Bangladesh Bank

Auditors' Report and Audited Financial Statements

As at and for the year ended 30 June 2022

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Independent Auditors' Report

To the Government of the People's Republic of Bangladesh

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Bangladesh Bank and its subsidiary ("the Group") as well as the separate financial statements of Bangladesh Bank (the Bank), which comprise the consolidated and separate statements of financial position as at 30 June 2022, the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes, comprising a summary of significant accounting policies.

In our opinion, the accompanying Consolidated financial statements of the Group and Separate financial statements of the Bank present fairly, in all material respects, the consolidated financial position of the Group and the separate financial position of the Bank as at 30 June 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and # 3.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Bank and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh's (ICAB) By Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

Without modifying our opinion, we draw attention to the following matters:

1. As stated in note #3.05 of the financial statements, the Bank's entire portfolio of financial assets other than those measured at Fair Value Through Profit or Loss and subject to impairment requirement are assessed to have low credit risk and accordingly, the Bank has considered 12-month Expected Credit Loss (ECL) for those financial assets.

2. In note # 3.17 and note # 45 of the financial statements, status of revaluation of the Bank's Property, Plant and Equipment (PPE) and the matter of actuarial valuation of the Bank's defined benefit plans, respectively have been disclosed.

3. As described in note # 10 of the financial statements, a fraudulent activity took place in 2016 with Bangladesh Bank through unauthorized SWIFT transactions. Against this fraud case, a receivable has been created and the outstanding balance of this receivable as of 30 June 2022 is BDT 522.41 crore. Legal proceedings are still in progress to recover this amount.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters in our report.

1. Foreign Accounts and Investments

The Bank's assets held in foreign accounts and investments amounted to BDT 7,851.98 crore and BDT 2,78,221.01 crore, respectively and these combined balances being equivalent to nearly 60% of the Bank's total assets, considered material to the financial statements. These investments are held with other central banks, overseas commercial banks and other counterparties in multiple foreign currencies and under different types of investment categories. The existence, valuation and presentation of these foreign accounts and investments, in the financial statements pose significant audit risk.

Our audit procedures to address the risks of material misstatement, relating to foreign accounts and investments, included:

- Assessment of the design and testing of the operating effectiveness of management's key control throughout the year in assessing the carrying value of foreign accounts and investments, and recognition of related revenue.
- Sending direct confirmation to the related counterparties to confirm the balances and upon receipt of the confirmation, necessary reconciliations were made.
- Detailed analysis of exchange rates used and valuation processes, recalculation of interest income, and evaluation of recognition, measurement, presentation and disclosures in the financial statements in accordance with the related IFRSs.

The Bank's disclosures about foreign investments are included in note # 3.07 and note # 5 to the financial statements.

2. Balances with International Monetary Fund (IMF)

The Bank's assets held with International Monetary Fund (IMF) as of the closing date amounted to BDT 37,673.11 crore and the corresponding liability with IMF on the same date was BDT 33,731.43 crore, and both these balances are, material to the financial statements. Due to the unique structure, terms and valuation of these assets, it was considered significant to our audit.

IMF Securities (promissory notes) has been issued against the membership subscription with IMF and SDR is allocated on the basis of the member's quota. Liabilities with the IMF represent around 7.94% of the total liabilities of the Bank. The valuation of liabilities with the International Monetary Fund (IMF) was considered significant to our audit as that gives rise to foreign currency translation requirements and periodic interest accruals.

Our audit procedures to address the risks of material misstatement relating to assets held with the International Monetary Fund (IMF), includes:

- Checking the SDR amount from the IMF website, and subsequently testing the exchange rates used to translate this amount at the closing date;
- Reviewing the basis of computation of interest income on SDR Holding and the transactions undertaken during the year; and
- Examination of relevant documents of IMF and interest accrued on SDR Allocation during the year and re-computation to confirm the amount of liabilities with IMF using the prevailing conversion rate as per IAS-21.

The Bank's disclosures about assets held with the International Monetary Fund are included in note # 6.01 and Liabilities with International Monetary Fund (IMF) in note # 6.02 to the financial statements.

3. Foreign Currency and Local Currency Loans to Banks

The Bank's assets held with foreign currency loans to banks amounted to BDT 70,564.05 crore and local currency loans to banks and financial institutions amounted to BDT 18,676.74 crore, aggregating more than 18% of total assets, which is material to the financial statements.

Our audit procedures to address the risk of material misstatement relating to these items included:

- Testing the effectiveness of controls over the disbursement process of these loans including proper approval and execution of required documentation;
- Assessing the existence of loan balance at year-end through external confirmations from respective banks and financial institutions ;
- For loan balances in foreign currency (i.e. EDF, LTFF and GTF Investments) checking the conversion in BDT using the exchange rate prevailing at 30 June 2022;
- Matching the calculated figure with the amounts disclosed in the financial statements of the Bank for the year ended 30 June 2022;
- Checking of interest calculation which are mostly automated and calculated automatically in e-Refinance software and subsequently confirmed the balance of interest from e-Refinance software against the General Ledgers; and
- Finally, reviewing management's impairment assessment of these loans under IFRS 9 ECL model.

The Bank's disclosures about Foreign Currency Loans to Banks are included in note # 9 and local currency loans to banks and financial institutions are included in note # 14 to the financial statements.

4. Transactions with Government of Bangladesh

Bangladesh Bank is primarily responsible for managing banking transactions on behalf of Government of Bangladesh including loans and donations received from foreign entities, collection and administration of funds of various ministries and the national exchequer. Given the unique nature as well as the high volume of transactions undertaken by Bangladesh Bank with and for the Government of Bangladesh, it was considered significant to our audit.

The Bank's assets held as Loans to the Government of Bangladesh amounted to BDT 53,829.27 crore, equivalent to 11.12% of total assets, which is material to the financial statements. These investments are held with the Government of Bangladesh which have a period of both less or more than one year.

Our audit procedures to address the risk of material misstatement relating to Loans to the Government of Bangladesh included:

- Assessment of the design and testing of the operating effectiveness of management's control in assessing the carrying value of Loans to the Government of Bangladesh; and
- Detailed analysis of auction rates, valuation processes, recalculation of interest income, presentation and disclosures in the financial statements in accordance with the related IFRSs.

The Bank's disclosures about Loans to the Government of Bangladesh are included in note # 3.12 and note # 12 to the financial statements.

5. Notes in Circulation

Issuance of Bangladeshi Bank notes is one of the key roles of the Bank as defined in the Bangladesh Bank Order-1972 and is a key audit matter due to:

- Attention of the users of the financial statements;
- The balance is significant relative to the Bangladesh Bank's Statement of Financial Position; and
- Complexity in assessing the accuracy of the liability for Bangladeshi bank notes on issue that are placed in circulation in the economy.

The balance of bank notes on issue represents the value of all bank notes on issue in Bangladesh and the liability is measured at face value of all Bangladeshi bank notes issued less any bank notes cancelled/ destroyed.

To audit the Bangladeshi bank notes on issue, we performed the following audit procedures:

- Testing those general controls which are relevant to the accurate recording of the issuance and return of bank notes within the system responsible for recording the balance of Bangladeshi bank notes on issue;
- performing a comparison of current year movements against prior year patterns.
- Performing a trend analysis on Bangladeshi bank notes on issue against prior periods focusing on the number of notes issued by denomination;

- Our procedures also included an assessment of the asset backing maintained by Bangladesh Bank in line with section 30 of the Bangladesh Bank Order, 1972 and reviewed the process to determine the demand for notes and the ordering process for printing notes; and
- Our audit procedures included communicating with the concerned department to understand the note issue process and carrying out physical inspection of assets held at the Bank premises against Notes in Circulation on a sample basis.

The Bank's disclosures about Notes in Circulation are included in note # 21 to the financial statements.

6. Information Technology (IT) Systems Used In Financial Reporting Process

The Bank's operational and financial reporting processes are dependent on multiple IT systems run through Core Banking Solutions (CBS), SAP, SWIFT, BEFTN and other integrated software with automated controls and processes large volume of transactions. Accordingly, our audit was focused on key IT systems and controls due to the pervasive impact on the financial statements and the same has been considered as Key Audit Matter in our audit.

We conducted an assessment and identified key IT applications, database and operating systems that are relevant to our audit, and have identified CBS, SAP, SWIFT System primarily as relevant for financial reporting. For the key IT systems pertaining to CBS and SAP operations, our areas of audit focus included assessment of IT general control including access security, application change controls, database management and network operations. In particular:

- Obtaining an understanding of the Bank's IT control environment and key changes during the audit period that may be relevant to the audit;
- Testing the design and implementation of the Bank's General IT controls over the key IT systems that are critical to financial reporting;
- Checking the Bank's periodic review of user access controls including segregation of duties and management of changes/updates to systems; and
- Reviewing the process to upload data from CBS to SAP and assessing related controls.

Other Matters

1. The financial statements of Bangladesh Bank for the year ended 30 June 2021 were audited by Howladar Yunus & Co. Chartered Accountants and MABS & J Partners Chartered Accountants, who expressed an unmodified opinion with emphasis of matters on those statements on 23 August 2021; and

2. The financial statements of the subsidiary, The Security Printing Corporation (Bangladesh) Limited for the year ended on 30 June 2022 have been jointly audited by us. And we have expressed a modified opinion.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercised professional judgement and maintained professional scepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or condition that may cast significant doubt on the Group's ability to continue as a going concern. If we concluded that a material uncertainty exists, we were required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report.
- Evaluated the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonable be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Terms of Reference (ToR) issued by the Ministry of Finance - Financial Institutions Division, Government of the People's Republic of Bangladesh, we also report the following:

- Nothing has come to our attention which indicates that the IT based accounting systems generated information are not free from material error and non-compliance;
- Nothing has come to our attention which indicates that charging of depreciation on Dead-Stock (Capital Assets) and immovable properties are not in line with applicable financial reporting framework except as mentioned in matter # 2 under 'Emphasis of Matters' section;

HODA VASI CHOWDHURY & CO

ACNABIN Dhaka Chartered Accountants

- Internal control measures undertaken by the Bank appeared to be adequate with immaterial control deficiencies as identified and are being reported in the Management Report;
- We have reviewed the compliances of audit observations of previous year and the same are being reported in the Management Report;
- We have checked the authenticity of financial information and data supplied to the International Monetary Fund (IMF) by the Bank; and
- We have reviewed the compliance of decisions taken by the Board of Directors of the Bank.

