

# *Half Yearly Report*

**June 30, 2014**

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## **Islamic Finance and Investment Limited**

**Based on Islamic Shariah, the first of its kind in Bangladesh**

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# ISLAMIC FINANCE AND INVESTMENT LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED JUNE 30, 2014

Particulars	Amount in Taka							
	Paid-up Capital	Share Premium	Statutory Reserve	Other Reserve		A+B	Surplus Profit/(loss)	Total
				Dividend Equalization Reserve (A)	Special Reserve Fund (B)			
<b>Balance as at 01 January 2014</b>	1,118,495,598	45,470,672	142,399,094	2,301,528	6,700,000	9,001,528	69,253,272	1,384,620,164
Effects of Changes in Accounting Policy	-	-	-	-	-	-	-	-
Issue of Bonus Shares	-	(44,739,820)	-	-	-	-	(67,109,740)	(111,849,560)
<b>Restated Balance</b>	<b>1,118,495,598</b>	<b>730,852</b>	<b>142,399,094</b>	<b>2,301,528</b>	<b>6,700,000</b>	<b>9,001,528</b>	<b>2,143,532</b>	<b>1,272,770,604</b>
<b>Net profit for the year after taxation</b>	-	-	17,336,603	-	-	-	69,346,412	86,683,015
<b>Issuance of Right Share</b>	-	-	-	-	-	-	-	-
<b>Right Share Premium</b>	-	-	-	-	-	-	-	-
<b>Share Issue Expenses</b>	-	(215,684)	-	-	-	-	-	(215,684)
<b>Issue of Share Capital</b>	<b>44,739,820</b>	-	-	-	-	-	-	<b>44,739,820</b>
<b>Balance as at June 30, 2014</b>	<b>1,163,235,418</b>	<b>515,168</b>	<b>159,735,697</b>	<b>2,301,528</b>	<b>6,700,000</b>	<b>9,001,528</b>	<b>71,489,944</b>	<b>1,403,977,755</b>
<b>Balance as at June 30' 2013</b>	<b>1,118,495,598</b>	<b>45,724,876</b>	<b>137,123,557</b>	<b>2,301,528</b>	<b>6,700,000</b>	<b>9,001,528</b>	<b>48,151,123</b>	<b>1,358,496,682</b>

  
 (Quazi Aziz Arshad)  
 Deputy Managing Director & CFO

  
 (M. Rehalul Islam)  
 Managing Director



# Islamic Finance and Investment Limited

## BALANCE SHEET

As At June 30, 2014

	Amount in Taka	
	30-Jun-2014	31-Dec-2013
<b><u>PROPERTY AND ASSETS</u></b>		
<b>Cash</b>	<b>92,658,245</b>	<b>74,381,255</b>
Cash in hand (including foreign currencies)	3,336,498	4,409,141
Balance with Bangladesh Bank & Sonali Bank (Including foreign currencies)	89,321,747	69,972,114
<b>Balance with other Banks and Financial Institutions</b>	<b>868,266,589</b>	<b>289,131,536</b>
In Bangladesh	868,266,589	289,131,536
Outside Bangladesh	-	-
<b>Money at Call on Short Notice</b>	<b>-</b>	<b>-</b>
<b>Investments in Shares and Securities</b>	<b>361,460,908</b>	<b>472,185,384</b>
Government	-	-
Others	361,460,908	472,185,384
<b>Investment</b>	<b>5,113,136,953</b>	<b>4,956,048,841</b>
General Investment	5,113,136,953	4,956,048,841
Bills Purchased and Discounted	-	-
<b>Fixed Assets including Premises, Furniture and Fixtures</b>	<b>159,873,358</b>	<b>146,432,036</b>
<b>Other Assets</b>	<b>430,574,273</b>	<b>373,561,685</b>
Non banking Assets	-	-
<b>Total Assets</b>	<b>7,025,970,326</b>	<b>6,311,740,737</b>
<b><u>LIABILITIES AND CAPITAL</u></b>		
<b>Liabilities</b>		
<b>Borrowings from other Banks, Financial Institutions and Agents</b>	<b>494,529,563</b>	<b>625,222,109</b>
<b>Deposits and Other Accounts</b>	<b>4,156,895,896</b>	<b>3,355,361,092</b>
Mudaraba Term Deposits	3,814,456,169	3,028,524,676
Bills Payable	-	-
Deposit Others	11,023,372	8,416,957
Lease Deposits	61,187,448	50,822,836
Bearer Certificates of Deposits	-	-
Deposits under Schemes	270,228,907	267,596,623
<b>Other Liabilities</b>	<b>970,567,112</b>	<b>946,537,372</b>
<b>Total Liabilities</b>	<b>5,621,992,571</b>	<b>4,927,120,573</b>
<b>Capital/Shareholders' Equity</b>		
Paid-up Capital	1,163,235,418	1,118,495,598
Share Premium Account	515,168	45,470,672
Statutory Reserve	159,735,697	142,399,094
Other Reserve	9,001,528	9,001,528
Surplus in Profit & Loss Account	71,489,944	69,253,272
<b>Total Shareholders' Equity</b>	<b>1,403,977,755</b>	<b>1,384,620,164</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>7,025,970,326</b>	<b>6,311,740,737</b>

