

Handwritten:
T. Akil
22/06/09

PRIVATE & CONFIDENTIAL

ANSAR-VDP UNNAYAN BANK

Audit Report and Statement of Accounts
for the year ended June 30, 2006

KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS
RUPALI BIMA BHABAN
7, RAJUK AVENUE
MOTIJHEEL
DHAKA-1000.

AZIZ HALIM KHAIR CHOUDHURY
CHARTERED ACCOUNTANTS
"ASHIANA"
726/A, SATMOSJID ROAD
DHANMONDI
DHAKA-1000.

Khan Wahab Shafique Rahman & CO.
Chartered Accountants
Rupali Bina Bhaban
7, Rajsh Avenue
Mirpur
Dhaka-1000.

AZIZ HALIM KHAIR CHOUDHURY
Chartered Accountants
"ASHIANA"
726/A, Satmosjid Road (1st Floor)
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Dhaka-1209

AUDITORS' REPORT TO THE SHAREHOLDERS

ANSAR VDP UNNAYAN BANK

We have audited the accompanying Balance Sheet of ANSAR VDP UNNAYAN BANK as of June 30, 2006 and the related profit & loss account and the statement of cash flows for the year then ended. The preparation of these financial statements and notes thereto are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statement based on our audit.

SCOPE:

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statement . We believe that our audit provides a reasonable basis for our opinion.

OPINION :

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standard (BAS), give a true and fair view of the state of the Bank's affairs as on 30 June, 2006 and of the results of its operations and it's cash flows for the year then ended and comply with the Bank Company Act, 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act. 1994 and Financial Institution Act, 1993.



We also report that:

- (a) We have obtained all the information and explanations which to best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) In our opinion, proper books of accounts as required by the relevant law and ANSAR VDP UNNAYAN BANK Act 1995 were maintained by the management so far as it appeared from our examinations.
- (c) These financial statements are in agreement with the books of account as maintained by the Bank and examined by us.
- (d) The expenditure incurred and payment made were for the purpose of the bank's business for the year.
- (e) The financial position of the bank at 30th June, 2006 and the profit for the year ended have been properly reflected in the financial statement and the financial statement have been prepared in accordance with the generally accepted accounting principles; which should be read in conjunction with annexed notes and it gives a true and fair view of the state of affairs of the Bank as at 30th June, 2006 and the result of its operations for the year then ended.
- (f) The financial statements have been drawn up in conformity with the Bank Company Act, 1991 in accordance with the accounting rules & regulations issued by the Bangladesh Bank.
- (g) Adequate provisions have been made for loans & advances and other assets which are in our opinion doubtful of recovery.
- (h) The financial statements conform to the prescribed standards set in the accounting regulations issued by the Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh.
- (i) The records and statements submitted by the branches have been properly maintained and consolidated in the financial statements,
- (j) The information and explanations required by us have been received and found satisfactory.

Dhaka, June 27, 2007

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Aziz Halim Khair Choudhury
Aziz Halim Khair Choudhury
Chartered Accountants

ANSAR-VDP UNNAYAN BANK

BALANCE SHEET AS AT 30TH JUNE, 2006

PROPERTY AND ASSETS	NOTES	2005-2006 TAKA	2004-2005 TAKA
Cash:	3.00	20,449,631	13,179,111
Cash in hand (Including Foreign Currencies)		408,048	657,999
Balance with Bangladesh Bank (Including Foreign Currencies)		-	-
Balance with Sonali Bank (Including Foreign Currencies)		20,041,583	12,521,112
Balance with Other Banks and Financial Institutions	4.00	140,016,914	328,301,723
In Bangladesh		140,016,914	328,301,723
Outside Bangladesh		-	-
Money at call and short notice		-	-
Investments		-	-
Loans and Advances	5.00	939,228,040	684,634,689
Loans, Cash Credit, Overdrafts etc.		939,228,040	684,634,689
Bills Purchased & Discounted		-	-
Fixed Assets including Premises, Furniture and Fixtures	6.00	4,922,877	5,566,499
Others Assets	7.00	42,575,267	35,933,847
Non-Banking Assets		-	-
Total Assets		<u>1,147,192,729</u>	<u>1,067,615,869</u>
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	8.00	464,053,250	556,549,000
Deposits and other Accounts	9.00	202,800,362	151,462,944
Current Accounts		48,175	-
Bills Payable		-	-
Savings Bank Deposit		3,514,810	-
Fixed Deposits		9,592,194	8,851,479
Bearer Certificates of Deposits		-	-
Other Deposits		189,645,183	142,611,465
Other Liabilities	10.00	192,956,571	131,163,257
Total Liabilities:		<u>859,810,183</u>	<u>839,175,201</u>
Capital/Shareholders' Equity			
Paid up Capital	11.01	199,512,300	178,636,100
Statutory Reserve		-	-
General Reserve	12.00	45,019,335	32,069,531
Special Reserve	13.00	1,000,000	-
Dividend	14.00	41,850,911	17,735,037
Surplus in Profit and Loss Account		-	-
Total shareholders' Equity		<u>287,382,546</u>	<u>228,440,668</u>
Total Liabilities & Shareholder's Equity		<u>1,147,192,729</u>	<u>1,067,615,869</u>