Hoda Vasi Chowdhury & Co
Chartered Accountants

Sabbir Ahmed FCA
Partner
ICAB Enrolment # 770

DVC:2208300770AS914626

ACNABIN
Chartered Accountants

Abu Sayed Mohammed Nayeem FCA
Partner
ICAB Enrolment # 353

DVC:2208300353AS203344

Dated: 30 August 2022
Dhaka, Bangladesh

BANGLADESH BANK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

In Thousand Tk.

Particulars	Notes	30-Jun-22	30-Jun-21
ASSETS			
Foreign currency financial assets			
Foreign currency accounts	4	78,519,805	49,481,759
Foreign investments	5	2,782,210,063	3,186,883,047
Assets held with International Monetary Fund	6.01	376,731,118	198,454,465
Gold and silver	7	45,306,167	39,678,816
Claims from gold transactions	8	31,629,227	27,855,709
Foreign currency loans to banks	9	705,640,485	525,654,368
Other foreign currency financial assets	10	15,121,651	13,987,781
Total foreign currency financial assets		**4,035,158,516**	**4,041,995,945**
Local currency financial assets			
Taka coin and cash balances	11	4,074,800	5,082,015
Securities purchased under agreement to resell		2,180,000	-
Loans to the Government of Bangladesh	12	538,292,703	294,392,972
Local currency investments	13	21,144,339	21,177,549
Local currency loans to banks, financial institutions and employees	14	232,904,404	259,743,894
Other local currency financial assets	15	4,929,823	4,640,737
Total local currency financial assets		**803,526,069**	**585,037,167**
Total financial assets		**4,838,684,585**	**4,627,033,112**
Non-financial assets			
Property, plant and equipment	16	47,692,736	47,642,746
Intangible assets	17	720,476	802,068
Other non-financial assets	18	5,091,009	5,001,905
Total non-financial assets		**53,504,221**	**53,446,719**
Total assets		**4,892,188,806**	**4,680,479,831**
LIABILITIES & EQUITY			
LIABILITIES			
Foreign currency financial liabilities			
Deposits from banks and financial institutions	19	260,928,491	250,956,566
Liabilities with International Monetary Fund	6.02	337,314,306	219,535,548
Other foreign currency financial liabilities	20	18,761,840	-
Total foreign currency financial liabilities		**617,004,637**	**470,492,114**
Local currency financial liabilities			
Notes in circulation	21	2,545,233,913	2,253,250,617
Deposits from banks and financial institutions	22	909,261,888	1,211,218,466
Other local currency financial liabilities	23	177,783,080	292,117,981
Total local currency financial liabilities		**3,632,278,881**	**3,756,587,064**
Total liabilities		**4,249,283,518**	**4,227,079,178**
EQUITY			
Capital	24	30,000	30,000
Retained earnings	31	43,208,378	44,919,663
Revaluation reserves	25	436,545,584	270,301,076
Currency fluctuation reserve	26	110,568,363	86,393,061
Statutory funds	27	18,517,046	18,267,046
Non statutory funds	28	15,635,542	15,640,408
Other reserves	29	12,899,875	12,448,899
General reserve	30	5,500,500	5,400,500
Total equity		**642,905,288**	**453,400,653**
Total liabilities and equity		**4,892,188,806**	**4,680,479,831**

The accompanying notes from 1 to 49 form an integral part of these financial statements.

Md. Mofizur Rahman Khan Chowdhury FCMA, CFA
Director (A&BD)
Accounts & Budgeting Department

Ahmed Jamal
Deputy Governor

Abdur Rouf Talukder
Governor

These financial statements are to be read in conjunction with the Independent Auditors' Report, which is set out on page 1.

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Sabbir Ahmed FCA
Partner
ICAB Enrollment # 770
DVC:2208300770AS914626
Dated: 30 August 2022
Dhaka, Bangladesh

ACNABIN
Chartered Accountants

Abu Sayed Mohammed Nayeem FCA
Partner
ICAB Enrollment # 353
DVC:2208300353AS203344

BANGLADESH BANK
SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

In Thousand Tk.

Particulars	Notes	30-Jun-22	30-Jun-21
ASSETS			
Foreign currency financial assets			
Foreign currency accounts	4	78,519,805	49,481,759
Foreign investments	5	2,782,210,063	3,186,883,047
Assets held with International Monetary Fund	6.01	376,731,118	198,454,465
Gold and silver	7	45,306,167	39,678,816
Claims from gold transactions	8	31,629,227	27,855,709
Foreign currency loans to banks	9	705,640,485	525,654,368
Other foreign currency financial assets	10	15,121,651	13,987,781
Total foreign currency financial assets		**4,035,158,516**	**4,041,995,945**
Local currency financial assets			
Taka coin and cash balances	11.01	3,664,924	4,626,669
Securities purchased under agreement to resell		2,180,000	-
Loans to the Government of Bangladesh	12	538,292,703	294,392,972
Local currency investments	13.01	15,945,000	15,945,000
Local currency loans to banks, financial institutions and employees	14.01	231,009,627	257,864,315
Other local currency financial assets	15.01	4,111,196	3,865,820
Total local currency financial assets		**795,203,450**	**576,694,776**
Total financial assets		**4,830,361,966**	**4,618,690,721**
Non-financial assets			
Property, plant and equipment	16.01	38,534,510	39,229,397
Intangible assets	17	720,476	802,068
Other non-financial assets	18.01	285,493	599,865
Total non-financial assets		**39,540,479**	**40,631,330**
Total assets		**4,869,902,445**	**4,659,322,051**
LIABILITIES & EQUITY			
LIABILITIES			
Foreign currency financial liabilities			
Deposits from banks and financial institutions	19	260,928,491	250,956,566
Liabilities with International Monetary Fund	6.02	337,314,306	219,535,548
Other foreign currency financial liabilities	20	18,761,840	-
Total foreign currency financial liabilities		**617,004,637**	**470,492,114**
Local currency financial liabilities			
Notes in circulation	21	2,545,233,913	2,253,250,617
Deposits from banks and financial institutions	22	909,261,888	1,211,218,466
Other local currency financial liabilities	23.01	175,944,403	289,554,066
Total local currency financial liabilities		**3,630,440,204**	**3,754,023,149**
Total liabilities		**4,247,444,841**	**4,224,515,263**
EQUITY			
Capital	24	30,000	30,000
Retained earnings	31.01	28,676,987	31,118,991
Revaluation reserves	25.01	431,879,291	266,657,883
Currency fluctuation reserve	26	110,568,363	86,393,061
Statutory funds	27	18,517,046	18,267,046
Non statutory funds	28	15,635,542	15,640,408
Other reserves	29	12,899,875	12,448,899
General reserve	30.01	4,250,500	4,250,500
Total equity		**622,457,604**	**434,806,788**
Total liabilities and equity		**4,869,902,445**	**4,659,322,051**

The accompanying notes from 1 to 49 form an integral part of these financial statements.

Md. Mofizur Rahman Khan Chowdhury FCMA, CFA
Director (A&BD)
Accounts & Budgeting Department

Ahmed Jamal
Deputy Governor

Abdur Rouf Talukder
Governor

These financial statements are to be read in conjunction with the Independent Auditors' Report, which is set out on page 1.

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Abu Sayed Mohammed Nayeem FCA
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BANGLADESH BANK
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

In Thousand Tk.

Particulars	Notes	2021-22	2020-21
INCOME			
Income from foreign currency financial assets			
Interest income	32	28,371,001	25,447,300
Commission and discounts	33	527,251	315,175
Total income from foreign currency financial assets		**28,898,252**	**25,762,475**
Income from local currency financial assets			
Interest income	35	28,333,414	30,482,794
Commission and discounts	36	2,062,478	4,433,486
Sales to other parties by subsidiary		1,791,533	1,594,036
Other income		224,386	128,452
Total income from local currency financial assets		**32,411,811**	**36,638,768**
Total income		**61,310,063**	**62,401,243**
EXPENSES			
Expenses on foreign currency financial liabilities			
Interest expense	34	(771,845)	(657,185)
Commission and other expenses		(704,187)	(383,200)
Total expenses on foreign currency financial liabilities		**(1,476,032)**	**(1,040,385)**
Expenses on local currency financial liabilities			
Interest expense	38	(905,593)	(251,920)
Commission and other expenses	39	(7,242,076)	(8,568,893)
Total expenses on local currency financial liabilities		**(8,147,669)**	**(8,820,813)**
Other expenses			
General and administrative expenses	41	(20,880,578)	(19,491,078)
Total other expenses		**(20,880,578)**	**(19,491,078)**
Total expenses		**(30,504,279)**	**(29,352,276)**
Foreign currency revaluation gain/(loss) - unrealised		238,816,162	10,928,043
Foreign currency revaluation gain/(loss) - realised		24,175,303	15,128,924
Profit before tax		**293,797,249**	**59,105,934**
Current tax expense		(506,997)	(528,881)
Deferred tax income/(expense)		(20,098)	(334,984)
Profit for the year		**293,270,154**	**58,242,069**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Revaluation gain on Property, Plant and Equipment		1,053,734	-
Gold revaluation gain/(loss)		9,098,269	(256,385)
Silver revaluation gain/(loss)		(41,652)	113,932
Revaluation gain/(loss) on financial instruments	40	(81,373,627)	40,811,242
Total other comprehensive income		**(71,263,276)**	**40,668,789**
Total comprehensive income for the year		**222,006,878**	**98,910,858**

The accompanying notes from 1 to 49 form an integral part of these financial statements.

Md. Mofizur Rahman Khan Chowdhury FCMA, CFA
Director (A&BD)
Accounts & Budgeting Department

Ahmed Jamal
Deputy Governor

Abdur Rouf Talukder
Governor

These financial statements are to be read in conjunction with the Independent Auditors' Report, which is set out on page 1.

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Abu Sayed Mohammed Nayeem FCA
Partner
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BANGLADESH BANK
SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

In thousand Tk.

