	43,942,780	49,456,575	13,149,633	18,817,512
Total operating expenses		296,322,709	286,801,374	95,471,784	95,446,457
Profit /(loss) before provision		(128,479,147)	287,094,587	(118,735,923)	139,346,826
Provision for loans, advances, leases and investments					
General provision		14,278,630	(1,159,241)	(48,682,265)	(36,010,050)
Specific provision		151,362,791	129,180,887	162,242,004	117,619,649
Provision for diminution in value of investments		(84,077,055)	112,433,054	(154,624)	43,221,231
Total provision		81,564,366	240,454,700	113,405,115	124,830,830
Total profit before tax		(210,043,513)	46,639,887	(232,141,038)	14,515,997
Provision for taxation					
Current tax		18,533,766	30,023,270	4,312,000	5,597,531
Deferred tax		(2,324,038)	-	(591,382)	-
		16,209,728	30,023,270	3,720,618	5,597,531
Net profit after tax		(226,253,241)	16,616,617	(235,861,656)	8,918,466
Retained surplus		(226,253,241)	16,616,617	(235,861,656)	8,918,466
Attributable to					
Shareholders of the Company		(226,253,237)	16,616,610	(235,861,652)	8,918,459
Non-controlling interest		(3.3)	6.9	(4.2)	6.5
Earnings per share (2018: Restated)	35.a	(1.31)	0.10	(1.37)	0.05

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union Capital Limited

Consolidated Cash Flow Statement (Un-audited) for the third quarter ended 30 September 2019

Figures in BDT

Particulars	30-Sep-19	30-Sep-18
	-	Restated
Cash flows from operating activities		
Interest receipts	1,419,210,092	1,547,238,736
Interest payments	(1,345,123,496)	(1,141,083,238)
Fee and commission receipts	104,630,782	160,232,305
Recoveries of loans previously written off	34,373,660	5,210,487
Dividend receipts	19,923,998	32,567,205
Cash payments to employees	(171,594,831)	(183,482,050)
Cash payments to suppliers and management expenses	(42,654,593)	(18,019,112)
Income taxes paid	(30,793,935)	(48,509,754)
Receipts from other operating activities	4,473,009	2,856,163
Payments for other operating activities	(43,942,780)	(49,384,386)
Cash generated before changes in operating assets and liabilities	(51,498,093)	307,626,357
Increase/decrease in operating assets and liabilities		
Purchase of trading securities (treasury bills)	-	-
Loans, advances and leases to banks and financial institutions	-	-
Loans, advances and leases to customers	1,196,986,495	1,562,982,244
Other assets	(29,130,556)	(192,614,423)
Deposits from banks and other financial institutions	(1,093,047,500)	(1,149,492,500)
Deposits from customers	227,937,097	(178,806,875)
Net draw down/(payment) of short term loan	387,518,444	354,600,000
Other liabilities	(437,387,514)	(270,785,474)
Cash generated from operating assets and liabilities	252,876,467	125,882,972
Net cash generated from/(used in) operating activities	201,378,374	433,509,330
Cash flows from investing activities		
Proceeds from sale of securities	885,344,203	673,393,850
Payments for purchases of securities	(558,229,741)	(479,345,678)
Purchase of property, plant and equipment	(42,227,824)	(12,548,819)
Proceeds from sale of property, plant and equipment	13,329	-
Net cash generated from/(used in) investing activities	284,899,967	181,499,353
Cash flows from financing activities		
Receipts of long term loan	258,777,548	492,977,274
Repayment of long term loan	(1,089,882,979)	(1,650,726,795)
Net cash generated from/(used in) financing activities	(831,105,431)	(1,157,749,521)
Net (decrease)/increase in cash and cash equivalents	(344,827,090)	(542,740,839)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the third quarter	3,377,758,866	4,056,337,973
Cash and cash equivalents at end of the third quarter	3,032,931,776	3,513,597,134
Cash and cash equivalents at end of the third quarter represents		
Cash in hand	73,026	98,026
Balance with Bangladesh Bank and its agent bank	174,491,002	189,932,247
Balance with other banks and financial institutions	2,858,367,748	3,323,566,861
	3,032,931,776	3,513,597,134
Net operating cash flows per share (2018: Restated)	1.17	2.51

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union Capital Limited
Consolidated statement of changes in shareholders' equity (Un-audited)
For the third quarter ended 30 September 2019

Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Non-controlling interest	Total
Balance as at 1 January 2019	1,643,560,419	451,897,399	205,864,936	232	2,301,322,986
Net profit/(loss) for the third quarter 2019	-	-	(226,253,237)	(3.3)	(226,253,241)
Issuance of bonus share (year 2018)	82,178,011	-	(82,178,011)	-	-
Balance as at 30 September 2019	1,725,738,430	451,897,399	(102,566,312)	229	2,075,069,745
Balance as at 1 January 2018	1,565,295,637	436,278,055	207,356,862	225	2,208,930,779
Net profit/(loss) for the third quarter 2018	-	-	16,616,610	6.9	16,616,617
Issuance of bonus share (year 2017)	78,264,782	-	(78,264,782)	-	-
Balance as at 30 September 2018	1,643,560,419	436,278,055	145,708,690	232	2,225,547,396

sd/-

 Chairman

sd/-

 Director

sd/-

 Managing Director & CEO

sd/-

 Company Secretary

sd/-

 Chief Financial Officer (CC)