These financial statements should be read in conjunction with annexed notes

  
 (Quazi Aziz Arshad)  
 Deputy Managing Director & CFO

  
 (M. Rabiul Islam)  
 Managing Director



## Islamic Finance and Investment Limited

**PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE PERIOD ENDED JUNE 30, 2014**

	Amount in Taka			
	For the half year ended 30 June		For the 2nd quarter ended 30 June	
	2014	2013	April'14 - June'14	April'13 - June'13
Profit on Investment	382,612,707	352,656,685	200,781,379	189,008,523
Less: Profit Paid on Deposits, Borrowings etc.	270,667,462	227,617,426	137,531,122	112,103,619
<b>Net Investment Income</b>	<b>111,945,245</b>	<b>125,039,259</b>	<b>63,250,257</b>	<b>76,904,904</b>
Income from Investment in securities	5,923,659	3,663,842	6,600,010	1,847,795
Commission, Exchange and Brokerage	10,929,905	10,179,431	7,611,620	6,330,614
Other Operating Income	23,011,275	17,086,181	14,324,025	8,319,486
	39,864,439	30,929,454	28,535,655	16,497,895
<b>Total Operating Income</b>	<b>151,809,684</b>	<b>155,968,713</b>	<b>91,785,912</b>	<b>93,402,799</b>
Salaries and allowances	27,287,410	26,622,009	13,707,271	13,438,354
Rent, Taxes, Insurances, Electricity etc.	3,469,293	3,322,338	1,935,459	1,906,538
Legal Expenses	185,780	308,730	160,735	229,480
Postage, Stamps, Telecommunication etc.	616,715	575,234	378,069	234,108
Stationery, Printings, Advertisements etc.	1,200,431	1,432,057	535,159	905,682
Managing Director's Salary and Allowances	2,079,000	1,890,000	1,039,500	945,000
Directors' Fees	350,000	280,000	255,000	180,000
Auditors' Fees	-	-	-	-
Depreciation and Repair of Fixed Assets	3,088,333	3,420,385	1,444,287	1,969,733
Other Expenses	13,931,723	12,646,488	9,606,972	7,737,925
<b>Total Operating Expenses</b>	<b>52,208,685</b>	<b>50,497,241</b>	<b>29,062,452</b>	<b>27,546,820</b>
<b>Profit before Provision</b>	<b>99,600,999</b>	<b>105,471,472</b>	<b>62,723,460</b>	<b>65,855,979</b>
Provision against Lease, Loans and Investments	(42,756,599)	15,461,766	(36,776,184)	(44,676,009)
<b>Total Provision</b>	<b>(42,756,599)</b>	<b>15,461,766</b>	<b>(36,776,184)</b>	<b>(44,676,009)</b>
<b>Total Profit before Tax</b>	<b>56,844,400</b>	<b>120,009,706</b>	<b>25,947,276</b>	<b>21,179,970</b>
Provision for Taxation	55,674,583	30,357,080	40,558,083	12,657,080
<b>Net Profit after Tax</b>	<b>1,169,817</b>	<b>89,652,626</b>	<b>8,389,193</b>	<b>8,522,890</b>
Earning per share of Tk. 10 each (2013: restated)	0.75	0.51	0.51	0.84
Total no. of shares of Tk. 10 each (2013: restated)	116,323,542	116,323,542	116,323,542	116,323,542



# Islamic Finance and Investment Limited

## CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2014

	Amount in Taka	
	30-Jun-2014	30-Jun-2013
<b>A. Cash Flow from Operating Activities</b>		
Investment Profit receipts	365,849,323	343,988,652
Profit Paid on Deposits	(234,211,730)	(209,282,782)
Fees & Commission receipt	10,929,505	10,179,431
Cash Payments to Employees	(29,366,410)	(28,512,009)
Cash Payments to Suppliers	(1,200,431)	(1,432,057)
Income Tax Paid	(50,557,550)	(24,577,398)
Receipts from other Operating activities	23,011,275	17,086,181
Payments for other Operating activities	(19,659,656)	(18,399,979)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>	<b>64,794,326</b>	<b>89,050,039</b>
<b>Changes in Operating Assets and Liabilities</b>	<b>635,334,721</b>	<b>(253,292,290)</b>
Investment (Loans and Advances) to Customers	(157,088,112)	(421,428,498)
Other Assets	16,232,005	39,330,233
Deposits from other Banks	(125,000,000)	(40,000,000)
Deposits received from Customers	926,534,804	102,497,681
Other Liabilities	(25,343,976)	66,308,294
	<b>700,129,047</b>	<b>(164,242,251)</b>
<b>B. Cash flows from Investing Activities</b>		
Proceeds from Sale of fixed assets	-	-
Payment for purchases of securities	110,724,476	(11,990,948)
Purchases/sales of Property, Plant & Equipments	(15,423,510)	(2,927,723)
	<b>95,300,966</b>	<b>(14,918,671)</b>
<b>C. Cash flows from Financing Activities</b>		
Receipts from loan/(borrowing) & debts securities	(130,692,546)	15,808,479
Share Capital -	-	-
Dividend Paid	(67,109,740)	-
Share premium account less share issue expense	(215,684)	-
	<b>(198,017,970)</b>	<b>15,808,479</b>
<b>D. Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>597,412,043</b>	<b>(163,352,443)</b>
	-	-
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>363,512,791</b>	<b>512,255,241</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>960,924,834</b>	<b>348,902,798</b>

## OFF- BALANCE SHEET ITEMS AS AT JUNE 30, 2014

	Amount in Taka	
	30-Jun-2014	31-Dec-2013
<b>CONTINGENT LIABILITIES</b>		
Acceptances and Endorsements	-	-
Letters of Guarantee	-	-
Irrevocable Letters of Credit	-	-
Bills for Collection	-	-
Other Contingent Liabilities	-	-
<b>OTHER COMMITMENTS</b>		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
	-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>	<b>-</b>	<b>-</b>

  
 (Quazi Aziz Arshad)  
 Deputy Managing Director & CFO

  
 (M. Rabul Islam)  
 Managing Director