Particulars	Notes	2021-22	2020-21
INCOME			
Income from foreign currency financial assets			
Interest income	32	28,371,001	25,447,300
Commission and discounts	33	527,251	315,175
Total income from foreign currency financial assets		**28,898,252**	**25,762,475**
Income from local currency financial assets			
Interest income	35.01	27,239,756	29,385,371
Commission and discounts	36	2,062,478	4,433,486
Dividend income		600,000	600,000
Other income	37	199,062	115,118
Total income from local currency financial assets		**30,101,296**	**34,533,975**
Total income		**58,999,548**	**60,296,450**
EXPENSES			
Expenses on foreign currency financial liabilities			
Interest expense	34	(771,845)	(657,185)
Commission and other expenses		(704,187)	(383,200)
Total expenses on foreign currency financial liabilities		**(1,476,032)**	**(1,040,385)**
Expenses on local currency financial liabilities			
Interest expense	38	(905,593)	(251,920)
Commission and other expenses	39	(7,242,076)	(8,568,893)
Total expenses on local currency financial liabilities		**(8,147,669)**	**(8,820,813)**
Other expenses			
Note printing expenses		(3,842,541)	(3,401,455)
General and administrative expenses	41.01	(16,054,704)	(15,318,579)
Total other expenses		**(19,897,245)**	**(18,720,034)**
Total expenses		**(29,520,946)**	**(28,581,232)**
Foreign currency revaluation gain/(loss) - unrealised		238,816,162	10,928,043
Foreign currency revaluation gain/(loss) - realised		24,175,303	15,128,924
Profit for the year		**292,470,067**	**57,772,185**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Gold revaluation gain/(loss)		9,098,269	(256,385)
Silver revaluation gain/(loss)		(41,652)	113,932
Revaluation gain/(loss) on financial instruments	40	(81,373,627)	40,811,242
Total other comprehensive income		**(72,317,010)**	**40,668,789**
Total comprehensive income for the year		**220,153,057**	**98,440,974**

The accompanying notes from 1 to 49 form an integral part of these financial statements.

Md. Mofizur Rahman Khan Chowdhury FCMA, CFA
Director (A&BD)
Accounts & Budgeting Department

Ahmed Jamal
Deputy Governor

Abdur Rouf Talukder
Governor

These financial statements are to be read in conjunction with the Independent Auditors' Report, which is set out on page 1.

Hoda Vasi Chowdhury & Co.
Chartered Accountants

Sabbir Ahmed FCA
Partner
ICAB Enrollment # 770
DVC:2208300770AS914626
Dated: 30 August 2022
Dhaka, Bangladesh

ACNABIN
Chartered Accountants

Abu Sayed Mohammed Nayeem FCA
Partner
ICAB Enrollment # 353
DVC:2208300353AS203344

BANGLADESH BANK
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

In Thousand Tk.

Particulars	Non - distributable											Distributable	Equity
	Capital	Revaluation reserves				Currency fluctuation reserve	Statutory funds	Non-statutory funds	Other reserves		General reserve	Retained earnings	
		Gold and silver	Foreign currency accounts	Financial instruments	Property, plant & equipment				Asset renewal & replacement fund	Interest reserve			
Balance as at 01 July 2020	**30,000**	**37,160,799**	**138,234,590**	**4,690,126**	**38,764,157**	**71,264,137**	**16,517,046**	**15,640,551**	**4,926,785**	**7,522,114**	**5,300,500**	**70,385,443**	**410,436,246**
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(27,983)	(27,983)
Transfer to statutory fund	-	-	-	-	-	-	1,500,000	-	-	-	-	(1,500,000)	-
Transfer to Government	-	-	-	-	-	-	-	-	(250,000)	-	-	-	(250,000)
Dividend paid for 2019-2020	-	-	-	-	-	-	-	-	-	-	-	(55,461,405)	(55,461,405)
Prior Year Adjustment	-	-	-	-	-	-	-	-	-	-	-	3,774	3,774
Total comprehensive income for the year	-	(142,453)	-	40,811,242	-	-	-	-	-	-	-	58,242,069	98,910,858
Utilisation of funds	-	-	-	-	-	-	-	(100,143)	-	-	-	-	(100,143)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	(110,694)	(34,733)	-	-	-	-	-	-	34,733	(110,694)
Appropriation of profit to other funds	-	-	10,928,044	-	-	15,128,924	250,000	100,000	250,000	-	100,000	(26,756,968)	-
Balance as at 30 June 2021	**30,000**	**37,018,346**	**149,162,634**	**45,390,674**	**38,729,424**	**86,393,061**	**18,267,046**	**15,640,408**	**4,926,785**	**7,522,114**	**5,400,500**	**44,919,663**	**453,400,653**
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(19,215)	(19,215)
Dividend paid for 2020-2021	-	-	-	-	-	-	-	-	-	-	-	(31,099,777)	(31,099,777)
Prior Year Adjustment	-	-	-	-	-	-	-	-	-	-	-	(639)	(639)
Total comprehensive income for the year	-	9,056,617	-	(81,373,627)	1,053,734	-	-	-	-	-	-	293,270,153	222,006,878
Utilisation of funds	-	-	-	-	-	-	-	(104,866)	-	-	-	-	(104,866)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	(1,277,744)	(30,635)	-	-	-	-	-	-	30,634	(1,277,744)
Appropriation of profit to other funds	-	-	238,816,162	-	-	24,175,303	250,000	100,000	450,976	-	100,000	(263,892,440)	-
Balance as at 30 June 2022	**30,000**	**46,074,964**	**387,978,796**	**(37,260,698)**	**39,752,523**	**110,568,363**	**18,517,046**	**15,635,542**	**5,377,761**	**7,522,114**	**5,500,500**	**43,208,378**	**642,905,288**

HOOSAIN VASI CHOWDHURY & CO

ACNABIN Dhaka Chartered Accountants

BANGLADESH BANK
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

In Thousand Tk.

Particulars	Non distributable											Distributable	Equity
		Revaluation reserves							Other reserves				
	Capital	Gold and silver	Foreign currency accounts	Financial instruments	Property, plant & equipment	Currency fluctuation reserve	Statutory funds	Non-statutory funds	Asset renewal & replacement fund	Interest reserve	General reserve	Retained earnings	
Balance as at 01 July 2020	**30,000**	**37,160,800**	**138,234,589**	**4,690,125**	**35,086,230**	**71,264,137**	**16,517,046**	**15,640,551**	**4,926,785**	**7,522,114**	**4,250,500**	**56,989,387**	**392,312,264**
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(27,983)	(27,983)
Transfer to statutory fund	-	-	-	-	-	-	1,500,000	-	-	-	-	(1,500,000)	-
Transfer to Government	-	-	-	-	-	-	-	-	(250,000)	-	-	-	(250,000)
Dividend paid for 2019-2020	-	-	-	-	-	-	-	-	-	-	-	(55,461,405)	(55,461,405)
Prior Year Adjustment	-	-	-	-	-	-	-	-	-	-	-	3,774	3,774
Total comprehensive income for the year	-	(142,453)	-	40,811,242	-	-	-	-	-	-	-	57,772,185	98,440,974
Reallocation	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilisation of funds	-	-	-	-	-	-	-	(100,143)	-	-	-	-	(100,143)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	(110,694)	-	-	-	-	-	-	-	-	(110,694)
Appropriation of profit to other funds	-	-	10,928,044	-	-	15,128,924	250,000	100,000	250,000	-	-	(26,656,968)	-
Balance as at 30 June 2021	**30,000**	**37,018,347**	**149,162,633**	**45,390,673**	**35,086,230**	**86,393,061**	**18,267,046**	**15,640,408**	**4,926,785**	**7,522,114**	**4,250,500**	**31,118,990**	**434,806,788**
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(19,215)	(19,215)
Dividend paid for 2020-2021	-	-	-	-	-	-	-	-	-	-	-	(31,099,777)	(31,099,777)
Prior Year Adjustment	-	-	-	-	-	-	-	-	-	-	-	(639)	(639)
Total comprehensive income for the year	-	9,056,617	-	(81,373,627)	-	-	-	-	-	-	-	292,470,067	220,153,057
Utilisation of funds	-	-	-	-	-	-	-	(104,866)	-	-	-	-	(104,866)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	(1,277,744)	-	-	-	-	-	-	-	-	(1,277,744)
Appropriation of profit to other funds	-	-	238,816,162	-	-	24,175,303	250,000	100,000	450,976	-	-	(263,792,441)	-
Balance as at 30 June 2022	**30,000**	**46,074,964**	**387,978,795**	**(37,260,698)**	**35,086,230**	**110,568,363**	**18,517,046**	**15,635,542**	**5,377,761**	**7,522,114**	**4,250,500**	**28,676,987**	**622,457,604**

HOQUE VASI CHOWDHURY & CO. Dhaka

ACNABIN Dhaka Chartered Accountants

BANGLADESH BANK
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

In Thousand Tk.

Particulars	2021-22	2020-21
Cash flows from operating activities		
Profit for the year	293,270,154	58,242,069
Adjustments:		
Depreciation	1,280,884	1,363,034
Loan Loss provision	(958,255)	(1,210,708)
Foreign currency revaluation gain - unrealised	(238,816,162)	(10,928,043)
Investment income from Short Term Deposit, Foreign Bills and Bonds	(21,757,111)	(19,956,499)
Investment Income from local Treasury Bills and Bonds	(19,948,078)	(21,624,510)
Interest from Claims from Gold Transactions	(25,737)	(9,321)
	13,045,695	**5,876,022**
Tax Paid during the year	(527,095)	(528,881)
Payment from WPPF	(101,776)	(94,775)
Provision to WPPF	101,431	101,776
(Increase) / decrease in Foreign Currency Loans to Banks	(179,986,117)	(124,398,472)
(Increase) / decrease in Other Receivable on Foreign Currency Loans	(814,430)	4,197,386
(increase) / decrease in Loans to Government	(243,899,731)	76,892,300
(increase)/ decrease in Local Currency loans to Banks, financial institutions and employees	26,994,694	(135,988,460)
increase/(decrease) in interest payable on SDR allocation	204,479	(1,476)
(increase)/decrease in Other local currency financial assets	(1,374,093)	5,773,817
(increase)/decrease in Other non-financial assets	787,001	82,599
increase/(decrease) in Notes in Circulation	291,983,296	187,722,450
increase/(decrease) in Other Local Currency Financial liabilities	(114,145,755)	105,078,625
	(220,778,097)	**118,836,890**
Net cash from operating activities	**(207,732,402)**	**124,712,912**
Cash flows from investing activities		
Settlement with liabilities with IMF	(60,497,895)	2,973,262
Investment Income from Short Term Deposit, US Treasury Notes, Foreign Bills and Bonds	22,006,905	19,956,499
Net Investment in Foreign Bills, US Treasury Notes and Bonds	(404,579,566)	(341,854,422)
Net Investment in Foreign Short Term Deposits	719,251,277	170,470,480
Investment Income from Local Treasury Bills and Bonds	19,948,078	21,624,510
Net Investment in Local Treasury Bills and Bonds	(236,631,231)	48,805,437
Other Local Investment	779,334	147,294
Income from Claims from Gold Transactions	25,737	9,321
Gain on Asset Sale or Derecognition	1,255	664,964
Addition of Fixed Assets and Intangible assets	(496,530)	(988,175)
Net cash used in investing activities	**59,807,364**	**(78,190,831)**
Cash flows from financing activities		
Dividend paid to the Government of Bangladesh	(31,099,777)	(55,461,405)
Net cash (used in)/from financing activities	**(31,099,777)**	**(55,461,405)**
Net increase/(decrease) in cash and cash equivalents	**(179,024,815)**	**(8,939,324)**
Opening balance of cash and cash equivalents	439,958,865	448,898,190
Cash and cash equivalents as at 30 June	**260,934,051**	**439,958,865**
Cash and cash equivalents includes		
Foreign currency accounts	78,519,805	49,481,759
Foreign investments with short-term maturity	1,346,349,825	1,847,570,123
Taka coin and cash balances	4,074,800	5,082,015
Securities purchased under agreement to resell	2,180,000	-
Foreign currency deposits from banks and financial institutions	(260,928,491)	(250,956,566)
Deposits from banks and financial institutions	(909,261,888)	(1,211,218,466)
Cash and cash equivalents as at 30 June	**260,934,051**	**439,958,865**

HODA VASI CHOWDHURY & CO DHAKA

ACNABIN Dhaka Chartered Accountants

BANGLADESH BANK
SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

In Thousand Tk.