Union Capital Limited
Balance Sheet (Un-Audited) as at 30 September 2019

Figures in BDT

Particulars	Notes	30-Sep-19	31-Dec-18
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		39,000	40,222
Balance with Bangladesh Bank and its agent bank (including foreign currencies)		174,491,002	175,207,143
	4	174,530,002	175,247,365
Balance with other banks and financial institutions			
In Bangladesh		2,754,533,771	3,052,838,569
Outside Bangladesh		-	-
	5	2,754,533,771	3,052,838,569
Money at call and short notice			
		-	-
Investments			
Government		-	-
Others		26,290,405	460,501,600
	6	26,290,405	460,501,600
Loans, advances and leases			
Loans, advances and leases		12,881,410,388	13,922,417,007
Bills purchased and discounted		-	-
	7	12,881,410,388	13,922,417,007
Fixed assets including land, building, furniture and fixtures	8	12,983,370	15,130,254
Other assets	9	3,782,620,725	3,420,498,815
Non-banking assets	10	472,119,675	311,626,044
TOTAL ASSETS		20,104,488,336	21,358,259,654
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	3,493,767,794	3,763,308,810
Deposits and other accounts			
Term deposits	12	11,633,887,992	12,375,110,270
Other deposits	13	260,210,042	384,098,167
		11,894,098,034	12,759,208,437
Other liabilities	14	2,726,128,438	2,634,890,804
Total liabilities		18,113,994,266	19,157,408,051
Shareholders' equity			
Paid up capital	15	1,725,738,430	1,643,560,419
Statutory reserve	16	451,897,399	451,897,399
Retained earnings	17	(187,141,759)	105,393,785
Total shareholders' equity		1,990,494,070	2,200,851,603
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		20,104,488,336	21,358,259,654
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		948,100,000	758,610,000
TOTAL OFF BALANCE SHEET ITEMS		948,100,000	758,610,000
Net assets value per share (NAV) (2018: Restated)	37	11.53	12.75

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union Capital Limited
Profit and Loss Account (Un-audited)
For the third quarter ended 30 September 2019

Figures in BDT

Particulars	Notes	30-Sep-19	30-Sep-18	1 July to 30 Sep 2019	1 July to 30 Sep 2018
Interest income	18	975,129,686	1,113,648,830	313,004,927	381,276,735
Interest paid on deposits and borrowings etc.	19	(1,238,345,911)	(1,051,091,623)	(490,207,877)	(345,544,110)
Net interest income		(263,216,225)	62,557,207	(177,202,950)	35,732,625
Investment income	20	(88,798,988)	20,943,675	(683,742)	12,745,676
Fees, commissions, exchange and brokerage	21	2,864,201	2,397,002	491,947	495,760
Other operating income	22	406,722,711	310,002,504	147,499,760	104,860,127
Total operating income		57,571,699	395,900,388	(29,894,985)	153,834,188
Salaries and other employee benefits	23	116,058,987	91,842,822	38,267,461	29,286,604
Rent, taxes, insurance, electricity etc.	24	13,355,494	12,966,930	5,655,095	5,272,775
Legal expenses	25	5,236,645	3,213,343	1,211,617	1,245,769
Postage, stamp, telecommunication etc.	26	1,752,822	1,572,230	657,450	497,642
Stationery, printing, advertisements etc.	27	5,610,178	3,595,698	1,305,765	1,094,540
Managing Director's salary and fees	28	-	3,295,000	-	-
Directors' fees	29	728,000	816,000	152,000	296,000
Auditors' fees	30	-	-	-	-
Depreciation and repair of assets	31	4,798,207	5,539,690	1,573,788	1,929,558
Other expenses	32	20,711,666	19,898,539	7,161,734	6,407,538
Total operating expenses		168,251,999	142,740,252	55,984,910	46,030,426
Profit /(loss) before provision		(110,680,300)	253,160,136	(85,879,895)	107,803,762
Provision for loans, advances, leases and investments					
General provision		34,278,630	18,840,759	(28,682,265)	(36,010,050)
Specific provision		151,362,791	129,180,887	162,242,004	117,619,649
Provision for diminution in value of investments		(84,077,055)	100,956,121	(154,624)	28,765,326
Total provision (release)		101,564,366	248,977,767	133,405,115	110,374,925
Total profit before tax		(212,244,666)	4,182,369	(219,285,010)	(2,571,163)
Provision for taxation					
Current tax		436,905	854,380	-	-
Deferred tax		(2,324,038)	-	(591,382)	-
		(1,887,133)	854,380	(591,382)	-
Net profit after tax		(210,357,533)	3,327,989	(218,693,628)	(2,571,163)
Retained surplus		(210,357,533)	3,327,989	(218,693,628)	(2,571,163)
Earnings per share (2018: Restated)	35	(1.22)	0.02	(1.27)	(0.01)

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union Capital Limited
Cash Flow Statement (Un-audited) for the third quarter ended 30 September 2019

Figures in BDT

Particulars	30-Sep-19	30-Sep-18 Restated
Cash flows from operating activities		
Interest receipts	1,004,250,382	1,549,925,477
Interest payments	(1,269,372,929)	(1,157,565,162)
Fee and commission receipts	426,979	2,263,510
Recoveries of loans previously written off	34,373,660	5,210,487
Dividend receipts	8,098,454	18,086,062
Cash payments to employees	(111,603,349)	(113,984,303)
Cash payments to suppliers and management expenses	(28,056,204)	(27,748,486)
Income taxes paid	(12,002,544)	(20,444,528)
Receipts from other operating activities	2,437,222	133,492
Payments for other operating activities	(20,711,666)	(19,898,539)
Cash generated before changes in operating assets and liabilities	(392,159,994)	235,978,011
Increase/decrease in operating assets and liabilities		
Purchase of trading securities (treasury bills)	-	-
Loans, advances and leases to banks and financial institutions	-	-
Loans, advances and leases to customers	1,011,885,924	1,666,183,250
Other assets	(105,849,990)	(417,017,437)
Deposits from banks and other financial institutions	(1,093,047,500)	(1,149,492,500)
Deposits from customers	227,937,097	(178,806,875)
Net draw down/(payment) of short term loan	387,518,444	437,000,000
Other liabilities account of customers	-	-
Other liabilities	17,414,295	(99,496,864)
Cash generated from operating assets and liabilities	445,858,270	258,369,574
Net cash generated from/(used in) operating activities	53,698,276	494,347,585
Cash flows from investing activities		
Proceeds from sale of securities	387,573,955	205,089,797
Payments for purchases of securities	(47,635,044)	(205,722,452)
Purchase of property, plant and equipment	(35,613,217)	(6,636,224)
Proceeds from sale of property, plant and equipment	13,329	-
Investment in UniCap Investments Limited	-	-
Net cash used in investing activities	304,339,023	(7,268,879)
Cash flows from financing activities		
Receipts of long term loan	222,177,548	243,299,550
Repayment of long term loan	(879,237,008)	(1,342,380,987)
Net cash generated from/(used in) financing activities	(657,059,460)	(1,099,081,437)
Net (decrease)/increase in cash and cash equivalents	(299,022,161)	(612,002,732)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the third quarter	3,228,085,934	3,888,662,702
Cash and cash equivalents at end of the third quarter	2,929,063,773	3,276,659,970
Cash and cash equivalents at end of the third quarter represents		
Cash in hand	39,000	64,000
Balance with Bangladesh Bank and its agent bank	174,491,002	189,932,247
Balance with other banks and financial institutions	2,754,533,771	3,086,663,723
	2,929,063,773	3,276,659,970
Net operating cash flows per share (2018: Restated)	0.31	2.86