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ANSAR-VDP UNNAYAN BANK

**PROFIT AND LOSS ACCOUNT
for the year ended 30th June, 2006**

	NOTES	2005-2006 TAKA	2004-2005 TAKA
Interest income	15.00	200,101,281	179,678,715
Interest paid on Deposits, Borrowings etc.	16.00	50,186,056	65,700,288
Net Interest income		149,915,225	113,978,427
Investment income		-	-
Commission, exchange and brokerage		-	-
Other operating income	17.00	1,251,434	2,712,348
Total operating income		151,166,659	116,690,775
Salary and allowances	18.00	39,014,864	34,991,651
Rent, Taxes, Insurance, Electricity etc.	19.00	3,918,928	3,818,238
Legal expenses		21,106	7,060
Postage, Stamp, Telecommunication etc.	20.00	908,103	855,285
Stationery, Printings, Advertisements etc.	21.00	1,425,322	1,251,133
Chief Executive's salary and fees	22.00	414,420	367,170
Director's fees		256,984	262,469
Auditor's fees		60,000	120,000
Charges on loan losses		-	-
Depreciation and Repair of Bank's assets	23.00	1,772,636	1,939,374
Other expenses	24.00	14,876,259	15,902,908
Total operating expenses		62,668,622	59,515,288
Profit(Loss) before provision		88,498,037	57,175,487
Provision for loans & Advances	25.00	16,787,714	12,276,177
Other provisions	26.00	2,500,000	1,700,000
Total provision		19,287,714	13,976,177
Total Profit(Loss) before Taxes		69,210,323	43,199,310
Provision for Taxation		31,144,645	19,439,690
Net Profit after Taxation		38,065,678	23,759,621
Appropriations:			
Statutory Reserve		-	-
General Reserve		12,949,804	6,024,583
Special Reserve		1,000,000	-
Dividends		24,115,874	17,735,037
		38,065,678	23,759,620
Earning per share (EPS)		19.08	13.30

Annexed notes form an integral part of these accounts.

CHAIRMAN

MANAGING DIRECTOR

SECRETARY

Dhaka, June 27, 2007.

Signed subject to our separate report of even date annexed.

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Aziz Halim Khair Choudhury
Chartered Accountants



ANSAR VDP UNNAYAN BANK
Cash Flow Statement
For the year ended 30th June, 2006.

	Notes	2005-2006 TAKA	2004-2005 TAKA
A. Cash Flows from Operating Activities:			
Interest receipts in cash		185,708,178	155,624,856
Interest payments		(47,404,779)	(51,471,095)
Dividends receipts		-	-
Fee and commission receipts in cash		-	-
Recoveries on loans previously written off		-	-
Cash payments to employees		(39,429,284)	(35,358,821)
Cash payments to suppliers		(2,411,576)	(1,925,788)
Income Taxes paid		(31,144,645)	(19,439,690)
Receipts from other operating activities (item-wise)	27.00	1,251,434	2,712,348
Payments for other operating activities (item-wise)	28.00	(19,637,847)	(20,733,651)
Operating profit before changes in operating assets and liabilities	29.00	46,931,481	29,408,159
<u>Increase/Decrease in Operating assets and liabilities</u>			
Statutory Reserve		-	-
Purchase/sale of trading securities		-	-
Loan & Advances to other banks		-	-
Loan & Advances to customers		(254,593,351)	(157,456,986)
Other assets (item-wise)	30.00	7,751,683	(8,880,974)
Deposits from other banks		-	-
Deposits from customers		51,337,418	39,028,101
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	31.00	39,724,323	26,685,441
Net cash from operating activities		(108,848,446)	(71,216,259)
B. Cash Flows from Investing Activities:			
Proceeds from sale of securities		-	-
Payments for purchase of securities		-	-
Purchase/sale of property, plant & equipment		(546,293)	(456,162)
Purchase/sale of subsidiary		-	-
Net cash from investing Activities		(546,293)	(456,162)
C. Cash Flows from Financing Activities:			
Receipts from issue of loan capital & debt security		-	-
Payments for redemption of loan capital & debt security		(92,495,750)	(51,110,750)
Receipts from issue of ordinary share		20,876,200	19,004,800
Dividends paid		-	-
Net cash from financing activities		(71,619,550)	(32,105,950)
Net Increase/(Decrease) in cash & Cash equivalents (A+B+C)		(181,014,289)	(103,778,371)
E. Cash and cash - equivalents at beginning period		341,480,834	445,259,205
Cash and cash - equivalents at end of period		160,466,545	341,480,834

Annexed notes form an integral part of these accounts.