Particulars	2021-22	2020-21
Cash flows from operating activities		
Profit for the year	292,470,067	57,772,185
Adjustments:		
Depreciation	1,220,035	982,035
Loan Loss provision	(958,255)	(1,210,708)
Foreign currency revaluation gain - unrealised	(238,816,162)	(10,928,043)
Investment income from Short Term Deposit, Foreign Bills and Bonds	(21,757,111)	(19,956,499)
Investment Income from local Treasury Bills and Bonds	(19,948,078)	(21,624,510)
Interest from Claims from Gold Transactions	(25,737)	(9,321)
Dividend Income	(600,000)	(600,000)
	11,584,759	**4,425,139**
(Increase) / decrease in Foreign Currency Loans to Banks	(179,986,117)	(124,398,472)
(Increase) / decrease in Other Receivable on Foreign Currency Loans	(814,430)	4,197,386
(increase) / decrease in Loans to Government	(243,899,731)	76,892,300
(increase)/ decrease in Local Currency loans to Banks,	26,854,687	(136,319,345)
increase/(decrease) in interest payable on SDR allocation	204,479	(1,476)
(increase)/decrease in Other local currency financial assets	(245,376)	5,406,520
(increase)/decrease in Other non-financial assets	314,372	581,103
increase/(decrease) in Notes in Circulation	291,983,296	187,722,450
increase/(decrease) in Other Local Currency Financial liabilities	(113,609,663)	105,434,449
	(219,198,483)	**119,514,915**
Net cash from operating activities	**(207,613,724)**	**123,940,054**
Cash flows from investing activities		
Settlement with liabilities with IMF	(60,497,895)	2,973,262
Investment Income from Short Term Deposit, US Treasury Notes, Foreign Bills and Bonds	22,006,905	19,956,499
Net Investment in Foreign Bills, US Treasury Notes and Bonds	(404,579,566)	(341,854,422)
Net Investment in foreign Short Term Deposits	719,251,277	170,470,480
Net investment in Local Treasury Bills and Bonds	(236,631,231)	48,805,437
Investment Income from Local Treasury Bills and Bonds	19,948,078	21,624,510
Addition of Fixed Assets and Intangible assets	(390,403)	(901,089)
Gain on Asset Sale or Derecognition	1,255	664,964
Income from Claims from Gold Transactions	25,737	9,321
Dividend Received	600,000	600,000
Net cash used in investing activities	**59,734,157**	**(77,651,039)**
Cash flows from financing activities		
Dividend paid to the Government of Bangladesh	(31,099,777)	(55,461,405)
Net cash (used in)/from financing activities	**(31,099,777)**	**(55,461,405)**
Net increase/(decrease) in cash and cash equivalents	**(178,979,344)**	**(9,172,389)**
Opening balance of cash and cash equivalents	439,503,519	448,675,909
Cash and cash equivalents as at 30 June	**260,524,175**	**439,503,519**
Cash and cash equivalents includes		
Foreign currency accounts	78,519,805	49,481,759
Foreign investments with short-term maturity	1,346,349,825	1,847,570,123
Taka coin and cash balances	3,664,924	4,626,669
Securities purchased under agreement to resell	2,180,000	-
Foreign currency deposits from banks and financial institutions	(260,928,491)	(250,956,566)
Deposits from banks and financial institutions	(909,261,888)	(1,211,218,466)
Cash and cash equivalents as at 30 June	**260,524,175**	**439,503,519**

HODA VASI CHOWDHURY & CO

ACNABIN Dhaka Chartered Accountants

1 Reporting entity

Bangladesh Bank ("the Bank"), a statutory body, is the central bank and apex regulatory body for the monetary and financial system of Bangladesh and established on the 16th day of December, 1971 under the Bangladesh Bank Order, 1972 (P.O. No. 127 of 1972). The Bank is domiciled in Bangladesh and the head office of the Bank is situated at Motijheel C/A, Dhaka-1000.

The Bank has 10 (ten) branch offices situated at the following locations:

Location	Address
Motijheel Office	Motijheel C/A, Dhaka-1000
Chattogram Office	Notun/617, Shahid Sohrawardi Road, Chattogram
Rajshahi Office	Natore Road, Majhi Hata, Boalia, Rajshahi-6000
Bogura Office	Holding - 1683, Thonthonia, Bogura-5800
Rangpur Office	Bangladesh Bank Rangpur Office, Rangpur-5400
Khulna Office	1, Ratan Sen Road, Khulna-9100
Barishal Office	Deen Bondhu Sen Road, Barishal-8200
Sylhet Office	VIP Road, Taltola, Sylhet-3100
Sadarghat Office	Bahadurshah Road, Sadarghat, Dhaka-1000
Mymensingh Office	29, Durgabari Road, Mymensingh-2200

The Bank has exclusive agency arrangement with Sonali Bank Limited for carrying out certain specific treasury related functions across the country. As of 30 June 2022, 731 branches of Sonali Bank Limited, state owned commercial bank, were engaged in daily treasury functions under the referred agency arrangement with the Bank.
As per the Article 7A of the Bangladesh Bank Order, 1972, the main functions of the Bank shall be:

- to formulate and implement monetary policy;
- to formulate and implement intervention policies in the foreign exchange market;
- to give advice to the Government on the interaction of monetary policy with fiscal and exchange rate policy, on the impact of various policy measures on the economy and to propose legislative measures it considers necessary or appropriate to attain these.
- to hold and manage the official foreign reserves of Bangladesh;
- to promote, regulate and ensure a secure and efficient payment system including the issue of bank notes; and
- to regulate and supervise banking companies and financial institutions.

The Bank also acts as the Banker to the Government as per Article 16(18) of the Bangladesh Bank Order, 1972.

The entire capital of the Bank had been allotted to the Government of Bangladesh as per Article 4(2) of the Bangladesh Bank Order, 1972.

The Bank has a fully owned subsidiary company named The Security Printing Corporation (Bangladesh) Ltd. ("SPCBL" or "the subsidiary") which was formed on 22nd April, 1992 for the purpose of printing and supplying of currency notes. The Bank and its subsidiary are collectively referred to as "the Group". Refer to note 3.01 and 13.01.

2 Basis of preparation of the financial statements

2.01 Statement of compliance

In preparing the financial statements, the Bank's ability to continue as a going concern is subject to the article no. 76 of Bangladesh Bank Order, 1972 (President's order No. 127 of 1972) - ``the bank shall not be placed in liquidation save by order of the Government and in such manner and on such terms and conditions as it may direct." Subject to the mentioned article no. of Bangladesh Bank Order, 1972, the Group prepares its financial statement as going concern basis.
The consolidated and separate financial statements of the Group and the Bank respectively have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The compliance status of these IASs and IFRSs are as follows:

	Compliance status
IAS 1: Presentation of Financial Statements	Complied
IAS 2: Inventories	Complied
IAS 7: Statement of Cash Flows	Complied
IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10: Events after the Reporting Period	Complied
IAS 12: Income Taxes	Complied
IAS 16: Property, Plant and Equipment	Complied
IAS 19: Employee Benefits	Complied
IAS 20: Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS 21: The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23: Borrowing Costs	Complied
IAS 24: Related Party Disclosures	Complied
IAS 26: Accounting and Reporting by Retirement Benefit Plans	Not applicable
IAS 27: Separate Financial Statements	Complied
IAS 28: Investment in Associates and Joint Ventures	Not applicable
IAS 32: Financial Instruments: Presentation	Complied
IAS 33: Earnings Per Share	Not applicable
IAS 34: Interim Financial Reporting	Not applicable
IAS 36: Impairment of Assets	Complied
IAS 37: Provisions, Contingent Liabilities and Contingent assets	Complied
IAS 38: Intangible Assets	Complied
IAS 40: Investment Property	Not applicable
IAS 41: Agriculture	Not applicable
IFRS 1: First time Adoption of International Financial Reporting Standards	Not applicable
IFRS 2: Share based Payment	Not applicable

	Compliance status
IFRS 3: Business Combinations	Not applicable
IFRS 4: Insurance Contracts	Not applicable
IFRS 5: Non-current Assets Held for Sale and Discontinued Operations	Not applicable
IFRS 6: Exploration for and Evaluation of Mineral Resources	Not applicable
IFRS 7: Financial Instruments: Disclosures	Complied
IFRS 8: Operating Segments	Not applicable
IFRS 9: Financial Instruments	Complied
IFRS 10: Consolidated Financial Statements	Complied
IFRS 11: Joint Arrangements	Not applicable
IFRS 12: Disclosure of Interests in Other Entities	Complied
IFRS 13: Fair Value Measurement	Complied
IFRS 14: Regulatory Deferrals Accounts	Not applicable
IFRS 15: Revenue from Contract with Customers	Complied
IFRS 16: Leases	Complied

2.02 Basis of measurement

The financial statements are prepared on a historical cost basis except for the following material items in the consolidated and separate statements of financial position ("the statement of financial position"):

Basis of measurement	Material items
Amortised cost	Foreign and local currency loans to Banks and Financial Institutions; Bangladesh Government Treasury bills; US Dollar Treasury bills, foreign bonds.
Fair value through OCI	Bangladesh Government Treasury bonds; US Treasury Notes and Swift share
	Gold and silver; Claims from gold transactions.
Present Value (PV)	Liability for the defined benefit obligation

2.03 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (Taka/Tk/BDT), which is the Group's functional and presentation currency. Except as indicated, financial information presented in Bangladeshi Taka has been rounded off to the nearest thousand.