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union Capital Limited
Statement of Changes in shareholders' equity (Un-audited)
For the third quarter ended 30 September 2019

Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Total
Balance as at 1 January 2019	1,643,560,419	451,897,399	105,393,785	2,200,851,603
Net profit/(loss) for the third quarter 2019	-	-	(210,357,533)	(210,357,533)
Issuance of bonus share (year 2018)	82,178,011	-	(82,178,011)	-
Balance as at 30 September 2019	1,725,738,430	451,897,399	(187,141,759)	1,990,494,070
Balance as at 1 January 2018	1,565,295,637	436,278,055	121,181,192	2,122,754,884
Net profit/(loss) for the third quarter 2018	-	-	3,327,989	3,327,989
Issuance of bonus share (year 2017)	78,264,782	-	(78,264,782)	-
Balance as at 30 September 2018	1,643,560,419	436,278,055	46,244,399	2,126,082,873

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union capital Limited

Selected explanatory notes to the Consolidated Financial Statements (Un-audited) as at and for the third quarter ended 30 September 2019

1.0 Domicile, legal form and country of incorporation

Union Capital Limited (The Company) is registered as a public limited company under the Companies Act, 1994 with the Registrar of Joint Stock Companies and Firms (RJSC) of Bangladesh on 09 August 1998. On 12 August 1998, the Company obtained permission from Bangladesh Bank to operate as a non-banking financial institution under the Financial Institutions Act, 1993. The Company went for Initial Public Offer in May 2007 and listed its shares in both Dhaka Stock Exchange and Chittagong Stock Exchange in July 2007.

The registered office of the Company is located at Noor Tower (5th floor), 73 Sonargaon Road, Dhaka 1205. The operations of the Company is being carried out through its 8 (eight) offices located in Dhaka, Gazipur, Narshingdi, Chattogram, Sylhet and Bogura.

2.0 Reporting

This third quarterly financial statements have been prepared based on International Accounting Standard (IAS) 34: *Interim Financial Reporting*.

These interim financial statements should be read in conjunction with the published financial statements for the year ended 31 December 2018 as they provide an update to previously reported information.

3.0 Accounting policies and method of computations

Accounting policies and method 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 2018

3.1 Statement of compliance

These financial statements have been prepared on going concern concept following accrual basis of accounting in accordance with International Accounting Standards and International Financial Reporting Standards and the Companies Act 1994, the Financial Institutions Act 1993, Securities Exchange Rules 1987, the Listing Regulations and other applicable laws and regulations. The presentation of financial statements has been made as per the requirement of DFIM Circular no. 11 issued on 23 December 2009 by Bangladesh Bank.

3.2 Consolidation of operations of subsidiaries

The consolidation of the financial statements have been made after eliminating all material intra group transactions. The total profit 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'.

3.3 Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 30 September 2019 and profit for the same period. The number of shares outstanding for the period was 172.57 million. Earnings per share for the third quarter ended 30 September 2018 has also been calculated based on 172.57 million shares.

EPS for the period ended 30 September 2019 has been decreased compared to the same period of 2018 due to enhancement of interest expenses as well as declined of interest income along with downturn nature capital market in 2019. During first nine months of 2019, the company has incurred realized loss amounting Tk. 107,752,607 for selling of shares, side by side income from brokerage commission has been decreased by more than 35% compared to previous period. Interest expense has been increased to Tk. 1,297,935,644 registering 14.66% enhancement compared to previous period due to increment of interest rate on borrowed fund resulting in a significant decrease in the EPS for the period ended 30 September 2019.

3.4 Net assets value per share (NAV)

During the period ended 30 September 2019, NAV has been arrived at BDT 12.02 per share which is BDT 1.52 lower than that of 2018. Higher interest rate on borrowed fund, downturn nature of capital market, increased requirement of provision have induced NAV lower than previous period.

3.5 Date of authorization

The Board of Directors has authorized these financial statements for public issue on 30 October 2019.

3.6 Subsequent events

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

3.7 Reclassification

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

Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2019

Figures in BDT

As at	30-Sep-19	31-Dec-18
4 CASH		
In hand		
Local currency	39,000	40,222
Foreign currencies	-	-
	39,000	40,222
Balance with Bangladesh Bank		
Local currency	174,491,002	175,207,143
Foreign currencies	-	-
	174,491,002	175,207,143
Balance as at 30 September	174,530,002	175,247,365
4.a CASH (Consolidated)		
In hand		
Union Capital Ltd.	39,000	40,222
UniCap Securities Ltd.	25,000	25,000
UniCap Investments Ltd.	9,026	9,026
	73,026	74,248
Balance with Bangladesh Bank		
Union Capital Ltd.	174,491,002	175,207,143
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	174,491,002	175,207,143
Balance as at 30 September	174,564,028	175,281,391
5 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
This represents balance with various banks and financial institutions in Bangladesh.		
Fixed deposit account		
Bangladesh Industrial Finance Company Limited	128,915,328	117,020,420
International Leasing and Financial Services Ltd.	450,000,000	450,000,000
Jamuna Bank Limited	-	250,000,000
Modhumoti Bank Limited, Dhanmondi Branch	350,000,000	-
Social Islami Bank Limited, Bashundhara Branch	500,000,000	700,000,000
South Bangla Agriculture and Commerce Bank Ltd.	-	50,000,000
Woori Bank	200,000,000	200,000,000
Union Bank Limited	1,100,000,000	1,100,000,000
	2,728,915,328	2,867,020,420
Current account		
Bank Alfalah Limited, Gulshan Branch	24,721	19,554
Agrani Bank Limited, Panthpath Branch	26,320	826,955
Bank Asia Limited, Bashundhara Branch	21,017	-
Dhaka Bank Limited, Kakrail Branch	72,910	73,485
Eastern Bank Limited, Sonargaon Road Branch	-	100,134
Midland Bank Ltd, Gulshan Branch	41,800	-
Modhumoti Bank Limited, Dhanmondi Branch	227,526	69,961
National Credit and Commerce Bank Ltd., Banani Branch	36,917	37,492
NRB Bank Limited, Corporate Branch	941,600	913,351
Shahjalal Islami Bank Limited, Elephant Road Branch	35,079	29,014
Social Islami Bank Limited, Eskaton Branch	23,616	4,792
Southeast Bank Limited, Mirpur Branch	23,136	-
Southeast Bank Limited, Satmosjid Road Branch	2,010	2,585
Sonali Bank Limited Sonargaon Road Branch	196,175	-
United Commercial Bank Limited, New Eskaton Branch	223,710	68,143
WooriBank-Dhaka Branch	24,693	1,823
Uttara Bank Limited, Local Office	15,683	16,258
	1,936,914	2,163,548

Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2019

Figures in BDT

As at	30-Sep-19	31-Dec-18
Short term deposit		
Bank Asia Limited, Corporate Branch	1,098,660	51,558
Bank Asia Limited, Corporate Branch	16,866,442	70,657,662
Dhaka Bank Limited, Local Office	37,113	35,391
Dutch Bangla Bank Limited, Karwan Bazar Branch	36,028	369,061
Dutch Bangla Bank Limited, Karwan Bazar Branch	907,796	35,562,693
Jamuna Bank Limited, Sonargaon Road Branch	1,011,840	18,134
Modhumoti Bank Limited, Banglamotor-Branch	49,182	49,091
AB Bank Limited, Kakrail Branch	7,568	50,008,313
Mutual Trust Bank Limited, Principal Branch	622,440	36,484
Southeast Bank Limited, Islamic Banking Branch	2,663,652	2,636,063
Southeast Bank Limited, R k Mission Road Branch	380,808	24,230,151
	23,681,529	183,654,601
Balance as at 30 September	2,754,533,771	3,052,838,569

5.a BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS (consolidated)

Union Capital Ltd.	2,754,533,771	3,052,838,569
UniCap Securities Ltd.	41,153,995	91,952,104
UniCap Investments Ltd.	117,807,263	87,686,802
	2,913,495,029	3,232,477,475
Less: Inter-company transactions	55,127,281	30,000,000
Balance as at 30 September	2,858,367,748	3,202,477,475

6 INVESTMENTS

The investment is made up as under:

Government securities	-	-
Other investments	26,290,405	460,501,600
Balance as at 30 September	26,290,405	460,501,600

This represents investment made by the Company in listed securities.

6.a INVESTMENTS (consolidated)

Union Capital Ltd.	26,290,405	460,501,600
UniCap Securities Ltd.	619,884,707	624,995,252
UniCap Investments Ltd.	350,619,182	345,992,988
Balance as at 30 September	996,794,294	1,431,489,840

7 LOANS, ADVANCES AND LEASES

This represents loans, advances and leases financed fully in Bangladesh.

Lease finance	1,533,415,581	1,769,690,818
Advance against lease finance	-	15,699,330
Term finance	6,310,503,966	7,042,186,048
Loan to subsidiaries	4,978,745,428	5,061,145,429
Loan against deposits	39,065,532	9,020,221
Staff loan	19,679,881	24,675,161
Balance as at 30 September	12,881,410,388	13,922,417,007

Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2019

Figures in BDT

As at	30-Sep-19	31-Dec-18
7.a LOANS, ADVANCES AND LEASES (consolidated)		
Union Capital Ltd.	12,881,410,388	13,922,417,007
UniCap Securities Ltd.	870,005,295	1,044,528,062
UniCap Investments Ltd	5,505,323,586	5,598,301,392
	19,256,739,269	20,565,246,461
Less: Inter-company transactions	4,978,745,428	5,061,145,429
Balance as at 30 September	14,277,993,841	15,504,101,032

8 FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES

Furniture and fixtures	8,530,347	7,754,224
Office decoration	20,055,754	20,173,149
Electric equipment	31,958,515	30,900,740
Owned vehicles	11,392,534	11,392,534
Leased vehicles	3,760,000	3,760,000
Intangible assets (software)	1,754,807	1,541,381
Mobile phones	452,600	452,600
Total cost	77,904,557	75,974,628
Less: Accumulated depreciation and amortization	64,921,187	60,844,374
Written down value as at 30 September	12,983,370	15,130,254

Details are shown in **Annexure - A**

8.a FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES (consolidated)

Union Capital Ltd.	12,983,370	15,130,254
UniCap Securities Ltd.	19,481,077	21,377,713
UniCap Investments Ltd.	2,585,962	3,708,440
Balance as at 30 September	35,050,409	40,216,407

9 OTHER ASSETS

Investment in subsidiary	997,498,641	997,498,641
Accrued interest	104,064,972	94,635,807
Others	22,297,470	19,365,476
Income generating other assets	1,123,861,083	1,111,499,924
Advance office rent	3,724,655	3,896,155
Advance to employees	716,983	856,270
Deposits with T & T, water etc.	87,500	87,500
Advance corporate tax	1,427,258,730	1,415,256,186
Receivable from brokerage house against sale of shares	6,641	71,260,830
Transfer price receivable	1,287,376	1,287,376
Deferred tax assets (note 9.1)	15,584,624	13,260,586
Advance to purchase of office space	336,903,614	304,220,694
Process Sharing receivable	864,217,390	492,137,302
Others	8,972,129	6,735,992
Non income generating other assets	2,658,759,642	2,308,998,891
Balance as at 30 September	3,782,620,725	3,420,498,815

Management considers all the other assets as good.

Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2019

Figures in BDT

As at		30-Sep-19	31-Dec-18
9.1	Deferred tax asset		
	Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12: <i>Income Taxes</i> and under the guidelines of Bangladesh Bank DFIM circular no.07 dated 31 July 2011.		
	Deferred tax asset is arrived at as follows:		
		Carrying amount at balance sheet date	Tax base at balance sheet date
			(Taxable)/ deductible temporary difference
	Assets		
	Fixed assets net of depreciation	12,983,370	26,166,575
	Liabilities		
	Employee gratuity fund	28,375,793	-
		41,359,163	26,166,575
	Applicable tax rate		37.50%
	Deferred tax assets as on September 30,2019		15,584,625
	Deferred tax assets as on June 30,2019		14,993,242
	Deferred tax expense/(income) during the third quarter 2019		(591,383)

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	3,782,620,725	3,420,498,815
UniCap Securities Ltd.	378,653,467	509,506,365
UniCap Investments Ltd.	1,582,472,999	1,100,962,774
	5,743,747,192	5,030,967,954
Less: Inter-company transactions	3,332,322,634	2,572,478,298
Balance as at 30 September	2,411,424,558	2,458,489,656

10 NON-BANKING ASSETS

Non-banking assets	472,119,675	311,626,044
Total	472,119,675	311,626,044

This represents assets owned under the 'Certificate of Ownership' given by the competent court under section 33(7) of Artha Rin Adalat Ain 2003.