CHAIRMAN

MANAGING DIRECTOR

SECRETARY



ANBAR - VDP UNNAYAN BANK

**Statement of Changes in Equity
For the year ended 30th June, 2006.**

Particulars	Paid-up Capital	General Reserve	Special Reserve	Dividend	Total
Balance as at 1st July, 2005	178,636,100	32,069,531	-	17,735,037	228,440,668
Changes in accounting policy	-	-	-	-	-
Restated balance	-	-	-	-	-
Surplus/deficit on account of revaluation of properties	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-
Currency translation differences	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-
Net profit for the period	-	12,949,804	1,000,000	24,115,874	38,065,678
Dividends	-	-	-	-	-
Issue of share capital	20,876,200	-	-	-	20,876,200
Balance as at 30th June, 2006.	199,512,300	45,019,335	1,000,000	41,850,911	287,382,546

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CHAIRMAN

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MANAGING DIRECTOR

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SECRETARY



ANSAR - VDP UNNAYAN BANK
LIQUIDITY STATEMENT

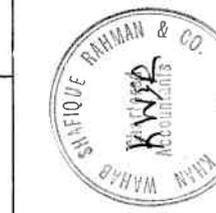
(Asset and Liability Maturity Analysis)

As At 30th June 2006

	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
Assets:						
Cash in hand	20,449,631	-	-	-	-	20,449,631
Balance with other banks and financial institutions	22,512,006	117,504,908	-	-	-	140,016,914
Money at call on short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans and Advances	102,501,000	191,524,000	636,763,422	5,452,429	2,987,189	939,228,040
Fixed assets including premises, furniture and fixtures	-	-	-	-	4,922,877	4,922,877
Other assets	4,145,263	7,390,308	28,577,268	1,051,193	1,411,235	42,575,267
Non-banking assets	-	-	-	-	-	-
Total Assets	149,607,900	316,419,216	665,340,690	6,503,622	9,321,301	1,147,192,729
Liabilities:						
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents	56,053,250	4,000,000	204,000,000	200,000,000	-	464,053,250
Deposits & Other Accounts	3,075,396	8,495,863	33,088,057	120,995,863	37,145,183	202,800,362
Provision and other liabilities	847,727	2,222,400	59,623,677	56,792,792	73,469,975	192,956,571
Total Liabilities	59,976,373	14,718,263	296,711,734	377,788,655	110,615,158	859,810,183
Net Liquidity Gap	89,631,527	301,700,953	368,628,956	(371,285,033)	(101,293,857)	287,382,546

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CHAIRMAN

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MANAGING DIRECTOR



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SECRETARY

ANSAR VDP UNNAYAN BANK

Notes on Financial Statements

For the year ended 30th June, 2006

LEGAL STATUS AND OBJECTS OF THE BANK:

The bank was established as a body corporate under the Ansar VDP Unnayan Bank Ordinance 1995 issued on September 16, 1995 with the objects to provide financial assistance/micro credit among the members of Ansar VDP with a view to make themselves dependent and take active participation in the economic development of the country. Its operation started from 1st November, 1996. Only section 44 and 45 of banking company Act 1957, was followed by the bank.

NATURE OF BUSINESS:

The principal activities of the bank are to provide basically micro credit facilities to the Ansar VDP members for housebuilding and other economic activities with or without taking security from them and perform other activities under specific instruction/guidelines of bank.

MANAGEMENT OF THE BANK:

The activities of the bank are controlled and managed by rules and regulations as indicated in Ansar VDP Unnayan Bank Rules 1995. The responsibilities for managing and conducting the affairs of the bank is entrusted upon the Board of Directors consisting of 16 members/directors of which 12 directors are elected by the shareholders from themselves and 4 directors (including chairman) are nominated by the Govt. for a three years term.

SHAREHOLDERS OF THE BANK:

As per clause 7 (3) of Ansar VDP Unnayan Bank Rules, 1995, only members of Ansar VDP including officers and staff of Ansar VDP Unnayan Bank can Purchase, sell and transfer the shares of the bank among themselves. Total number of shares were 1,995,123 of Tk. 100/= each as on 30 June, 2006.



2.00 ACCOUNTING POLICIES:

2.01 Basis of Preparation of The Financial Statement:

These financial statements have been prepared according to the Bank companies Act 1991 on going concern basis under accrual system on generally accepted accounting principles. The Balance Sheet, profit & Loss Account and Notes to the Accounts have been prepared as per proforma given in 1st Schedule of Bank companies Act, 1991 as received from Bangladesh Bank vide BRPD circular no. 14 dated 25th June, 2003. The policies wherever appropriate are explained in the succeeding notes.

2.02 Consolidation:

A separate set of records for consolidating the statement of affairs and income & expenditure statement of the branches were maintained at the Head Office of the Bank based on which these financial statements have been prepared.

2.03 Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. The original cost of the assets are inclusive of cost paid to the supplies/vendors along with other expenses for acquisition of the assets.

2.04 DEPRECIATION:

Depreciation has been charged on straight line method at the following rates. No depreciation has been charged on all fixed assets acquired during the year.

Building	2.50%
Motor Vehicles	20%
Office Equipment	15%
Electrical equipment	10%
Furniture	10%
Library	10%
Others	15%

2.05 TAXATION: Tk. 1931,144,645

Provision for taxation has been made @ 45%

2.06 Dividend Policy:

During the year under audit board has taken decision for payment of dividend to the share holders @ 13.50% on opening share capital of Tk. 178,636,100.



