

MERCANTILE BANK LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2011

	Amount in Taka	
	2011	2010
A. Cash Flows from Operating Activities	(47,904,378)	1,254,326,787
Interest Received	7,388,769,227	5,915,992,883
Interest Paid	(6,021,831,291)	(3,288,697,888)
Fees and Commission Received	744,016,176	629,216,027
Payment to the Employees	(1,292,014,793)	(932,982,480)
Payment to Suppliers	(124,064,567)	(116,660,521)
Income Tax Paid	(742,779,130)	(952,541,234)
Received from other operating activities	2,644,410,625	1,645,258,454
Exchange Gain	695,000,785	571,832,085
Other Operating Income	1,949,409,840	1,073,426,369
Payment for other operating activities	(1,053,930,303)	(779,780,338)
Rent, Taxes, Insurances and Electricity	(281,873,775)	(230,052,874)
Legal Expenses	(10,249,884)	(14,559,219)
Postage, Stamps and Telecommunication	(61,816,538)	(50,082,585)
Auditors' Fees	(750,000)	(750,000)
Repair and Maintenance	(31,714,455)	(21,027,806)
Chief Executive's Salary and Fees	(6,300,000)	(4,627,258)
Directors' Fees	(2,725,000)	(4,046,250)
Other Expenses	(658,500,651)	(454,634,346)
Operating profit before changes in Operating Assets and Liabilities	<u>1,542,575,944</u>	<u>2,119,804,903</u>
Increase / Decrease in Operating Assets and Liabilities		
	(27,405,603,241)	(10,864,325,207)
Trading Securities (Treasury Bills & Bonds)	(13,783,501,103)	(171,594,769)
Loans and Advances to other Banks	-	-
Loans and Advances to Customer	(13,622,102,138)	(10,692,730,438)
Other Assets (Item-wise)	505,603,623	(674,534,963)
Suspense Account (Note 9.1)	10,191,675	(23,341,008)
Demand Draft paid without Advice	35,833	5,865,934
Advance Rent	(75,535,482)	(24,915,454)
Advance Deposits	(542,485)	(251,070)
Stock of Stationery	2,835,760	(16,454,576)
Stamps in Hand	5,156	(448,379)
Premium on Bond	(3,210,232)	(347,179)
Clearing Adjustment Account	477,425,589	(107,388,013)

On Line Client Adjustment Account	5,124,845	-
Adjusting Account Debit (Note 9.2)	89,272,964	(507,255,218)
	26,939,256,404	10,377,768,137
Deposit from other Banks	5,112,719,303	(978,782,030)
Deposit from Customers	20,363,440,825	11,709,608,580
Other Liabilities on account of Customers	-	-
Other Liabilities	1,463,096,276	(353,058,413)
	-	-
Net Cash Received from Operating Activities	1,581,832,730	958,712,870
B. Cash Flows from Investing Activities		
Sale proceeds of Fixed Assets	-	-
Dividend Received	16,261,493	7,922,279
Purchase/ Sale of Property, Plant and Equipment	(550,731,564)	(714,018,363)
Purchase/ Sale of Shares	75,326,274	(1,682,863,213)
Other Investment activities	681,601,943	-
Net Cash from Investing Activities	<u>222,458,146</u>	<u>(2,388,959,297)</u>
C. Cash Flows from Financing Activities		
Receipts from Issue of Loan Capital and Debt Securities	-	-
Paid for Repayment of Loan and Debt Securities	-	-
Received by Issue of Right Share	-	1,438,942,300
Dividend Paid	-	-
Net Cash from Financing Activities	<u>-</u>	<u>1,438,942,300</u>
D. Net Increase/(Decrease) of Cash & Cash Equivalent (A+B+C)	<u>1,804,290,875</u>	<u>8,695,873</u>
Effects of Exchange Rate changes on Cash and Cash Equivalent		
E. Opening Cash and Cash Equivalent	<u>5,785,668,723</u>	<u>5,776,972,850</u>
F. Closing Cash and Cash Equivalent (D+E) note-16.A	<u>7,589,959,598</u>	<u>5,785,668,723</u>

These Financial Statements should be read in conjunction with the annexed notes (1 to 41)


A.K.M. Shahidul Haque
Managing Director and CEO



Dr. Matiur Rahman, M.P.
Director


Mohd. Selim
Director


Md. Abdul Jalil, M.P.
Chairman

Auditors' Report to the Shareholders to see annexed report on even date


K. M. Hasan & Co.
Chartered Accountants
Place: Dhaka
Date: February 19, 2012


Ahmed Zaker & Co.
Chartered Accountants
Place: Dhaka
Date: February 19, 2012