2.04 Relationship between Issue Department and Banking Department

Under the Bangladesh Bank Order, 1972, issue of banknotes shall be conducted by the Bank in an Issue Department, which shall be separated and kept wholly distinct from the Banking Department. Accordingly, the Issue Department is solely concerned with notes issued and the assets backing the issue. The Banking Department comprises all other activities of the Bank. The separation into departments is made within the Bank and reports on both the Banking and Issue Departments (together referred as "statement of affairs") are made internally and submitted to the Government throughout the year at weekly interval. The annual financial statements are prepared on a combined basis to include all the assets and liabilities of the Bank. The assets backing the note issued as at the year end are disclosed in

2.05 Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses that are not readily available.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities, income and expenses that are not readily apparent from other sources. Actual results may differ from these estimates.The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that has the most significant effect on the amount recognized in the financial statements are as follows:

- Fair value of financial instruments without active quoted market.
- Impairment assessment of financial assets.
- Business model consideration for financial instruments under IFRS 9.
- Effective interest rate calculation.
- Economic lives of PP&E and intangible assets for calculation of depreciation and amortisation.
- Revaluation of property, plant and equipment.
- Calculation of post retirement defined benefit plan obligations for employee.

2.06 Comparative information

In presentation of the financial statements, comparative information in respect of the previous year have been given in accordance with IAS-1 & IAS-8. The narrative and descriptive information has been given in notes to the financial statements, where relevant, for the understanding of the current year's financial statements.

2.07 Restatement / Reclassification

IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors require an entity to correct material prior period errors/estimates properly for the prior period presented when required. While preparing the consolidated financial statements for the year ended 30 June, 2022, cash flow statements were reclassified in the case of 'Foreign currency revaluation gain - unrealised' and "Interest from claims from Gold transactions"

HODA VASI CHOWDHURY & CO Dhaka

ACNABIN Dhaka Chartered Accountants

2.08 Standards, interpretations of and amendments to the IFRSs that are effective in 2021-2022

During the year some new and amended standards and interpretations became effective, but are considered not to have any significant effect on any of the amounts reported in the financial statements.

2.09 Standards, interpretations of and amendments to the IFRSs that effective from subsequent period

The following new standards and amendments to standards are effective for the annual reporting periods beginning on or after 1 July 2022 and earlier application is permitted, but the Bank has not early adopted.

- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16).
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37).
- Annual Improvements to IFRS Standards 2018–2020.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

Based on initial assessment management has concluded that none of these new and amended standards are expected to have a significant impact on the Bank's financial statements.

3 Significant accounting policies

Accounting policies set out below have been applied consistently to all periods presented in these financial statements by the Group entities.

3.01 Basis of consolidation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS):10 Consolidated Financial Statements.

Subsidiary

The Security Printing Corporation (Bangladesh) Ltd. (SPCBL) is the subsidiary of the Bank. The Bank holds 11,998,994 shares in SPCBL. For compliance with the requirements of the minimum number of seven shareholders of a public limited company as per The Companies Act-1994, 1000 shares were allotted to the Governor of Bangladesh Bank and Deputy Governor of Bangladesh Bank, Managing Director of The SPCBL, Secretary of Financial Institution Division of Ministry of Finance, Additional Secretary of Ministry of Home Affairs, Joint Secretary of Internal Resources Division and Director General of Bangladesh Postal Department were allotted one share each. However, Bangladesh Bank is the beneficial owner of all these shares. As per the defintion "Equity in a subsidiary not attributable, directly or indirectly, to parent" of Non-Controlling Interest (NCI) set out in Appendix A of IFRS 10- Consolidated financial statements, the Bank does not need to recognize the NCI since the shareholders are directly or indirectly related to the Bank. However, it can be mentioned that the non-controlling equity (if it would be considered by the Bank) comes to BDT 3,244,769 only as of 30 June, 2022. SPCBL is responsible for printing and supplying the Bank with bank notes based on the requirements from time to time. It sells these notes to the Bank at a specified mark-up agreed beforehand between the Bank and SPCBL. SPCBL is also engaged in printing of security products for other parties besides the Bank.

Transactions eliminated on consolidation

Intra-group balances, transactions and any unrealised income & expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with the subsidiary are eliminated to the extent of the Group's interest in the subsidiary. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.02 Foreign currency transactions

Foreign currency transactions are translated into Taka at the rates ruling on the dates of transactions in compliance with IAS 21 : *The Effects of Changes in Foreign Exchange Rates*. Foreign currency denominated monetary assets and liabilities are translated to the functional currency at the exchange rate at the reporting date. Foreign currency denominated non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Foreign currency gains and losses are reported in profit or loss on a net basis as either exchange gain or loss depending on whether foreign currency movements are in a net gain or net loss position. At the reporting date the exchange rates of Taka against major foreign currencies held by the Group used in preparing the financial statements were as follows:

Foreign currency	Exchange rates (in BDT)	
	30-Jun-22	30-Jun-21
US Dollar	93.4500	84.8146
Australian Dollar	64.4899	63.5940
Canadian Dollar	72.5994	68.4320
EURO	97.9543	100.5477
Pound Sterling	113.7754	117.2732
CNY	13.9628	13.1138
JPY	0.6885	0.7634
SDR	124.0829	120.9796
SGD	67.2399	63.0545
SEK	9.1448	9.9173

3.03 Foreign exchange gain/loss

Realised foreign exchange gain/loss is calculated using average cost methodology. At the end of each month, the change in the average cost balance is calculated on a currency by currency basis by applying (a) where there is a net increase in the currency position, the increase to the average value is the average rate for the month multiplied by the currency amount of the increase and (b) where there is a net decrease in the currency position, the decrease to the average value is calculated by applying the opening average rate to the carrying amount of the decrease. The difference between the book value at the period end exchange rate and the average value by currency is determined. The balance is considered as realised revaluation reserve.

The difference between realised revaluation reserve account and the ledger balance is accounted as unrealised exchange gain/loss for the period and is recognised in the statement of profit or loss for the year. Subsequently the realised and unrealised gain/loss have been transferred to currency fluctuation reserve and foreign currency revaluation reserve respectively in the statement of financial position.

3.04 Accounting treatment of revaluation gain/loss:

Revaluation gain/loss of foreign currencies, gold, silvers, financial instruments and Property, Plant and Equipment (PPE) arises from the changes in fair value of assets and currency exchange rates following the international financial reporting standards. In line with the objectives and functions of Bangladesh Bank of maintaining a competitive external par value of the Taka, intervening foreign exchange market and holding and managing the official foreign reserves, the revaluation gain/loss is transferred to the `Reserve Account' under the coverage of Article 64 (read with Article 7 & 16) of the Bangladesh Bank Order, 1972 (President's order No. 127 of 1972). These `Reserve Account' are maintained to provide for contingencies and risk of losses arising from change in fair value of assets, exchange rate volatility, unforseen global economic shocks and other financial risks. Maintaining such reserve is a common practice by many other central banks.

3.05 Financial assets and liabilities

Financial assets comprise among others foreign currency accounts, foreign investments, assets held with International Monetary Fund (IMF), gold and silver, claims from gold transactions, foreign currency loans to banks, other foreign currency financial assets, taka coin and cash balances, securities purchased under agreement to resell, loans to Government of Bangladesh, local currency investments, local currency loans to banks, financial institutions and employees and other local currency financial assets.

Financial liabilities comprise deposits from banks and financial institutions in both local and foreign currencies, liabilities with IMF, notes in circulation, short term borrowing and other local currency financial liabilities.

(a) Recognition and initial measurement

Loans and advances are initially recognised in the Statement of Financial Position on the date they are originated. Regular purchases or sales of financial assets are recognised or derecognised, as applicable, on the settlement date at which the assets are received or, as the case may be, delivered by the Group. All other financial assets and liabilities are initially recognised when the Group becomes a party to the contractual provision of the instruments. Financial assets and liabilities are initially measured at fair value.

(b) Classification and subsequent measurement

Classification of financial assets and liabilities for the purpose of measurement subsequent to initial recognition in accordance with IFRS 9 *Financial Instruments* is made in the following manner:

(1) Financial Assets & liabilities carried at amortised cost :

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Foreign bonds, US dollar treasury bills, Bangladesh Government treasury bills, equity investment in HBFC debentures and foreign and local currency loans to Banks and Financial Institutions are classified as amortised cost financial assets. Swift shares are measured at cost as there is no quoted market price for these shares.

Shares of The Security Printing Corporation (Bangladesh) Ltd. (SPCBL) are measured at cost in the separate financial statements of the Bank in accordance with IAS 27 *Separate Financial Statements*.

Short term borrowing, notes in circulation, deposits from banks and financial institutions and liabilities with IMF are classified as financial liabilities carried at amortised cost.

(2) Fair value through other comprehensive income :

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

US Treasury Notes, gold and silver, claims from gold transactions, Bangladesh Government treasury bonds, swift share and shares of ICB Islamic Bank Limited are classified as fair value through other comprehensive income.

If readily available market is not avialbale for swift share or other equity instruments, then the cost value will be considered as the fair value.

(3) Financial assets and financial liabilities at fair value through profit or loss:

A financial asset is measured at fair value through profit or loss -

- unless it is measured under above stated two classification.
- However an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

(c) Amortised cost measurement principles

Amortised cost of a financial asset or liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, minus any reduction for impairment or irrecoverability.

Effective interest method is a method of calculating the amortised costs of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability on initial recognition. When calculating effective interest rate, the Group estimates the cash flows considering all contractual terms of the financial instruments, and any revisions to these estimates are recognised in profit or loss. The calculation includes amounts paid or received that are an integral part of the effective interest rate of a financial instrument, including transaction costs and all other premiums and discounts.

(d) Fair value measurement principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted prices in an active market for that instrument. A market is regarded as active if transactions for the assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in the profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.
If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.
Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

(e) Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of the financial assets categorized as Fair Value through Other Comprehensive Income (OCI) recognised in other comprehensive income . Gains and losses arising from a change in the fair value of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in the statement of profit or loss. Gains and losses on subsequent measurement of the financial assets categorized as amortised cost are recognised in the statement of profit or loss. The gains and losses on subsequent measurement are in line with the principle of IFRS 9 : Financial Instruments.

(f) De-recognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in such transferred financial assets that qualify for de-recognition that is created or retained by the Group is recognised as a separate asset or liability. On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the statement of profit or loss.

Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, claims from gold transactions and repurchase transactions. Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets categorized as amortised cost are de-recognised on its maturity and financial assets in the category of fair value through OCI and fair value through profit and loss are de-recognised when sold or on its maturity. The corresponding receivables arising from the sale of the asset are de-recognised when the asset is delivered to the buyer.