2.07 Policy for Provision on Loan:

Bank has provided loan from his own sources and from the fund of Palli Karma Sahayak Foundation (PKSF).

Provision for loans provided from own fund have been made as follows:

Category	% of provision
Unclassified	5%
Sub Standard	5%
Doubtful	5%
Bad & Loss	100%

Provision for Loans provided from P.K.S.F fund have been made as follows:

Category	% of bad debts provision
Unclassified	1%
Doubtful	50%
Bad & Loss	100%

2.08 Ex-Gratia:

During the year under audit Tk. 2,250,000 has been provided in the accounts as Ex-Gratia. Ex-Gratia has been calculated based on last basic salary of the staff.

2.09 Revenue Recognition:

Usually interest on loans has been recognised on realisation basis and at the end of the year income provision has been made on recoverable loan amount.

Income on FDR has been recognised on accrual basis.

2.10 Retirement benefit to the employees:

The bank operates a general contributory provident fund, the employee is contributing 10% of the basic salary. The bank also contributes the same amount to the fund.

Permanent employee of the bank enjoyed pension benefit at the time of retirement.

2.11 General:

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



CASH : TK. 20,449,631

This is made up as follows:

Particulars	Amount (In Taka)	
	30.06.2006	30.06.2005
Cash in hand	408,048	657,981
Local currency	408,048	657,981
Foreign Currency	-	-
Balance with Bangladesh Bank	-	-
Balance with Sonali Bank	20,041,583	12,521,112
Local Currency (3.01)	20,041,583	12,521,112
Foreign Currency	-	-
Total	20,449,631	13,179,093
Balance with Sonali Bank	20,041,583	12,521,112
Current deposit	9,862,151	5,954,225
Short term deposit	10,179,432	6,566,887

BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS: TK. 140,016,914

This is made-up as follow:

	Amount (In Taka)	
	30.06.2006	30.06.2005
In Bangladesh (4.01)	140,016,914	328,301,723
Outside Bangladesh	-	-
Total	140,016,914	328,301,723

In Bangladesh : Tk. 140,016,914

Current deposits	(4.01.1)	4,346,872	5,295,840
Short term deposits	(4.01.2)	18,165,134	14,539,661
Fixed deposits	(4.01.3)	117,504,908	308,466,222
Total		140,016,914	328,301,723



401.1 **Current Deposits: Tk. 4,346,872**

Amount (In Taka)	
30.06.2006	30.06.2005
Janata Bank	4,621,801
Agrani Bank	1,001
Rupali Bank Ltd.	2,840
Bangladesh Krishi Bank	669,080
Uttara Bank Ltd.	1,118
4,346,872	5,295,840

401.2 **Short term deposits: Tk. 18,165,134**

Janata Bank	1,962,581
Agrani Bank	1,000
Rupali Bank Ltd.	2,193,080
Bangladesh Krishi Bank	119,478
Uttara Bank Ltd.	1,025,375
Dutch Bangla Bank Ltd.	1,268,881
Social Investment Bank Ltd.	2,449,621
Prime Bank Ltd.	5,519,645
18,165,134	14,539,661

401.3 **Fixed Deposits: Tk. 117,504,908**

Janata Bank	1,117,812
Oriental Bank Ltd.	113,400,000
Dhaka Bank Ltd.	34,000,000
National Bank of Pakistan	-
Social Investment Bank Ltd.	133,648,410
Prime Bank Ltd.	26,300,000
117,504,908	308,466,222

Maturity grouping of balance with other banks: Tk. 140,016,914

Payable on demand	4,346,872	5,295,940
Not more than 3 months	135,670,042	323,005,883
More than 3 months but not more than 1 year	-	-
More than 1 year but not more than 5 years	-	-
More than 5 years	-	-
140,016,914	328,301,723	



	Amount (In Taka)	
	30.06.2006	30.06.2005
5.00 LOANS & ADVANCES : TK. 939,228,040		
Inside Bangladesh (5.01)	939,228,040	684,634,689
Outside Bangladesh	-	-
	939,228,040	684,634,689
5.01 Inside Bangladesh : Tk. 939,228,040		
Loan (5.01.1)	939,228,040	684,634,689
Cash Credit	-	-
Overdraft	-	-
	939,228,040	684,634,689
5.01.1 Loan : Tk. 939,228,040		
Micro-Credit	929,984,422	677,733,631
Staff Loan	9,243,618	6,901,058
	939,228,040	684,634,689
5.02 Maturity Grouping of Loans and Advances:		
Payable on demand	-	-
Not more than 3 months	294,025,000	238,677,000
More than 3 months but not more than 1 year	636,763,422	439,860,631
More than 1 year but not more than 5 years	5,452,429	4,175,271
More than 5 years	2,987,189	1,921,787
	939,228,040	684,634,689
5.03 Significant concentration of loans and advances:		
Advances to allied concerns of directors	-	-
Advances to Chief Executive and other Executive and other officers	9,243,618	6,901,058
Groupwise advances to the customers	929,984,422	677,733,631
Industry based advances	-	-
	939,228,040	684,634,689
5.04 Number of clients with amount of outstanding and classified loan to whom loans and advances sanctioned more than 15% of the total capital of the bank.		
Number of the clients	-	-
Amount of outstanding loans and advances	-	-
Classified loan therein	-	-
	-	-