11 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

Borrowings from other banks

In Bangladesh

Secured long term loans		
Bank loan	2,093,747,913	2,513,942,663
Preference share	100,000,000	200,000,000
	2,193,747,913	2,713,942,663
Unsecured		
Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	168,406,078	236,989,956
Bangladesh Bank (Women entrepreneur refinance scheme)	31,688,692	50,813,691
Bangladesh Bank (Agriculture refinance scheme)	9,125,000	17,562,500
Bangladesh Bank (Small Enterprise refinancing scheme-DP2)	41,281,667	82,000,000
Short term borrowing and call loan	1,049,518,444	662,000,000
	1,300,019,881	1,049,366,147
	3,493,767,794	3,763,308,810
Outside Bangladesh		
	-	-
Borrowings from banks	3,493,767,794	3,763,308,810

Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2019

Figures in BDT

As at	30-Sep-19	31-Dec-18
11.a Borrowings from other banks, financial institutions and agents (consolidated)		
Union Capital Limited	3,493,767,794	3,763,308,810
UniCap Securities Limited	833,405,687	1,063,900,871
UniCap Investments Limited	3,819,978,861	3,823,529,648
	8,147,152,342	8,650,739,329
Less: Inter-company transactions	3,889,784,097	3,949,784,097
Balance as at 30 September	4,257,368,245	4,700,955,232
12 Term Deposits		
This comprises interest bearing deposits from individuals and organizations for period ranging from 3 months to 10 years.		
Banks and financial institutions	5,243,777,500	6,336,825,000
Other institutions	4,910,829,120	4,633,952,136
Total institutional deposits	10,154,606,620	10,970,777,136
Term deposit	1,139,251,502	1,151,384,984
Income deposit	318,910,350	235,436,000
Monthly savings scheme	21,119,520	17,512,150
Total individual deposits	1,479,281,372	1,404,333,134
Balance as at 30 September	11,633,887,992	12,375,110,270
12.a Term deposits (consolidated)		
Union Capital Limited	11,633,887,992	12,375,110,270
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	11,633,887,992	12,375,110,270
Less: Inter-company transactions	55,127,281	30,000,000
Balance as at 30 September	11,578,760,711	12,345,110,270
13 Other deposits		
The amount received from clients as advance against finance and cash security deposit on the stipulation that the amount will be either adjusted with the outstanding rentals/installments or repaid at the end of term. This		
Lease advance	24,804,069	28,220,730
Term finance advance	106,147,401	170,335,556
Cash security	129,258,572	185,541,881
Balance as at 30 September	260,210,042	384,098,167
Advance and security deposit reduce the exposure with the clients and thereby reduce the risks. No interest is payable on advances while cash security deposits are interest bearing.		
14 OTHER LIABILITIES		
Provision for loans, advances and leases	561,679,810	405,433,321
Provision for diminution in value of investments	158,090	84,235,145
Provision for other assets	10,147,000	8,930,000
Interest suspense	245,540,121	194,108,840
Provision for tax	1,452,679,979	1,452,243,074
Financial expenses payable	392,319,590	423,346,608
Deferred liability-employee gratuity	8,502,293	4,016,655
Dividend on preference shares	6,267,130	18,835,623
Excise duty	5,419,519	6,702,354
Withholding tax payable	12,749,773	14,281,813
VAT payable	756,852	3,016,484
Accrued expenses and other payable	29,908,281	19,740,887
Balance as at 30 September	2,726,128,438	2,634,890,804

Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2019

Figures in BDT

As at	30-Sep-19	31-Dec-18
14.a OTHER LIABILITIES (consolidated)		
Union Capital Limited	2,726,128,438	2,634,890,804
UniCap Securities Limited	569,416,958	679,490,819
UniCap Investments Limited	3,183,145,738	2,764,154,558
	6,478,691,134	6,078,536,180
Less: Inter-company transactions	3,423,785,324	2,686,340,989
Balance as at 30 September	3,054,905,809	3,392,195,191
15 Share capital		
As at 30 June 2019, a total number of 172,573,843 (2018: 164,356,041) ordinary shares of Tk.10 each were issued, subscribed and fully paid up. Details are as follows:		
Authorized capital		
200,000,000 ordinary shares of Tk. 10 each	2,000,000,000	2,000,000,000
Issued, subscribed and paid up capital:		
164,356,041 ordinary shares of Tk.10 each	1,643,560,419	1,565,295,637
8,217,802 bonus shares	82,178,011	78,264,782
Total 172,573,843	1,725,738,430	1,643,560,419
16 STATUTORY RESERVE		
Balance as on 1 January	451,897,399	436,278,055
Add: Transferred from profit during the year	-	15,619,344
Balance as at 30 September	451,897,399	451,897,399
17 Retained earnings		
Balance as on 1 January	105,393,785	121,181,192
Less: Issuance of bonus shares (2018)	(82,178,011)	(78,264,782)
Add: Profit after tax during the year	(210,357,533)	78,096,719
Less: Transferred to statutory reserve	-	(15,619,344)
Balance as at 30 September	(187,141,759)	105,393,785
17.a RETAINED EARNINGS (consolidated)		
Balance as on 1 January	205,864,936	207,356,862
Less: Issuance of bonus shares (2018)	(82,178,011)	(78,264,782)
Add: Profit after tax during the year	(226,253,237)	92,392,200
Less: Transferred to statutory reserve	-	(15,619,344)
Balance as at 30 September	(102,566,312)	205,864,936

