

BBK B.S.C- Interim Condensed Consolidated Financial Statements 31 December 2018



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

BD '000s

	2018	2017
ASSETS		
Cash and balances with central banks	191,028	469,436
Treasury bills	410,380	427,130
Deposits and amounts due from banks and other financial institutions	239,174	223,824
Loans and advances to customers	1,772,528	1,740,651
Investment securities	800,263	748,985
Investments in associated companies and joint ventures	62,935	46,958
Interest receivable and other assets	77,849	79,680
Premises and equipment	27,543	26,436
TOTAL ASSETS	3,581,700	3,763,100
LIABILITIES AND EQUITY		
Liabilities		
Deposits and amounts due to banks and other financial institutions	258,676	193,472
Borrowings under repurchase agreement	198,997	161,314
Term borrowings	144,542	199,012
Customers' current, savings and other deposits	2,374,480	2,623,577
Interest payable and other liabilities	104,566	84,890
Total liabilities	3,081,261	3,262,265
Equity		
Share capital	108,165	108,165
Treasury stock	(2,521)	(998)
Perpetual tier 1 convertible capital securities	86,098	86,098
Share premium	41,016	41,016
Statutory reserve	54,082	54,082
General reserve	54,082	54,082
Cumulative changes in fair values	(25,105)	(8,349)
Foreign currency translation adjustments	(11,711)	(9,271)
Retained earnings	148,967	134,632
Proposed appropriations	44,617	39,161
ATTRIBUTABLE TO THE OWNERS OF THE BANK	497,690	498,618
Non-controlling interest	2,749	2,217
Total equity	500,439	500,835
TOTAL LIABILITIES AND EQUITY	3,581,700	3,763,100

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2018

BD '000s

	2018	2017
Interest and similar income	165,828	136,983
Interest and similar expense	(55,878)	(46,077)
Net interest income	109,950	90,906
Fee and commission income - net	28,187	31,094
Other income	18,925	15,540
Total operating income	157,062	137,540
Staff costs	(36,408)	(34,659)
Depreciation	(3,654)	(3,435)
Other expenses	(17,664)	(15,914)
Total operating expenses	(57,726)	(54,008)
Net provision for credit impairment	(35,048)	(28,912)
Net provision for impairment on investments	(313)	(98)
Net operating income	63,975	54,522
Share of profit of associated companies and joint ventures	4,142	5,519
PROFIT FOR THE YEAR BEFORE TAXATION	68,117	60,041
Net tax provision	(408)	(810)
PROFIT FOR THE YEAR	67,709	59,231
Attributable to:		
Owners of the Bank	67,118	58,685
Non-controlling interest	591	546
	67,709	59,231
Basic earnings per share (BD)	0.056	0.048
Diluted earnings per share (BD)	0.052	0.045

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Year ended 31 December 2018

BD '000s

	2018	2017
Profit for the year	67,709	59,231
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Fair value through other comprehensive income reserve (equity instruments)	6,496	(8,466)
Items that are or may be reclassified subsequently to profit or loss		
<i>Movement in translation reserve:</i>		
Foreign currency translation adjustments	(2,440)	2,287
<i>Movement in hedging reserve:</i>		
Effective portion of changes in fair value	443	284
<i>Movement in fair value reserve:</i>		
Net change in fair value	(21,266)	15,603
Net amount transferred to profit or loss	(2,936)	(3,427)
Other comprehensive (Loss)/Income for the year	(19,703)	6,281
Total comprehensive income for the year	48,006	65,512
Attributable to:		
Owners of the Bank	47,415	64,966
Non-controlling interest	591	546
	48,006	65,512

The consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and segmental information have been extracted from the consolidated financial statements of BBK B.S.C. for the year ended 31 December 2018 which were audited by Ernst & Young who expressed an unqualified opinion on 18 February 2019.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

BD '000s

	Attributable to the owners of the Bank and capital securities' holders					Non-controlling interest	Total equity
	Share capital	Others	Retained earnings	Proposed appropriations	Total		
Balance at 1 January 2017	108,165	207,748	122,830	33,666	472,409	1,806	474,215
Profit for the year	-	-	58,685	-	58,685	546	59,231
Other comprehensive income for the year	-	7,607	(1,326)	-	6,281	-	6,281
Total comprehensive income	-	7,607	57,359	-	64,966	546	65,512
Share - based payments	-	-	699	-	699	-	699
Distribution on perpetual tier 1 convertible capital securities	-	-	(7,103)	-	(7,103)	-	(7,103)
Dividends paid	-	-	-	(32,266)	(32,266)	(135)	(32,401)
Donations	-	-	-	(1,400)	(1,400)	-	(1,400)
Movement in treasury stock	-	1,305	-	-	1,305	-	1,305
Unclaimed dividends	-	-	8	-	8	-	8
Proposed appropriations	-	-	(39,161)	39,161	-	-	-
Balance at 31 December 2017	108,165	216,660	134,632	39,161	498,618	2,217	500,835
Profit for the year	-	-	67,118	-	67,118	591	67,709
Other comprehensive loss	-	(19,196)	(507)	-	(19,703)	-	(19,703)
Total comprehensive income	-	(19,196)	66,611	-	47,415	591	48,006
Share-based payments	-	-	(578)	-	(578)	-	(578)
Distribution on Perpetual tier 1 convertible capital securities	-	-	(7,103)	-	(7,103)	-	(7,103)
Dividends paid	-	-	-	(37,761)	(37,761)	(210)	(37,971)
Donations	-	-	-	(1,400)	(1,400)	-	(1,400)
Movement in treasury stock	-	(1,523)	-	-	(1,523)	-	(1,523)
Movement in non-controlling interest	-	-	-	-	-	151	151
Unclaimed dividends	-	-	22	-	22	-	22
Proposed appropriations	-	-	(44,617)	44,617	-	-	-
Balance at 31 December 2018	108,165	195,941	148,967	44,617	497,690	2,749	500,439

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2018

BD '000s

	2018	2017
Net cash (used in)/from operating activities	(92,144)	97,658
Net cash (used in)/from investing activities	(69,396)	22,683
Net cash used in financing activities	(103,580)	(47,274)
Foreign currency translation adjustments - net	(2,440)	2,287
NET CHANGE IN CASH AND CASH EQUIVALENTS	(267,560)	75,354
Cash and cash equivalents at beginning of the year	612,958	537,604
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	345,398	612,958

SEGMENTAL INFORMATION

Year ended 31 December 2018

BD '000s

	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
31 December 2018					
Operating income before share of profit of associated companies and joint ventures	53,205	31,867	26,088	45,902	157,062
Segment result	26,191	(9,197)	1,779	44,794	63,567
Share of profit of associated companies and joint ventures	4,466	-	-	(324)	4,142
Profit for the year					67,709
Profit attributable to non-controlling interest					(591)
Profit for the year attributable to the owners of the Bank					67,118

	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
31 December 2017					
Operating income before share of profit of associated companies and joint ventures	47,452	29,726	22,894	37,468	137,540
Segment result	17,093	(2,344)	1,987	36,976	53,712
Share of profit of associated companies and joint ventures	5,448	-	-	71	5,519
Profit for the year					59,231
Profit attributable to non-controlling interest					(546)
Profit for the year attributable to the owners of the Bank					58,685