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5.15 Geographical area-wise loan and advances:

	Amount (In Taka)	
	30.06.2006	30.06.2005
Dhaka	305,545,000	221,153,000
Chittagong	131,679,000	87,183,000
Khulna	116,110,000	87,843,000
Rajshahi	211,255,000	153,378,000
Sylhet	116,861,000	90,167,000
Barisal	48,534,422	38,009,631
Staff Loan	9,243,618	6,901,058
	939,228,040	684,634,689

5.16 Classification status of loans and advances:

Unclassified (Including staff loan)	849,448,040	602,450,689
Sub-standard	62,846,000	64,725,000
Doubtful	21,025,000	15,074,000
Bad/Loss	5,909,000	2,385,000
	939,228,040	684,634,689

5.17 Particulars of Advances:

(i) Loans considered good in respect of which the bank is fully secured:	-	-
(ii) Loans considered good against which the banking company holds no other security than the debtor's personal guarantee:	-	-
(iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	929,984,422	677,733,631
(iv) Loans adversely classified ; provision not maintained there against;	-	-
(v) Loans due from director or officers of the banking company or any of these either separately or jointly with any other persons.	9,243,618	6,901,058
	939,228,040	684,634,689
(vi) Loans due from companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in case of private companies as members.	-	-



vi)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers of officers of the banking company or any of them either severally or jointly with any other person;	-	-
vii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies as members;	-	-
viii)	Due from other banking companies;		
ix)	Amount of classified loan on which interest is not credited to income.		
	a. 1. Amount (Decrease)/increase in provision.	5,418,000	1,446,000
	a. 2. Amount of loan written off from provision.	-	-
	a. 3. Amount realized against loan previously written off	-	-
	b. Amount of provision kept against loan classified.	15,826,000	10,408,000
	c. Interest creditable to the interest suspense account.	-	-
x)	Written off loans:		
	a. Cumulative amount of loan previously written off	16,544	-
	b. Amount of loan written off during the year	16,544	-
	c. Amount of written-of loan; for which suit has been filed.	-	-



5.38 Provision held against Loans:

	Amount (In Taka)	
	30.06.2006	30.06.2005
Provision required	50,254,800	33,483,630
Previous balance of provision	33,483,630	21,207,453
Add: Provision made during the year	16,787,714	12,276,177
Less: Adjustment	16,544	-
Total provision held	50,254,800	33,483,630
Provision shortfall	-	-

5.39 FIXED ASSETS INCLUDING PREMISES,
FURNITURE & FIXTURE: TK. 4,922,877

Land	-	-
Building & other structure	481,123	441,856
Motor vehicle	800,405	1,066,200
Office equipment	255,187	440,542
Electrical equipment	934,121	1,064,058
Furniture	2,430,986	2,535,230
Library & other	21,055	18,613
	4,922,877	5,566,499

Details of fixed assets has been shown in Annexure-A.

5.40 Movement of Fixed Assets including
Premises and Fixture

Balance as on 01.07.2005	5,566,499	6,607,365
Add: Purchase during the year	546,293	456,162
Less: Depreciation during the year	1,189,915	1,497,028
Balance as on 30.06.2006	4,922,877	5,566,499



OTHER ASSETS: TK. 42,575,267

The break up is as under:

Particulars	Amount (In Taka)	
	30.06.2006	30.06.2005
Advance against T.A	46,000	57,170
Advance against salary	-	4,590
Advance against expenses	48,900	58,000
Advance against purchase	5,790	6,550
Advance income tax	119,000	103,768
Advance office rent	57,200	94,100
Sundry advance	234,711	40,285
Printed stationery	1,656,707	778,377
Security deposit	175,550	175,175
Suspense account	170,208	129,250
Interest accrued on loan	35,110,321	19,925,173
Interest accrued on staff loan	2,116,670	1,448,854
Interest accrued on fixed deposit	2,595,348	4,055,209
General Account balance	238,862	9,057,346
	42,575,267	35,933,847

Classification of other assets and provision shortfall therein :

(i) Amount classified	150,000	-
(ii) Provision required	150,000	-
(iii) Previous balance of provision	-	-
(iv) Add: Provision made during the year	150,000	-
(v) Total provision held	150,000	-
(vi) Provision shortfall for other assets (ii-v)	-	-

BORROWING FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS: TK. 464,053,250

Inside Bangladesh (8.01)	464,053,250	556,549,000
Outside Bangladesh	-	-
	464,053,250	556,549,000



8.01 Inside Bangladesh: Tk.

Amount (In Taka)		
30.06.2006	30.06.2005	
Loan from Bangladesh Bank	200,000,000	200,000,000
Bond issue (Sonal Bank)	100,000,000	150,000,000
Bond issue (Janata Bank)	50,000,000	50,000,000
Bond issue (Agrani Bank)	50,000,000	50,000,000
Bond issue (Rupali Bank Ltd.)	50,000,000	50,000,000
Loan from Pallikarma Sahayak Foundation	14,053,250	56,549,000
464,053,250	556,549,000	