Union Capital Limited
Notes to the financial statements

Figures in BDT

For the third quarter ended 30 September	2019	2018
18 INTEREST INCOME		
Income from lease finance	148,316,529	148,924,097
Income from term finance	637,091,970	740,583,276
Income from home finance	23,334	573,792
Interest on loan to subsidiaries	49,281,248	63,074,730
Interest on bank deposits	139,411,811	159,549,595
Income form other finance	1,004,794	943,340
Total	975,129,686	1,113,648,830
18.a INTEREST INCOME (consolidated)		
Union Capital Limited	975,129,686	1,113,648,830
UniCap Securities Limited	79,103,852	91,578,899
UniCap Investments Limited	407,537,103	336,325,608
	1,461,770,641	1,541,553,337
Less: Inter-company transactions	49,281,248	63,074,730
	1,412,489,393	1,478,478,607
19 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.		
Interest on bank loan	218,939,406	188,383,612
Interest on JICA fund	7,831,881	13,026,419
Interest on Agriculture refinance fund	486,014	943,602
Interest on women entrepreneur fund	1,288,597	2,706,750
Interest on SMEDP2 fund	1,600,805	1,991,389
Interest on term deposits	916,271,977	761,916,251
Interest on money at call & short notice	68,621,492	42,023,908
Interest on cash security deposit	8,249,253	17,048,143
Interest on preference share	12,431,507	21,780,825
Bank charges	2,624,979	1,270,724
Total	1,238,345,911	1,051,091,623
19.a INTEREST PAID ON DEPOSITS, BORROWINGS etc. (consolidated)		
Union Capital Limited	1,238,345,911	1,051,091,623
UniCap Securities Limited	88,618,732	128,148,575
UniCap Investments Limited	20,252,249	15,795,294
	1,347,216,892	1,195,035,492
Less: Inter-company transactions	49,281,248	63,074,730
	1,297,935,644	1,131,960,762
20 INVESTMENT INCOME		
Capital gain/(loss) on sale of securities	(94,272,284)	7,923,772
Dividend income	5,473,296	13,019,903
Total	(88,798,988)	20,943,675
20.a INVESTMENT INCOME (consolidated)		
Union Capital Limited	(88,798,988)	20,943,675
UniCap Securities Limited	(874,314)	9,479,472
UniCap Investments Limited	(514,335)	28,656,015
	(90,187,637)	59,079,161
Less: Inter-company transactions	-	-
	(90,187,637)	59,079,161

Union Capital Limited
Notes to the financial statements

Figures in BDT

For the third quarter ended 30 September	2019	2018
21 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE		
Processing and documentation fees	426,979	2,263,510
Renewals and proceeds	2,437,222	133,492
Total	2,864,201	2,397,002
21.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)		
Union Capital Limited	2,864,201	2,397,002
UniCap Securities Limited	94,104,429	147,256,470
UniCap Investments Limited	10,099,374	10,712,325
	107,068,004	160,365,797
22 OTHER OPERATING INCOME		
Gain/(loss) on sale of fixed assets	(20,412)	-
Portfolio management income	372,369,463	304,792,017
Recoveries of loans written off	34,373,660	5,210,487
Total	406,722,711	310,002,504
22.a OTHER OPERATING INCOME (consolidated)		
Union Capital Limited	406,722,711	310,002,504
UniCap Securities Limited	1,529,597	2,430,521
UniCap Investments Limited	526,602	292,150
	408,778,910	312,725,175
Less: Inter-company transactions	372,369,463	304,792,017
	36,409,447	7,933,158
23 SALARIES AND OTHER EMPLOYEE BENEFITS		
Salaries & allowances (a)	116,058,987	91,842,822
Total	116,058,987	91,842,822
23.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)		
Union Capital Limited	116,058,987	91,842,822
UniCap Securities Limited	56,265,659	66,248,608
UniCap Investments Limited	10,171,282	9,375,485
Total	182,495,928	167,466,915
24 RENT, TAXES, INSURANCE, ELECTRICITY etc.		
Office rent, rates and taxes	10,176,058	9,957,736
Insurance	1,616,826	1,356,584
Power and electricity	1,562,610	1,652,610
Total	13,355,494	12,966,930
24.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)		
Union Capital Limited	13,355,494	12,966,930
UniCap Securities Limited	20,000,776	18,522,726
UniCap Investments Limited	3,831,197	3,587,754
Total	37,187,468	35,077,410
25 LEGAL EXPENSES		
Court fees	551,938	935,793
Professional Fees	4,684,707	2,277,550
Total	5,236,645	3,213,343

Union Capital Limited
Notes to the financial statements

Figures in BDT

For the third quarter ended 30 September	2019	2018
25.a LEGAL EXPENSES (consolidated)		
Union Capital Limited	5,236,645	3,213,343
UniCap Securities Limited	-	-
UniCap Investments Limited	86,625	37,950
Total	5,323,270	3,251,293
26 POSTAGE, STAMP, TELECOMMUNICATION etc.		
Postage	158,720	176,876
Telegram, telex, fax and e-mail	683,044	446,569
Telephone - office	911,058	948,785
Total	1,752,822	1,572,230
26.a POSTAGE, STAMP, TELECOMMUNICATION etc. (consolidated)		
Union Capital Limited	1,752,822	1,572,230
UniCap Securities Limited	2,715,639	2,576,894
UniCap Investments Limited	413,555	402,161
Total	4,882,016	4,551,284
27 STATIONERY, PRINTING, ADVERTISEMENTS etc.		
Printing and stationery	1,425,182	1,982,735
Advertisement	3,310,415	1,056,796
Publicity	874,581	556,167
Total	5,610,178	3,595,698
27.a STATIONERY, PRINTING, ADVERTISEMENTS etc.(consolidated)		
Union Capital Limited	5,610,178	3,595,698
UniCap Securities Limited	571,721	1,074,547
UniCap Investments Limited	213,010	246,451
Total	6,394,909	4,916,696
28 MANAGING DIRECTOR'S SALARY AND FEES	-	3,295,000
In addition to remuneration, the Managing Director & CEO is also provided with Company's car and cell phone.		
29 DIRECTORS' FEES		
Total fees paid	728,000	816,000
Total	728,000	816,000
29.a DIRECTORS' FEES (consolidated)		
Union Capital Limited	728,000	816,000
UniCap Securities Limited	357,500	137,500
UniCap Investments Limited	125,000	155,250
Total	1,210,500	1,108,750
30 AUDITORS' FEE		
Auditors' fee	-	-
VAT on audit fee	-	-
Total	-	-

