

Mercantile Bank Limited

Cash Flow Statement

For the year ended 31 December 2019

	Notes	Amount in BDT	
		Dec 19	Dec 18
A) Cash flows from operating activities		7,139,178,183	3,442,769,030
Interest received		22,829,981,437	18,958,884,483
Interest paid		(12,980,594,363)	(12,654,707,949)
Dividends receipts		189,595,363	169,896,441
Fees and commission received		1,266,749,486	1,171,951,997
Recoveries on loans previously written off		5,160,882	136,069,760
Payment to the employees		(2,416,251,526)	(1,839,759,322)
Payment to suppliers		(265,782,748)	(296,864,216)
Income taxes paid		(1,489,680,348)	(2,202,702,164)
Received from other operating activities		6,735,513,694	6,372,407,983
Exchange gain		1,667,796,831	1,199,121,018
Other operating income		5,067,716,863	5,173,286,965
Payment for other operating activities		(2,407,012,674)	(2,403,979,056)
Rent, taxes, insurances and electricity		(343,071,199)	(776,057,517)
Legal expenses		(31,821,336)	(24,382,779)
Postage, stamps and telecommunication		(65,871,041)	(69,978,608)
Auditors' fees		(747,500)	(97,500)
Repair and maintenance		(95,952,393)	(87,384,031)
Chief Executive's Salary and fees		(13,191,210)	(17,658,710)
Directors' fees		(4,727,200)	(3,974,400)
Other expenses		(1,851,630,794)	(1,424,445,511)
Operating profit before changes in operating assets and liabilities		11,467,679,203	7,411,197,957
(Increase)/ decrease in operating assets and liabilities		(23,810,478,775)	(28,434,367,867)
Trading securities		(11,150,643,315)	(3,864,476,026)
Loans and advances to other banks		-	-
Loans and advances to customers		(12,659,835,460)	(24,569,891,841)
Other assets		(1,577,990,665)	(580,698,866)
Income generating:			
Investment in shares of subsidiary companies			
Investment in Shares of subsidiary company (In Bangladesh) Mercantile Bank Securities Ltd.		-	-
Investment in Shares of subsidiary company (In Bangladesh) MBL Asset Management Ltd.		(56,000,000)	-
Investment in Shares of subsidiary company (outside Bangladesh) Mercantile Exchange House (UK) Ltd. In Bangladesh (Mercantile Bank OBU Unit)		(1,528,708)	1,385,398
Non-income generating:			
Stationery, stamps, printing materials in stock etc		1,661,681	(6,336,725)
Advance rent and advertisement		275,802,460	31,747,178
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debenture and other income receivable		86,821,658	(303,602,623)
Security deposit		(743,960)	215,065
Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses		(63,250,307)	(69,817,105)
Branch adjustment		(224,638,769)	(468,229,246)
Suspense Account		(360,559,720)	233,939,191
Right Of Use (ROU) Assets as per IFRS-16		(1,234,650,000)	-
Clearing adjustment account		(905,000)	-
		15,933,307,633	23,335,702,939
Deposit from other banks		542,255,163	3,895,959,605
Deposit from customers		17,717,147,159	20,784,371,505
Other liabilities		(2,326,094,689)	(1,344,628,171)
Net cash flows from operating activities		2,012,517,395	1,731,834,163

Cash Flow Statement (Continued)

For the year ended 31 December 2019

	Notes	Amount in BDT	
		Dec 19	Dec 18
B) Cash flows from investing activities			
(Purchase)/sale of property, plant and equipment		(247,372,317)	(586,432,100)
(Purchase)/sale of shares		10,908,423	(12,627,239)
(Purchase)/sale of bond		406,000,000	673,250,000
Other investment activities		(1,130,328,888)	(1,005,263,736)
Net cash flows from investing activities		(960,792,782)	(931,073,075)
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)	2,400,000,000
Paid for Interest on Subordinated bond		(372,891,780)	(256,500,000)
Received by issue of right share		-	-
Dividend paid		-	(1,319,394,713)
Net cash flows from financing activities		(972,891,780)	824,105,287
Net increase/(decrease) in cash & cash equivalent (A+B+C)		78,832,834	1,624,866,375
Effects of Exchange rate changes on cash and cash equivalents		5,306,905	3,319,256
Cash and cash equivalent at the beginning of the year		18,231,895,425	16,603,709,794
Cash and cash equivalent at the end of the year		18,316,035,164	18,231,895,425
Net Operating Cash Flow Per Share (NOCFPS)	37	2.15	2.13
Cash and cash equivalents at end of the year			
Cash in hand (Including foreign currencies)	3.1	2,536,093,750	2,318,756,969
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	3.2	14,245,828,183	13,282,608,151
Balance with other banks and financial institutions	4	1,165,342,631	2,481,834,305
Prize Bonds	6.2 (b)	3,770,600	3,696,000
Money at call on short notice	5	365,000,000	145,000,000
		18,316,035,164	18,231,895,425

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.



Ahmed Zaker & Co.

Chartered Accountants

Dated: Dhaka
May 17, 2020