8.02 Security wise grouping:

Secured	-	-
Unsecured	464,053,250	556,549,000
	464,053,250	556,549,000

8.03 Maturity-wise grouping

On Demand	-	-
On Maturity	464,053,250	556,549,000
	464,053,250	556,549,000

8.04 DEPOSIT AND OTHER ACCOUNTS: TK. 202,800,362

Deposit from Banks	-	-
Other Deposits	202,800,362	151,462,944
	202,800,362	151,462,944

8.05 Maturity-wise grouping

Repayable on demand	48,175	-
Repayable within 1 month	3,027,221	3,720,342
Over 1 month but within 3 month	16,991,726	15,279,217
Over 3 month but within 1 year	24,592,194	17,880,447
Over 1 year but within 5 years	120,995,863	86,668,238
Over 5 years but within 10 years	37,145,183	27,914,700
Total	202,800,362	151,462,944

8.06 OTHER LIABILITIES: TK. 192,956,571

General provident fund	14,405,677	11,166,419
Superannuation fund	20,274,345	16,638,114
Beneficial fund	386,156	150,830
Employee security deposit	4,068,388	3,961,633



Death relief grant fund	875,000	700,000
Cash excess	4,019	1,674
Unpaid Salary	130,264	121,109
Realised VAT, Tax, excise duty	195,989	116,314
Contractors security deposit	53,470	61,851
Reen Bima	1,852,797	1,478,290
Sundry account	4,801,359	3,955,008
Provision for interest on Fixed deposit	418,626	390,563
Provision for interest on Borrowed fund	16,591,844	13,838,630
Provision for Exgrtia	6,600,000	4,350,000
Provision for corporate tax	71,893,837	40,749,192
Provision for classified loan (10.01)	15,826,000	10,408,000
Provision for Unclassified loan (10.02)	34,428,800	23,075,630
Provision for Other assets	150,000	-
	192,956,571	131,163,257

10.01 Provision for Classified loan:

Provision held at the beginning of the year	10,408,000	2,636,000
Less: Loans provided for written off	-	-
Add: Recovery from the previous written off loans	-	-
Add: Special provision made during the year	-	-
Less: Recovered and provision which no more required	-	-
Add: Net charged on profit & Loss Account	5,418,000	7,772,000
Balance at the end of the year	15,826,000	10,408,000

10.02 Provision for unclassified loan

Opening balance	23,075,630	18,571,453
Less: Loans written off which provided for	(16,544)	-
Add: Recovery from the previous written off loans	-	-
Add: Special provision made during the year	-	-
Less: Recovered and provision which no more required	-	-
Add: Net charged on profit & loss Account	11,369,714	4,504,177
Balance at the end of the year	34,428,800	23,075,630

11. CAPITAL

Authorised Capital: Tk. 1000,000,000

The Authorised Capital of the Bank amount Tk. 1000,000,000 at 30th June, 2006 which divided into 10,000,000 ordinary share of Tk. 100/= each.



1.01 Paid up Capital: Tk. 199,512,300

The paid up capital of the bank at 30th June, 2006 was Tk. 199,512,300. The amount of the paid up capital has been subscribed as follows:

Particulars	No. of shares	Amount (In Tk.)
Ansar-VDP members	1,745,123	174,512,300
Government of Bangladesh	250,000	25,000,000
Total	1,995,123	199,512,300

1.02 Capital adequacy ratio:

Details of the Capital Requirement & Capital Shortfall of the Bank as per requirement of section 13(2) of Bank Companies Act, 1991 and BRPD circular 10 dated 25th November, 2002.

(a) Total assets (including off balance sheet amount)	1,147,192,729	1,067,615,869
(b) Risk weighted assets	967,775,290	700,629,304
(c) Required capital	87,099,776	63,056,637
(d) Available capital		

i) Core Capital:

Paid up capital	199,512,300	178,636,100
General Reserve	45,019,335	32,069,531
Dividend	41,850,911	17,735,037
	286,382,546	228,440,668

ii) Supplementary Capital:

General provision (provision for Unclassified loan)	34,428,800	23,075,630
	34,428,800	23,075,630

Total available Capital as at 30th June, 2006	320,811,346	251,516,298
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(e) Capital Surplus/(Deficiency)	233,711,570	188,459,661
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2.00 GENERAL RESERVES: TK. 45,019,335

Opening balance	32,069,531	26,044,948
Add: Transferred from profit during the year	12,949,804	6,024,583
Closing balance	45,019,335	32,069,531



13.00 SPECIAL RESERVES :Tk. 1,000,000

	Amount (In Taka)	
	30.06.2006	30.06.2005
Opening balance	-	-
Add: Transferred from profit during the year	1,000,000	-
Closing balance	<u>1,000,000</u>	<u>-</u>

14.00 DIVIDEND: TK. 41,850,911

Dividend declared in previous year	17,735,037	-
Add: Dividend declared in current year	24,115,874	17,735,037
Balance at the end of the year.	<u>41,850,911</u>	<u>17,735,037</u>

Dividend declared by the Board of the Bank to the tune of Tk. 41,850,911 and it is yet to be distributed to the shareholders.