(g) Identification and measurement of impairment

Judgment is required when determining whether there is objective evidence that impairment exists and, if so, the appropriate amount of ECLs (Expected Credit Loss) to recognize. The measurement of ECLs reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date regarding past events, current conditions and forecasts of future economic conditions. Financial assets are categorized into the following three stages depending on their assessed credit risk:

Stage 1 Financial assets are categorized as Stage 1 when first recognized. The Bank records an allowance for 12-month ECLs in profit or loss, and interest revenue is calculated on the gross carrying amount of the asset.

Stage 2 Financial assets are categorized as Stage 2 when they have experienced a significant increase in credit risk since initial recognition. The Bank records an allowance for lifetime ECLs, and interest revenue is calculated on the gross carrying amount of the asset.

Stage 3 Financial assets are categorized as Stage 3 when they are considered credit-impaired. The Bank records an allowance for lifetime ECLs, and interest revenue is calculated based on the net carrying amount of the asset (gross carrying amount less the loss allowance), rather than on its gross carrying amount.

ECLs are estimated as the difference between all contractual cash flows that are due to the Bank in accordance with the contract and all the cash flows that the Bank expects to receive, discounted at the original effective interest rate.

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Being Central Bank, the Bank always manages the financial assets in a prudent way with high-quality counterpart. Thus in assessing ECLs on these instruments, the Bank has applied the minimal risk practical expedient available under IFRS 9 due to their high credit quality. The Bank continuously monitors relevant economic and financial developments. The Bank continuously reviews the risk associated with these financial instruments, and if required the methodology & model may be developed to estimate ECLs.

All the Bank's financial assets subject to impairment assessments are Stage 1 and are considered to have low credit risk. There were no transfers of financial instruments between stages during the reporting period. The Bank did not record any ECLs on its financial instruments as at June 30, 2022, because the amount was deemed not to be material. It is to be mentioned that imapirments of some assets were made and disclosed in the relevant notes. By its nature, the ECL estimates are subject to measurement uncertainty.The Bank will continue to review its judgments and assumptions to assess whether the ECL estimate has changed.

(h) Off-setting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when and only when the Group has a legal right to set off the amounts and it intends to settle on a net basis.

Income and expenses are presented on a net basis only when permitted under IFRS or for gains and losses arising from a group of similar transactions such as in the Group's trading activities.

3.06 Foreign currency accounts

Foreign currency accounts comprise balances held in the current accounts maintained with different central banks and foreign commercial banks in the designated foreign currency. These are measured at each reporting date by translating to the functional currency at the exchange rates prevailing on that date. Gains and losses arising upon translation are recognised in the statement of profit or loss and are subsequently transferred from retained earnings to revaluation reserve - foreign currency accounts and currency fluctuation reserve (refer to note 3.04 explaining the rationale of the accounting policy on foreign exchange gain/loss).

3.07 Foreign investments

Foreign investments comprise short term interest bearing deposits (held with overseas commercial banks for periods less than 1(one) year in designated foreign currencies), overnight investment, foreign currency treasury bills purchased at a discount and interest bearing foreign bonds & treasury notes. The carrying amount of these investments in foreign currency at each reporting date is translated to the functional currency at the exchange rate on that date. Gains and losses arising upon translation are recognised in the statement of profit or loss and are subsequently transferred to revaluation reserve-foreign currency accounts.

3.08 Foreign currency loans to bank

Foreign currency loans to banks are generated out of the pool of foreign currency funds like Export Development Fund (EDF), Long Term Financing Facility (LTFF) under FSSP and Green Transformation Fund (GTF). Major portion of the foreign currency loans disbursed to banks are attributed to EDF. Current size of EDF is USD 7.00 billion and interest rate currently charged by Bangladesh Bank is 1.00% p.a. The exchange rate risk and credit risk due to potential default by the end user lies with the concerned bank.

3.09 Other foreign currency financial assets

Other foreign currency financial assets comprise swift shares, interest receivable and other receivable. If readily available market is not avialbale for swift share, then the cost value will be considered as the fair value. .

3.10 Taka coin and cash balances

Taka coin and cash balances represents the face value of one, two and five taka coins and notes held by the Bank through purchase from the Government at respective face values, cash and cash equivalents held by SPCBL and cash deposit with Sonali Bank Limited, Mymensingh branch.

3.11 Statement of Cash Flows

The cash flow statement has been prepared by using the "Indirect Method" in accordance with the IAS 7- Statement of Cash Flow. For the purposes of the Statement of Cash Flow, cash and cash equivalents include foreign currency accounts and investments (those with short-term maturity, local currency coins that are realisable in known amounts of cash within short-term (normally less than three months) from the date of original investments and which are subject to insignificant changes in value. Balances in the local and foreign currency deposit accounts with banks and financial institutions are deducted from cash and cash equivalent calculation.

3.12 Loans to the Government of Bangladesh

Loans to the Government of Bangladesh (the Government) consist of "Ways and Means" advances, as well as credit facilities in the form of Overdraft -current and Government treasury bills and bonds.

Ways and Means Advance (WMA)

When total payments to the Government exceed total deposits from the Government, the excess of payment over receipt, with a limit not exceeding Tk.60,000 million (2021: Tk. 60,000 million), is treated as WMA with interest being charged thereon at the reverse repo rate. WMA is realised only after full recovery of Government overdraft-current account balance.

Overdraft - current

Government borrowing in excess of the Tk. 60,000 million limit set for WMA are recognised as overdraft-current with a limit not exceeding Tk. 60,000 million (2021: Tk. 60,000 million). Interest is charged thereon at a rate one percent higher than the reverse repo rate. Any recovery or surplus realised by the Bank from the Government is first applied to the overdraft-current account balance. Any surplus remaining after full recovery of overdraft-current account balance is then adjusted against WMA.

Treasury bills and bonds

Government treasury bills and bonds are the securities which are purchased and held by the Bank when commercial banks and financial institutions do not purchase those from the Government. These are measured at fair value at each statement of financial position date.

3.13 Local currency investments

Group investment comprises investment in debenture of Bangladesh House Building Finance Corporation (BHBFC), shares of the ICB Islamic Bank Ltd and short term deposit with local commercial banks . Investment in debentures are measured at amortized cost and shares are measured at fair value.

3.14 Local currency loans to banks, financial institutions and employees

These comprise loans to state owned, private, specialized commercial and other scheduled banks & financial institutions in the form of refinances scheme, demand loan and loans to Bank employees. Major refinances scheme with an aim to fight COVID-19 related impact are as follows:

- Refinance Scheme for CMSME working capital facility to deal COVID
- Refinance Scheme for low income people, farmer and marginal small business
- Refinance scheme Working Capital loan/investment facility for large industry
- Refinance under Pre-Shipment Credit Scheme
- Refinance Scheme for 10/50/100Tk A/C holders
- Refinance to SME Foundation
- Refinance scheme for Technology Development/Up-gradation Fund

The credit risk due to potential default by the end user of the loans is with the concerned bank disbursing the loan. These loans are reported net of allowances for loan impairment losses (if any).

3.15 Gold and silver

Physical gold and silver are stored at Motijheel branch of the Bank and Bank of England. Such physical gold owned by the Bank is an element of foreign reserves which is consistent with the global practice followed by most of the central banks around the world. Hence, these are considered as 'Monetary Gold'. Although, IFRS has generally considered gold as a commodity, IFRS does not distinguish between monetary and non-monetary gold. Monetary gold has many characteristics which are similar to a financial asset not like a commodity.
However, IFRS has not provided any specific accounting for monetary gold. As a result management has followed the requirement specified in IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" paragraphs 10-12, and concluded that the policies established for the accounting of financial instruments, can also be applied to gold as the Bank regards it as a monetary asset.

Accordingly, gold and silver has been initially recognized at cost, and after initial recognition measured at fair value with valuation gains and losses are recognised in OCI and reported under gold and silver revaluation reserves in the statement of changes in equity. This accounting policy adopted by the Bank is also in line with Article 30 of the Bangladesh Bank Order, 1972.

In managing its investment portfolio, the Bank lends part of its gold holdings to first-class foreign financial institutions. It receives interest in return. Gold lending transactions are effected on a secured basis. The gold price risk remains with the Bank. Gold loans are entered in the statement of financial position under 'claims from gold transactions' and measured at market value.

3.16 Swap Agreement with the Central Bank of Sri Lanka

A swap agreement between Bangladesh Bank and Monetary Board of the Central Bank of Sri Lanka (CBSL) had come into effect on 03 August 2021 for a period of one year. Under this swap agreement, the total amount of USD 200 million was given to CBSL in three installments in the month of August and September 2021 in an exchange of an equivalent amount of Sri Lankan Rupee (LKR). The outstanding amount under the Swap will be charged at an interest rate equal to 6 months US$ LIBOR (or LIBOR equivalent benchmark in case of non availability of LIBOR) prevailing on the date of each drawal / rollover plus 200 basis points. As per agreement, the toal amount of USD 200 million was given initially for a period of three months with the provision of rolling over twice in the same period.The amount was rolled over in November 2021 and December 2021 with due date on February and March 2022.
Later on, 31 May 2022, an addendum was made and entered into between Bangladesh Bank and Monetary Board of the CBSL. According to the addendum, the agreeemnt shall be effective till 17 May 2023 and it permits the swap transaction to be renewed by mutual consent for a maximum of 5 times. CBSL has rolled over the amount accordingly.

3.17 Property, plant and equipment (PPE)

(a) Recognition and measurement

Items of PPE are initially recognised at cost and subsequently carried at revalued amounts, being fair values at the date of the revaluation, less subsequent accumulated depreciation and impairment losses if any.

Land and buildings, appearing as items of PPE, are used for its operating, administrative and staff's residence purposes.

(b) Revaluation

If an asset's carrying amount is increased as a result of a revaluation, the increased amount is recognised in Other Comprehensive Income (OCI) and accumulated in equity under the heading of revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.
If an asset's carrying amount is decreased as a result of a revaluation, the decreased amount is recognised in profit or loss. However, the decrease is recognised in OCI to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decreased amount which is recognised in OCI reduces the amount accumulated in equity under the heading of revaluation reserve.