Union Capital Limited
Notes to the financial statements

Figures in BDT

For the third quarter ended 30 September **2019** **2018**

30.a AUDITORS' FEE (consolidated)

Union Capital Limited	-	-
UniCap Securities Limited	-	94,875
UniCap Investments Limited	-	25,300
Total	-	120,175

31 DEPRECIATION AND REPAIR OF ASSETS

Depreciation of fixed assets-freehold	4,644,966	5,323,786
Depreciation of fixed assets-leasehold vehicle	-	-
Amortization of intangible assets	103,851	129,229
Repairs and maintenance of assets	49,390	86,675
Total	4,798,207	5,539,690

31.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)

Union Capital Limited	4,798,207	5,539,690
UniCap Securities Limited	8,293,075	10,289,150
UniCap Investments Limited	1,794,557	1,728,436
Total	14,885,839	17,557,276

32 OTHER EXPENSES

HR development	235,539	264,162
Travelling and conveyance	7,384,647	5,880,465
Office expenses	1,164,518	928,314
Motor vehicle fuel expenses	676,663	737,226
Motor vehicle spare part expenses	219,669	379,592
Subscription and fees	2,155,704	2,307,780
Books, magazines, newspapers, etc	41,346	28,887
AGM expenses	1,243,078	2,273,622
Entertainment and public relation & others	1,128,337	1,545,597
Staff Welfare	6,462,165	4,794,794
Donation	-	758,100
Total	20,711,666	19,898,539

32.a OTHER EXPENSES (consolidated)

Union Capital Limited	20,711,666	19,898,539
UniCap Securities Limited	22,145,164	28,669,559
UniCap Investments Limited	373,455,413	305,680,494
	416,312,243	354,248,592
Less: Inter-company transactions	372,369,463	304,792,017
Total	43,942,780	49,456,575

33 RECEIPTS FROM OTHER OPERATING ACTIVITIES

Renewals and proceeds	2,437,222	133,492
Interest on deposits	-	-
Others	-	-
Total	2,437,222	133,492

Union Capital Limited
Notes to the financial statements

Figures in BDT

For the third quarter ended 30 September	2019	2018
34 PAYMENTS FOR OTHER OPERATING ACTIVITIES		
HR development	235,539	264,162
Travelling and conveyance	7,384,647	5,880,465
Office expenses	1,164,518	928,314
Motor vehicle expenses	896,332	1,116,818
Subscription and fees	2,155,704	2,307,780
Books, magazines, newspapers, etc	41,346	28,887
AGM expenses	1,243,078	2,273,622
Entertainment and public relation & staff welfare	7,590,502	6,340,391
Donation	-	758,100
Total	20,711,666	19,898,539

35 EARNINGS PER SHARE

Earnings Per Share (EPS) is calculated in accordance with International Accounting Standard 33: *Earnings Per Share* which has been shown on the face of Profit and Loss account.

35.1 Basic earnings per share

The calculation of basic earnings per share at 30 September 2019 was based on the profit attributable to ordinary shareholders of Tk. (210,357,533) (30 September 2018: Tk. 3,327,989) and a weighted average number of ordinary shares outstanding for the year ended 30 September 2019 was 172,573,843 (30 September 2018: 164,356,041).

Profits attributable to ordinary shareholders

Net profit for the period	(210,357,533)	3,327,989
---------------------------	---------------	-----------

Weighted average number of ordinary shares

Ordinary shares at 1 January	164,356,041	156,529,563
Bonus shares issued	8,217,801	7,826,479
Weighted average number of ordinary shares at reporting date	172,573,842	164,356,041
Restated weighted average number of ordinary shares	172,573,842	172,573,842
Earnings per share	(1.22)	0.02
Earnings per share (restated)	(1.22)	0.02

35.2 Diluted earnings per share

The dilutive effect relates to the average number of potential ordinary share held under option of convertibility. There was no such dilutive potential ordinary share during period ended 30 September 2019 and hence no diluted earnings per share is required to be calculated.

35.a EARNINGS PER SHARE (consolidated)

Profits attributable to ordinary shareholders

Net profit for the period (consolidated)	(226,253,237)	16,616,610
--	---------------	------------

EPS for the period ended 30 September 2019 has been decreased compared to the same period of 2018 due to enhancement of interest expenses as well as declined of interest income along with downturn nature capital market in 2019. During first nine months of 2019, the company has incurred realized loss amounting Tk. 107,752,607 for selling of shares, side by side income from brokerage commission has been decreased by more than 35% compared to previous period. Interest expense has been increased to Tk. 1,297,935,644 registering 14.66% enhancement compared to previous period due to increment of interest rate on borrowed fund resulting in a significant decrease in the EPS for the period ended 30 September 2019.

Union Capital Limited
Notes to the financial statements

Figures in BDT

For the third quarter ended 30 September	2019	2018
Weighted average number of ordinary shares		
Ordinary shares at 1 January	164,356,041	156,529,563
Bonus shares issued	8,217,801	7,826,479
Weighted average number of ordinary shares at reporting date	172,573,842	164,356,041
Restated weighted average number of ordinary shares	172,573,842	172,573,842
Earnings per share- consolidated	(1.31)	0.10
Earnings per share- consolidated (restated)	(1.31)	0.10

36 NET OPERATING CASH FLOWS PER SHARE

Net cash flows from operating activities	53,698,276	494,347,585
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net operating cash flows per share (restated)	0.31	2.86

36.a NET OPERATING CASH FLOWS PER SHARE (consolidated)

Net cash flows from operating activities	201,378,374	433,509,330
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net operating cash flows per share (restated)	1.17	2.51

During the period ended 30 September 2019, the Company has paid interest expenses of Tk. 1,345,123,496 compared to Tk. 1,141,083,238 in previous period due to imposing higher interest rate on borrowed fund as well as received interest income of Tk. 1,419,210,092 compared to Tk. 1,547,238,736 in previous period due to increasing rate of non-performing loan/leases portfolio. These two heads have affected mostly to decrease NOCFPS in 2019 compared to same period of 2018.