15.00 INTEREST INCOME: TK. 200,101,281

Interest on loan & advance	178,423,870	139,026,704
Interest on staff loans	603,436	511,906
Interest on deposit	21,073,975	40,140,105
	<u>200,101,281</u>	<u>179,678,715</u>

16.00 INTEREST PAID ON DEPOSITS & BORROWING ETC: TK. 50,186,056

Interest paid on deposit	11,220,812	8,542,995
Interest paid on borrowings	37,270,823	55,758,359
Interest paid on General P.F	1,544,411	1,239,722
Interest paid on employees security deposit	150,010	159,212
	<u>50,186,056</u>	<u>65,700,288</u>

17.00 OTHER OPERATING INCOME: TK. 1,251,434

Sales of pass book	351,740	737,050
Sales of loan forms	668,860	1,450,660
Sales of tender schedule	8,900	13,650
Other receipts	221,934	510,988
	<u>1,251,434</u>	<u>2,712,348</u>



18.00 SALARIES & ALLOWANCES : TK. 39,014,864

	Amount (In Taka)	
	30.06.2006	30.06.2005
Salaries	25,388,629	21,139,399
House rent allowance	6,014,929	5,950,249
Dearness allowances	3,992	784,985
Medical allowance	1,482,829	1,425,490
Conveyance allowances	34,006	150,706
Contribution to superannuation fund	3,420,435	2,736,188
Festival Bonus	2,650,204	2,722,743
Other allowances	19,840	81,891
	39,014,864	34,991,651

19.00 RENT, TAXES, INSURANCES & ELECTRICITY: TK. 3,918,928

Rent	2,895,249	2,889,765
Taxes	174,810	121,539
Insurances	132,608	136,998
Electricity, Waters & Gas	716,261	669,936
	3,918,928	3,818,238

20.00 POSTAGE, STAMPS, TELCOMMUNICATION ETC: TK. 908,103

Postage & Telegram	223,633	231,515
Telephone	684,470	623,770
	908,103	855,285

21.00 STATIONERY, PRINTING, ADVERTISEMENT ETC. TK. 1,425,322

Printing stationery	712,131	464,912
Office stationery	542,845	561,251
Advertisement	170,346	224,970
	1,425,322	1,251,133

22.00 CHIEF EXECUTIVE'S SALARY AND FEES: TK. 414,420

Salaries	276,000	216,000
House rent allowances	72,000	72,000
Dearness allowances	-	9,000
Medical allowances	4,800	4,800
Contribution to superannuation fund	-	8,100
Contribution to PF	18,000	13,650
Festival Bonus	30,000	30,000
Other allowances	13,620	13,620
	414,420	367,170



23.00 DEPRECIATION AND REPAIRS TO BANK'S ASSETS: TK. 1,772,636

	Amount (In Taka)	
	30.06.2006	30.06.2005
Depreciation	1,189,915	1,497,028
Repairs to Bank's Property	582,721	442,346
	1,772,636	1,939,374

24.00 OTHER EXPENSES: TK. 14,876,259

Honorarium	16,000	18,000
Training & Workshop	384,101	62,336
Travelling expenses	4,629,786	4,354,744
Conveyance	772,136	787,956
Fuel expenses for office car	860,147	589,435
Subscription	105,000	600,000
Lunch subsidy	3,850,218	3,093,970
Entertainment	192,516	171,822
Business development	150,000	150,000
Newspaper & Journal	296,453	310,190
Subscription to death relief grant scheme	500,000	350,000
Commission & Exchange	188,923	244,000
Bank Charge	1,833,376	4,179,530
Miscellaneous	1,097,603	990,925
	14,876,259	15,902,908

25.00 PROVISION FOR LOANS AND ADVANCES: TK. 16,787,714

Provision for Classified loan	5,418,000	7,772,000
Provision for Unclassified loan	11,369,714	4,504,177
	16,787,714	12,276,177

26.00 OTHER PROVISIONS : TK. 2,500,000

Provision for other assets	150,000	-
Provision for Ex-gratia	2,250,000	1,600,000
Provision for Benevolent Fund	100,000	100,000
	2,500,000	1,700,000

27.00 RECEIPTS FROM OTHER OPERATING ACTIVITIES: TK. 1,251,434

Sales of pass books	351,740	737,050
Sales of loan forms	668,860	1,450,660
Sales of tender schedule	8,900	13,650
Others receipt	221,934	510,988
	1,251,434	2,712,348



28.00 PAYMENT FOR OTHER OPERATING ACTIVITIES: TK. 19,637,847

	Amount (In Taka)	
	30.06.2006	30.06.2005
Rent, Taxes, Insurances & Electricity	3,918,928	3,818,238
Postage, stamps, Telecommunicaiton	908,103	855,285
Advertisement	170,346	224,970
Repairs to Bank's Property	582,721	442,346
Honorarium	16,000	18,000
Training & Workshop	384,101	62,336
Travelling expenses	4,629,786	4,354,744
Conveyance	772,136	787,956
Subscription	105,000	600,000
Lunch Subsidy	3,850,218	3,093,970
Entertainment	192,516	171,822
Business Development	150,000	150,000
Subscription to Death Relief Grant Scheme	500,000	350,000
Commission & Exchange	188,923	244,000
Bank Charges	1,833,376	4,179,530
Miscellaneous	1,097,603	990,925
Legal expenses	21,106	7,060
Directors fee	256,984	262,469
Auditors fee	60,000	120,000
	19,637,847	20,733,651