The Bank revalued its land as at 30 June 2014 and subsequently other items of PPE were revalued as at 31 January 2018 by an independent valuer, S.F. Ahmed & Co. It is to be mentioned that the valuation process of Land has been completed and after having the final report from the valuer, the Bank's financial statements may show the reflection in next fiscal year. Significant methods and assumptions for revaluation of items of property, plant and equipment were as follows:

(i) Land was revalued on a reasonable approximation basis. The valuer applied their knowledge of recorded land sales in the respective areas to land measurement established at last valuation;
(ii) Buildings, furniture and fixtures, mechanical equipment, motor vehicles, computer & networking, artefacts and currency museum, intangible assets, electrical installation and gas installation were revalued using a combination of approaches which include depreciated replacement cost for building and civil construction and market considerations for other assets.
(iii) The Bank revalued its non-financial assets as per the policy set by the bank management. For further reference see note 3.16.

The Subsidiary's property, plant and equipment were revalued as at 1 January 2022 by S.F. Ahmed & Co., chartered accountants. The revalued property, plant and equipment reflecting the fair values of the assets are incorporated in the consolidated financial statements.

(c) Subsequent costs

Cost of replacing a part of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of PPE are recognised in the statement of profit or loss as incurred.

(d) Capital work in progress

Capital work in progress is recognised when it is incurred and depreciated after being recognised as capital asset when it is ready for use.

(e) Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to allocate the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the cost of another asset. Land is not depreciated. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Class of Property, plant and equipment (PPE)	Bank	SPCBL
Building and other construction	5%	2% - 20%
Mechanical and office equipment	10%	2.5% - 10%
Computer and networking	20%	-
Fixture and fittings	10%	10%
Motor vehicles	20%	20%
Electrical installation	20%	-
Gas installation	20%	-
Low Value Assets	100%	-
Security Equipment	20%	-
Currency Museum and Artefacts	5%	-

(f) Borrowing cost capitalisation

The Bank capitalises borrowing costs in accordance with the provision of IAS 23: *Borrowing Costs* as part of the cost of assets that are directly attributable to the acquisition, construction, or production of a qualifying asset if following conditions are met:
• It is probable that they will result in future economic benefits to the entity;
• The costs can be measured reliably.

If borrowing costs do not meet both the criteria, they are recognized as expenses. For the purpose of capitalisation, a qualifying assets is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

(g) Impairment

The carrying value of the Bank's property, plant and equipment and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of that asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the profit and loss account. For the assets that have indefinite useful life, the recoverable amount is estimated at each balance sheet date. The recoverable amount of asset is the greater of net selling price and value in use. The estimated future cash flows are discounted to their present value using discount rate that reflects the current market assessment of the time value of money and the risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(h) Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank uses the definition of a lease as in IFRS 16:Leases. This policy is applied to contracts entered into (or changed) on or after 1 January 2019. The Bank recognizes a right-of-use leased asset and lease liability at the lease commencement date.
The Bank recognizes right-of-use assets and lease liabilities for the leases – i.e. these leases are on-balance sheet. Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. Right-of-use assets are measured at the amount of the lease liability on adoption. Leases are recognized at the commencement of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is apportioned between the liability and finance charges using the effective interest method.
The right-of-use asset is subsequently depreciated using straight-line method from the commencement date to the end of the lease term. The liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicated in the lease or if that rate cannot be determined, the Bank's incremental borrowing rate.
The Bank presents right-of-use assets in "Property Plant and Equipment" (Note 16) and lease liabilities in "Other Local Currency Financial Liabilities" (Note 23.01) in the Statement of Financial Position.

3.18 Intangible assets and their amortisation

Software acquired by the Group is measured at cost less accumulated amortisation and accumulated impairment losses if any.

Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software and capitalised borrowing costs, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Software is amortised on a straight line basis in profit or loss over its estimated useful life, from the date that it is available for use.

The estimated useful life of software for the current and comparative period is five years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.19 Securities borrowing, lending business and repurchase transactions

In course of its financial market operations, the Bank engages in repurchase agreements involving Government treasury bills and bonds (which is used as a collateral for repurchase transactions). When the Bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date, the arrangement is accounted for as a deposit, and the underlying asset continues to be recognised in the financial statements. Similarly, when commercial banks sell a financial asset to the Bank and simultaneously enter into an agreement to repurchase the asset at a fixed price on a future date, the agreement is accounted for as a loan, and the underlying asset is not recognised in the financial statements.

3.20 Employee benefits

Employee benefits are all forms of consideration given by the entity in exchange for service rendered by an employee. Employee benefits are recognised as:

(a) a liability (accrued expense) when an employee has provided service in exchange for employee benefits to be paid in the future; and

(b) an expense when the entity consumes the economic benefit arising from service provided by an employee in exchange for employee benefits.

3.21 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus, medical allowances or any others are charged as expenses in the statement of profit or loss.

3.22 Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment. The Group operates a number of post-employment benefit plans and recognizes expenses for these plans in the statement of profit or loss.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

(i) Contributory Provident Fund (CPF)
Bank and employees contribute to the fund, which invests in various securities. The Bank commits a return of 13% on the balance of the contributed amount. In the event that the return from securities is lower than the committed return of 13%, the shortfall, if any, would be paid by the Bank and is recognised in the statement of profit or loss. Bank's obligations for contributions to the above fund are recognised as an expense in the statement of profit or loss as incurred.

(b) Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

(i) General Provident Fund (GPF)

Employees contribute at various rates (within 5-25%) of their basic salaries to the fund. No contributions are made by the Bank for the above fund. The provident fund invests in various securities and the Bank has committed a return of 13% at the beginning balance of the fiscal year 2021-22 upto BDT 1.5 million, 12% return over the balace BDT 1.5 million to BDT 3.00 million and 11% return for the beginning balance over BDT 3.00 million. (2021: flat 13%). Any shortfall in the return from investments is funded by the Bank by charging in its statement of profit or loss.

(ii) Pension scheme
Employees are entitled to pension on amounting to maximum of 90% (2021: 90%) of their last basic salary. 50% of the pension amount is paid as a lump sum computed at the rate of Tk. 230 (2021: Tk. 230) per Tk. 1 surrendered from the pension. Employees will receive their pension monthly over the remaining lifetime against remaining 50% of the pension amount .
All employees irrespective of joining date are entitled to medical allowance in cash (Tk. 1,500 per month up to age 65 years and Tk. 2,500 after 65 years) even after retirement as prescribed by the government.

The Bank actuarially valued its pension liabilities as at 30 June 2016. The calculation was performed by a qualified actuary using the projected unit credit method. Actuarial gains or losses arising from the change in defined benefit obligation are recognised in other comprehensive income.

(iii) Gratuity scheme

The Bank actuarially valued its gratuity scheme and measured its liability for defined benefit obligation as at 30 June 2016. The calculation was performed by a qualified actuary using the projected unit credit method. Actuarial gains or losses arising from the change in defined benefit obligation are recognised in the statement of profit or loss and other comprehensive income.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the statement of profit or loss when the plan amendment or curtailment occurs.

(iv) Leave encashment

Those employees who have unutilised leave up to one year or more at the time of retirement age of 59 are allowed to leave with salary for one year. The remaining unutilised leave is encashed (maximum eighteenth months). Employees are not allowed to encash their unutilised leave until reaching retirement age.

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3.23 Other long-term employee benefits

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related service. All employees after retirement are entitled a maximum of Taka 1,000 per year in the form of medicine.

3.24 Provisions

Provisions are recognised in respect of restructuring, redundancy and legal claims arising from past events where it is probable that an outflow of resources will be required to settle the obligations and the amount can be reliably estimated.

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations a reliable estimate can be made of the amount of the obligation.
A legal obligation is an obligation that derives from a contract, legislation or other operation of law. A constructive obligation is an obligation that derives from an entity's actions such as by an established pattern of past practice, published policies etc. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditures expected to be required to settle the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate and any changes in the estimates are applied prospectively.

3.25 Notes in circulation

Bank notes issued by the Bank as legal tender under the Bangladesh Bank Order 1972 represents a claim on the Bank in favour of the holder. The liability for bank notes in circulation is recorded at face value in the financial statements and as per the requirements of Article 30(1) of the Bangladesh Bank Order,1972 specified assets of the bank are held as backing of those issued notes.
The cost of printing of notes is charged to the profit and loss account as and when incurred. Any fresh banknotes not yet issued and lying with the Group are not reflected in note # 21 to the financial statements.

3.26 Government grants

Government grants are recognised at fair value when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. Grants related to purchase of assets are treated as deferred income and allocated to the statement of profit or loss over the useful lives of the related assets.

3.27 Interest income and expenses

Interest income and expenses are recognised in the statement of Profit or Loss and Other Comprehensive Income using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

Interest income and expenses include the amortisation of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis.

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

3.28 Commission and discounts

Commission income arises on instruments issued by the Group, long outstanding entries of the sundry accounts, sale proceeds of sundry items, car and bus fares realised from the staff and other miscellaneous items.

3.29 Dividend income

Dividend income is recognised in the separate financial statements of the Bank when the right to receipt of income is established.

3.30 Revenue from sale of other security products by the Subsidiary

Revenue from net sales of the Group reported in the consolidated financial statements represents printing and supply of Other Security Products (OSP), which are recognized after fulfilment of the criteria as mentioned in the five-step model following IFRS 15: Revenue from contracts with Customers. Revenue from OSP is recognized when the said products are delivered to relevant customers, as this is the point where the Group discharges its performance obligation.

3.31 Income tax

(a) Bangladesh Bank

The Bank is not subject to income taxes on any of its income, stamp duties, and customs duties on gold, silver, coins, currency notes, security papers and any other goods that may be specified by the Government as per Article 73, 74 and 75 of Bangladesh Bank Order, 1972.

(b) Subsidiary

The Subsidiary is subject to income tax. Income tax on the profit or loss for the year comprises of current tax and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity. Present applicable income tax rate is 27.5 % (2021: 30.0%).

Current tax is expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiary to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

3.32 Subsequent events

Events after the reporting date that provide additional information about the Group's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period which are not adjusting events are disclosed in the notes when material in compliance with IAS 10 *Events after the Reporting Period*. Up to the date the financial statements were authorized for issue, no events have occurred which require to disclose in the financial statements.

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		30-Jun-22	30-Jun-21
4	**Foreign currency accounts**		
	Represents the equivalent accumulated value of different foreign currency accounts held with other central banks and with foreign commercial banks located outside Bangladesh.		
	Balance held with		
	Other central banks	72,463,843	41,146,169
	Foreign commercial banks	6,055,962	8,335,590
	Total	**78,519,805**	**49,481,759**
5	**Foreign investments**		
	Overnight investment	333,247,420	254,099,109
	Short term deposits with overseas commercial banks	650,493,866	1,541,538,161
	US Dollar treasury bills	93,246,868	84,805,822
	Foreign bonds	1,046,239,303	952,738,490
	US treasury notes	658,982,606	353,701,465
	Total	**2,782,210,063**	**3,186,883,047**
6	**International Monetary Fund related assets and liabilities**		
6.01	**Assets held with International Monetary Fund**		
	Quota	132,344,985	129,101,904
	Quota(IMF) paid by Government*	(14,546,567)	(14,546,567)
	SDR holding	258,631,660	83,891,027
	Interest receivable on SDR holding	301,040	8,101
	Total	**376,731,118**	**198,454,465**

*The amount represents 25% of increased quota amount (SDR 533.30 million) which was paid in foreign currency. The increased quota was effected in 2016.

