

Mercantile Bank Limited

Cash Flow Statement

For the year ended 31 December 2017

Notes	Amount in BDT	
	2017	2016
A) Cash flows from operating activities	1,652,867,652	1,284,692,416
Interest received	15,152,787,925	12,926,594,362
Interest paid	(10,468,239,724)	(8,688,431,874)
Fees and commission received	1,078,748,192	919,222,699
Dividend receipts	98,914,472	72,541,849
Recoveries on loans previously written off	21,259,001	6,667,861
Payment to the employees	(2,487,918,808)	(2,463,052,848)
Payment to suppliers	(190,625,308)	(120,807,923)
Income tax paid	(1,552,058,099)	(1,368,041,709)
Received from other operating activities	7,293,464,457	5,939,496,687
Exchange gain	1,526,092,077	952,658,445
Other operating income	5,767,372,380	4,986,838,242
Payment for other operating activities	(2,310,704,745)	(2,709,871,264)
Rent, taxes, insurances and electricity	(676,353,053)	(626,185,633)
Legal expenses	(15,568,813)	(8,543,103)
Postage, stamps and telecommunication	(61,492,424)	(63,211,761)
Auditors' fees	(1,545,680)	(920,000)
Repair and maintenance	(85,467,732)	(76,962,266)
Chief Executive's salary and fees	(16,138,710)	(11,380,645)
Directors' fees	(4,381,689)	(4,866,800)
Other expenses	(1,449,756,644)	(1,917,801,057)
Operating cash flows before changes in operating assets and liabilities	6,635,627,365	4,514,317,839
(Increase)/ decrease in operating assets and liabilities	(53,839,138,667)	(20,027,728,426)
Trading securities (Treasury bills & Bonds)	(5,090,939,198)	4,545,958,861
Loans and advances to other banks	-	-
Loans and advances to customers	(48,748,199,469)	(24,573,687,287)
Other assets (Item-wise)	(1,777,459,746)	(15,123,379)
Investment in shares of subsidiary companies		
In Bangladesh (Mercantile Bank OBU Unit)	(747,589,885)	163,304,393
Outside Bangladesh (Mercantile Exchange House (UK) Limited)	(4,793,379)	6,733,224
Stationery, stamps, printing materials in stock etc	(7,643,772)	12,920,087
Advance rent and advertisement	34,673,829	64,786,203
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debenture and other income receivable (Adjusting account debit)	(414,003,824)	(254,330,559)
Security deposit (Advance deposits)	(993,340)	(336,160)
Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses (MBL Center)	(19,638,491)	-
Branch adjustment (Mercantile Bank general account)	(221,246,725)	-
Suspense Account	(396,224,159)	(12,904,242)
Silver	-	-
Others (Premium on bond)	-	4,703,843
Others (Clearing adjustment account)	-	(168)
	51,969,203,391	19,478,577,445
Deposit from other banks	(1,747,923,985)	8,251,195,336
Deposit from customers	53,037,178,502	8,269,491,898
Other liabilities on account of customers	-	-
Other liabilities	679,948,874	2,957,890,212
Net cash flows from operating activities	2,988,232,342	3,950,043,479

Cash Flow Statement-continued

	Notes	Amount in BDT	
		2017	2016
B) Cash flows from investing activities			
Purchase/sale of property, plant and equipment		(177,014,477)	(149,807,631)
Purchase/sale of shares		38,502,801	21,694,389
Purchase/sale of bond		(1,097,770,000)	(58,880,000)
Other investment activities		847,659,100	(3,527,458,130)
Net cash flows from investing activities		(388,622,576)	(3,714,451,372)
C) Cash flows from financing activities			
Receipts from Issue of loan capital and debt securities		-	-
Payments for redemption of loan capital and debt securities		(600,000,000)	-
Paid for Interest on Subordinated bond		(324,000,000)	(360,000,000)
Received by issue of right share		-	-
Dividend paid		(1,108,735,052)	(886,988,041)
Net cash flows from financing activities		(2,032,735,052)	(1,246,988,041)
Net increase/(decrease) of cash & cash equivalent (A+B+C)		566,874,714	(1,011,395,934)
Cash and cash equivalent at the beginning of the year		16,036,835,080	17,048,231,014
Cash and cash equivalent at the end of the year		16,603,709,794	16,036,835,080
Net Operating Cash Flow Per Share (NOCFPS)		3.85	5.34
Cash and cash equivalents at end of the year			
Cash in hand (Including foreign currencies)	3.1	2,005,641,735	1,719,872,542
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	3.2	13,672,838,974	10,777,339,812
Balance with other banks and financial institutions	4	821,345,385	3,536,863,426
Prize Bonds	6.2 (b)	3,883,700	2,759,300
Money at call on short notice	5	100,000,000	-
		16,603,709,794	16,036,835,080

The annexed notes form an integral part of these financial statements.



Managing Director and CEO



Director




Director



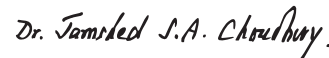
Chairman

This is the Cash Flow Statement referred to in our separate report of even date.



Syful Shamsul Alam & Co.
Chartered Accountants

Dated: Dhaka
24 March, 2018



Dr. Jamshed S.A. Choudhury
Chartered Accountants