37 NET ASSET VALUE PER SHARE (NAV)

Net asset (total assets less total liabilities)	1,990,494,070	2,200,851,603
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net asset value per share (NAV)	11.53	12.75

37.a NET ASSET VALUE PER SHARE (NAV) (consolidated)

Net asset (total assets less total liabilities)	2,075,069,745	2,301,322,986
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net asset value per share (NAV)	12.02	13.34

38 (INCREASE)/DECREASE IN OTHER ASSETS

Accrued interest	(9,429,166)	(21,694,419)
Advance office rent	171,500	(127,115)
Advance to employees	139,287	123,639
Receivable from brokerage houses against sale of shares	71,254,189	(8,625,474)
Process Sharing receivable	-	-
Advance to purchase of office space	-	-
Receivable from subsidiary companies	-	-
Others	(167,985,800)	(386,694,068)
	(105,849,990)	(417,017,437)

Union Capital Limited
Notes to the financial statements

Figures in BDT

For the third quarter ended 30 September	2019	2018
39 INCREASE/(DECREASE) IN OTHER LIABILITIES		
Interest suspense	51,431,281	57,499,545
Financial expenses payable	(31,027,018)	(106,473,539)
Dividend on preference shares	-	-
Excise duty	(1,282,835)	(3,195,200)
Withholding tax payable	(1,532,040)	(6,400,448)
VAT payable	(2,259,632)	(196,955)
Accrued expenses and other payable	2,084,539	(40,730,267)
	17,414,295	(99,496,864)
40 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	(210,357,533)	3,327,989
Items not involved in cash movement:		
Add: Depreciation	4,748,820	5,453,015
Add: Provision for loans and investments	101,564,366	248,977,767
Add: Provision for taxation	436,905	854,380
Add/ (Less): Accrued expenses	(27,895,055)	(116,695,104)
Add/ (Less): Accrued Income	(342,959,392)	131,484,630
Less: Gain on disposal of fixed assets	(20,412)	-
Add/(Less): Loss/(gain) on sale of share	94,272,284	(7,923,772)
Increase/(Decrease) in employee gratuity	4,485,638	(18,824,955)
Increase/(Decrease) in Deferred tax	(2,324,038)	-
Adjustments to reconcile net profit after tax to net cash provided by operating activities	(378,048,417)	246,653,950
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	983,707,992	1,229,906,603
(Increase)/decrease in other assets	56,967,679	(107,580,261)
(Increase)/decrease in non-banking assets	(160,493,631)	421,000
Increase/(decrease) in term & other deposits	(837,215,348)	(1,211,604,271)
Increase/(decrease) in short term borrowing	387,518,444	437,000,000
Increase/(decrease) in payable and accrued expenses	(38,167,180)	(137,504,453)
Increase/(decrease) in income tax	(12,002,544)	(20,444,528)
Increase/(decrease) in interest suspenses	51,431,281	57,499,545
	431,746,693	247,693,635
Net cash flows from/(used in) operating activities	53,698,276	494,347,585

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer (CC)

Union Capital Limited
Schedule of fixed assets as at 30 September 2019

Annexure-A

Figures in BDT

Particulars	Cost				Rate of depreciation	Depreciation				Written down Value
	As at 1 Jan 2019	Addition during the year	Disposal/ adjustment during the year	As at 30 Sep 2019		As at 1 Jan 2019	Charged during the year	Disposal/ adjustment during the year	As at 30 Sep 2019	
Freehold assets										
Furniture and fixtures	7,754,224	978,592	202,469	8,530,347	20%	6,271,677	572,248	168,727	6,675,198	1,855,149
Office decoration	20,173,149	385,884	503,279	20,055,754	33%	17,619,081	1,250,055	503,280	18,365,856	1,689,898
Electrical equipment	30,900,740	1,057,775	-	31,958,515	20%	26,043,801	1,332,332	-	27,376,133	4,582,382
Owned vehicles	11,392,534	-	-	11,392,534	20%	5,572,418	1,477,503	-	7,049,921	4,342,613
Software	1,541,381	213,426	-	1,754,807	20%	1,181,828	103,854	-	1,285,682	469,125
Mobile Phone	452,600	-	-	452,600	20%	395,570	12,828	-	408,398	44,202
Staff appliance	-	-	-	-	20%	-	-	-	-	-
	72,214,628	2,635,677	705,748	74,144,557		57,084,375	4,748,820	672,007	61,161,188	12,983,369
Leasehold assets										
Leased vehicles	3,760,000	-	-	3,760,000	20%	3,759,999	-	-	3,759,999	1
As at 30 September 2019	75,974,628	2,635,677	705,748	77,904,557		60,844,374	4,748,820	672,007	64,921,187	12,983,370
As at 31 December 2018	75,582,860	6,491,768	6,100,000	75,974,628		57,139,457	6,958,250	3,253,333	60,844,374	15,130,254

Consolidated schedule of fixed assets as at 30 September 2019

Particulars	Cost				Rate of depreciation	Depreciation				Written down Value
	As at 1 Jan 2019	Addition during the year	Disposal/ adjustment during the year	As at 30 Sep 2019		As at 1 Jan 2019	Charged during the year	Disposal/ adjustment during the year	As at 30 Sep 2019	
Freehold assets										
Furniture and fixtures	11,433,680	1,352,928	202,469	12,584,139	20%	8,991,217	1,076,971	168,727	9,899,461	2,684,678
Office decoration	41,147,632	4,494,752	503,279	45,139,105	33%	33,444,663	4,772,096	503,280	37,713,479	7,425,626
Electrical equipment	47,926,522	2,971,008	-	50,897,530	20%	36,612,162	3,728,952	-	40,341,114	10,556,416
Owned vehicles	31,242,971	-	-	31,242,971	20%	13,646,625	4,117,572	-	17,764,197	13,478,774
Software	5,115,892	431,596	-	5,547,488	20%	4,023,652	665,141	-	4,688,793	858,695
Mobile Phone	512,500	-	-	512,500	20%	444,472	21,810	-	466,282	46,218
Staff appliance	-	-	-	-	20%	-	-	-	-	-
	137,379,197	9,250,284	705,748	145,923,733		97,162,791	14,382,542	672,007	110,873,325	35,050,408
Leasehold assets										
Leased vehicles	3,760,000	-	-	3,760,000	20%	3,759,999	-	-	3,759,999	1
As at 30 September 2019	141,139,197	9,250,284	705,748	149,683,733		100,922,790	14,382,542	672,007	114,633,324	35,050,409
As at 31 December 2018	133,630,056	13,609,141	6,100,000	141,139,197		82,455,814	21,720,309	3,253,333	100,922,790	40,216,407