29.00 OPERATING PROFIT BEFORE CHANGES IN OPERATING
ASSET & LIABILITIES: TK. 46,931,481

Net Profit after Taxation	38,065,678	23,759,620
Less: Interest accrued on loans and advances	14,393,103	24,053,859
	23,672,575	(294,239)
Add:		
Depreciation	1,189,915	1,497,028
Interest accrued on borrowing and deposits	2,781,277	14,229,193
Provision for loans	16,787,714	12,276,177
Other provisions	2,500,000	1,700,000
	23,258,906	29,702,398
	46,931,481	29,408,159



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OTHER ASSETS: TK. 7,751,683

	2005-2006	2004-2005
	Taka	Taka
Advance against TA	11,170	(10,470)
Advance against Salary	4,590	(4,590)
Advance against expenses	9,100	(33,000)
Advance against purchase	760	3,150
Advance Income Tax	(15,232)	(12,451)
Advance Office rent	36,900	(55,850)
Sundry advance	(194,426)	70,312
Printed stationery	(878,330)	(778,377)
Security deposit	(375)	(17,000)
Suspense account	(40,958)	78,081
General Account balance	8,818,484	(8,120,779)
	<u>7,751,683</u>	<u>(8,880,974)</u>

OTHER LIABILITIES: TK. 39,724,323

General provident fund	3,239,258	2,498,009
Superannuation fund	3,636,231	3,776,809
Benovolent fund	135,326	50,830
Employee security deposit	106,755	(385,514)
Death relief grant fund	175,000	350,000
Cash excess	2,345	-
Unpaid salary	9,155	30,007
Realised VA, TAX, Excise duty	79,675	106,454
Contractors security deposit	(8,381)	(18,104)
Reen Bima	374,507	732,700
Sundry account	846,351	104,560
Provision for corporate tax	31,144,645	19,439,690
Provision for loan	(16,544)	-
	<u>39,724,323</u>	<u>26,685,441</u>



AHKC

ANSAR-VDP UNNAYAN BANK

ANNEXURE-"A"

**SCHEDULE OF FIXED ASSETS
AS AT 30TH JUNE, 2006**

Particulars	COST		Rate of Dep.	Balance as at 01.07.2005	DEPRECIATION		Balance as at 30.06.2006	Written down value as at 30.06.2006	Written down value as at 30.06.2005
	Balance as at 01.07.2005	Addition during the year			Adjustment	Balance as at 30.06.2006			
Land	-	-	-	-	-	-	-	-	-
Building & Other Structure	504,981	51,892	-	556,873	2.5%	63,125	12,625	75,750	481,123
Motor vehicles	7,808,570	-	-	7,808,570	20%	6,742,370	265,795	7,008,165	800,405
Office equipment/Machanical equipment	1,608,081	15,274	(44,597)	1,578,758	15%	1,167,538	155,783	1,323,571	255,187
Electrical equipment	1,514,135	11,310	-	1,525,445	10%	450,077	141,246	591,323	934,122
Furniture	6,134,615	463,263	44,847	6,642,725	10%	3,599,386	612,354	4,211,740	2,430,985
Library	20,583	4,104	-	24,687	10%	2,161	2,059	4,220	20,467
Others	350	450	-	800	15%	159	53	212	588
Total	17,591,315	546,293	250	18,137,858		12,024,816	1,189,915	13,214,981	4,922,877
									5,566,499



HIGH LIGHTS OF BANK'S PERFORMANCE:

	Amount (In Taka)	
	30.06.2006	30.06.2005
Paid up Capital	199,512,300	178,636,100
Total capital	320,811,346	251,516,298
Capital surplus	233,711,570	188,459,661
Total assets	1,147,192,729	1,067,615,869
Total Deposits	202,800,362	151,462,944
Total loans and advances	939,228,040	684,634,689
Total contingent liabilities and commitments	-	-
Credit deposit ratio	463%	452%
Percentage of classified loans against total loans & advances	9.56%	12.00%
Profit after provision and tax	38,065,678	23,759,621
Classified loans & advances during the year:	89,780,000	82,184,000
Provision kept against classified advances (including general provision for unclassified loans and advances)	50,254,800	33,483,630
Provision surplus/deficit	-	-
Cost of fund	7.32%	9.09%
Performing assets	1,009,914,585	943,931,523
Non Performing assets	137,278,144	123,684,346
Return on investment (ROI)	-	-
Return on assets (ROA)	7.71%	5.36%
Incomes from Investment	-	-
Earning per share	19.08	13.30
Net income per share	19.08	13.30
Price Earning ratio	N/A	N/A