6.02	**Liabilities with International Monetary Fund**		
	IMF securities	158,117,094	154,231,659
	Advances to Government against RFI from IMF**	(41,268,430)	(41,268,430)
	IMF-1 and IMF-2 account	1,714,988	1,683,480
	SDR allocation	190,181,022	61,748,566
	IMF Extended Credit Facility (ECF)	28,359,993	43,135,113
	Interest payable	209,639	5,160
	Total	**337,314,306**	**219,535,548**

Bangladesh has been a member of the International Monetary Fund ("IMF") since 1972. According to the Articles of agreement of IMF(Article V and Article XIII), The Bank acts as both the fiscal agent and the depository for the IMF. As fiscal agent, Bangladesh Bank is authorised to carry out all operations and transactions with the IMF. As depository, Bangladesh Bank maintains the IMF's currency holdings and ensures that the assets and liabilities of IMF membership are properly reflected in its accounts and presented in its financial statements. Following the guidelines of IMF Financial Operations 2018, Bangladesh Bank presents the financial position with the IMF in the Bank's financial statements on gross basis.

The quota of Bangladesh is its membership subscription. Quota is the amount of money that each IMF member country is required to contribute to the IMF. A member must pay its subscription in full upon joining the fund; up to 25 percent must be paid in SDRs or widely accepted currencies such as the US Dollar, the EURO, the YEN or the Pound Sterling, while the rest is paid in the member's own currency. The subscription is granted mainly by the issue of promissory notes in favour of the IMF and partly paid in reserve assets, partly by the Government of Bangladesh and partly by deposits to the IMF account maintained with the Bank.

Special Drawing Rights (SDR) are allocated by the IMF to members on the basis of members' quota at the time of the SDR allocation. Bangladesh Bank pays interest on its SDR allocations and earns interest on its holdings of SDR.

Bangladesh Bank updated the IMF's BDT account; IMF Account- 1 & 2, maintained with Bangladesh and other accounts namely IMF Securities, SDR Allocation, IMF Extended Credit Facility etc. are translated to Taka at the exchange rate ruling at 30 June 2022.

**On request of the Government of Bangladesh for emergency financing due to COVID-19 pandemic, IMF approved a purchase of SDR 355.53 million (about US dollar 488 million or 33.33% of quota) under the Rapid Financing Instrument (RFI) to address the urgent balance-of-payments and fiscal needs of Bangladesh. As depository, Bangladesh Bank received the fund on 02.06.2020 and deposited the same amount to a Government account as per prior consent of IMF. However, Ministry of Finance has a promissory note against RFI financing in requirement of IMF and is recorded by Bangladesh Bank in the Securities Account, an account maintained on behalf of IMF as depository, against creating a contra account named " Advances to Government against RFI from IMF".

7	**Gold and silver**		
	Gold	44,978,594	39,309,591
	Silver	327,573	369,225
	Total	**45,306,167**	**39,678,816**

The Bank has in total 451,168.61 troy ounces of gold and 168,728.15 troy ounces of silver under its holding. Out of the total holding, 188,927.51 troy ounces of gold is held at the Bank of England which is subjected to lending operation and 75,966.20 troy ounces of gold & 168,728.15 troy ounce of silver is stored at the own local vault of Bangladesh Bank.

8	**Claims from gold transactions**	**31,629,227**	**27,855,709**

Out of the total Gold holdings mentioned in note 7, remaining 186,274.90 troy ounces is invested in SCB-London & HSBC-London which are presented as claims from gold transactions.

		30-Jun-22	30-Jun-21
9	**Foreign currency loans to banks**		
	Export Development Fund (EDF) Dollar investment	653,658,800	497,340,748
	Long Term Financing Facility (LTFF) Investment under FSSP	16,422,160	17,916,518
	Green Transformation Fund	16,797,685	10,397,102
	Deposit in Central Bank of Sri Lanka	18,761,840	-
	Rupali Bank Karachi*	-	8,802
	Less: Provision for loan losses (for Rupali Bank Karachi)	-	(8,802)
	Total	**705,640,485**	**525,654,368**

*This non-convertible account was created in 1979 to adjust some unadjusted export bills prior to our independence. The principal amount of this account cannot be remitted, transferred and converted. But the interest can be transferred after paying tax and complying the rules of the State Bank of Pakistan.The bank made provision to the full outstanding amount upto previous year. During this period, the management of the bank has decided to write-off the said asset considering the recoverability status. The correspondence for repatriability of the asset will be continued.

10	**Other foreign currency financial assets**		
	SWIFT shares	80	80
	Interest receivable	9,897,427	8,763,557
	Other receivable*	5,224,144	5,224,144
	Total	**15,121,651**	**13,987,781**

Bank has bought one share of SWIFT as part of membership of the said organization. Face value of the share is equivalent to Taka 80,474.57.

*On 04 February 2016, USD 101 million was heisted by cyber hacking from the reserve of Bangladesh Bank kept with the Federal Reserve Bank of New York. Of that amount, USD 81 million was transferred to four accounts of Rizal Commercial Banking Corporation (RCBC) of The Philippines and USD 20 million was transferred to an account of the Pan Asia Banking Corporation (PABC) of Sri Lanka. So far, USD 14.60 million from The Philippines and USD 20 million from Sri Lanka, i.e. in total USD 34.60 million has been recovered and the recovery process of the rest is under process. To recover the heisted money, on 31 January 2019, Bangladesh Bank filed a case against the concerned defendants in the District Court for the Southern District of New York. It is to mention that, a "Resolution and Assistance Agreement" was signed between Bangladesh Bank and the Federal Reserve Bank of New York on 29 January 2019 with a view to availing assistance from the bank to file case in the court of USA to recover the heisted money. On 20 March 2020, the Federal Court of USA, passed a verdict where the defendants' Motion to dismiss against the case filed by Bangladesh Bank against RCBC, Solaire Resort & Casino, Midas Resort & Casino and others was dismissed. Besides, the complaint of Bangladesh Bank against RCBC along with others under Racketeer Influenced and Corrupt Organizations (RICO) Act was not accepted on technical ground. In response to the judgment of the Federal Court, on 27 May 2020, a case was filed in the New York County Supreme Court against RCBC and other defendants of The Philippines. With consideration of the defendants' appeal, in a partial judgment, on 08 April 2022, the court released Bloombery (Solaire) and Eastern Hawaii from the case on jurisdiction ground and ordered Kim Wong to respond to the complaint filed by Bangladesh Bank. No judgment regarding other defendants (RCBC, Lorenzo Tan and Raul Tan) has yet been made by the court. Bangladesh Bank filed an appeal against the court's verdict of releasing Bloombery (Solaire) and Eastern Hawaii from the case. Some legal procedures are also ongoing with the assistance of the Department of Justice of The Philippines. Among the cases filed so far in The Philippines, in the judgment of two cases, the court convicted Ms. Maia Santos Deguito, the then Manager of Makati Branch of RCBC and ex-branch senior customer relations officer Ms. Angela Ruth Torres (Torres) with imprisonment alone with fines. Besides, judicial proceedings under the same case are ongoing regarding three other senior officials of RCBC. Apart from these, a case was filed on behalf of Bangladesh Bank at Motijheel Thana, Dhaka on 15 March 2016 which is under investigation by the Criminal Investigation Department (CID), Bangladesh Police.

11	**Consolidated Taka coin and cash balances**		
	Taka coin	3,625,873	4,597,967
	Cash balances	448,927	484,048
	Total	**4,074,800**	**5,082,015**
11.01	**Taka coin and cash balances**		
	Taka coin	3,625,873	4,597,967
	Cash balances	39,051	28,702
	Total	**3,664,924**	**4,626,669**

Taka coin and cash balances represent the face value of one, two and five taka coins and notes held by the Bank purchased through SPCBL from the Government at respective face values, cash and cash equivalents held by SPCBL and cash deposit with Sonali Bank Limited, Mymensingh branch.

12	**Loans to the Government of Bangladesh**		
	Ways and means advance (WMA)	7,268,500	-
	Treasury bills	187,751,353	14,400,494
	Treasury bonds	343,272,850	279,992,478
	Total	**538,292,703**	**294,392,972**
13	**Consolidated local currency investments**		
	Short term money market investments*	17,191,887	17,225,097
	Debenture - BHBFC	3,945,000	3,945,000
	Shares- ICB Islamic Bank Limited**	7,452	7,452
	Total	**21,144,339**	**21,177,549**

*These represent the total amount of term deposits by SPCBL with different local commercial banks.

**SPCBL holds 745,200 shares of Tk.10 each of ICB Islamic Bank Ltd. (Formerly the Oriental Bank Ltd.) as per Bangladesh Bank Circular No - BRPD (R-1) 651/9(10)/2007-446 dated 2 August, 2007.

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		30-Jun-22	30-Jun-21
13.01	**Local currency investments**		
	Debenture - BHBFC	3,945,000	3,945,000
	Investment in subsidiary	12,000,000	12,000,000
	Total	**15,945,000**	**15,945,000**
14	**Consolidated local currency loans to banks, financial institutions and employees**		
	(i) Local currency loans to banks and financial institutions		
	State owned banks:		
	Commercial banks	6,640,863	6,025,131
	Specialised banks*	51,453,404	61,934,132
		58,094,267	**67,959,263**
	Provision for impairment (Note 14.a)	(4,730,723)	(5,661,285)
		53,363,544	**62,297,978**
	Other banks and financial institutions:		
	Private banks	12,932,841	11,242,187
	Other loans and advances	118,875,574	140,406,058
		131,808,415	**151,648,245**
	Interest receivable	1,595,481	1,294,153
	Total (i)	**186,767,440**	**215,240,376**
	(ii) Local currency loans and advances to employees		
	Loans and advances to employees	46,791,409	45,194,457
	Provision for loan losses (Note 14.b)	(654,445)	(690,939)
	Total (ii)	**46,136,964**	**44,503,518**
	Total loans (i+ii)	**232,904,404**	**259,743,894**
14.01	**Local currency loans to banks, financial institutions and employees**		
	(i) Local currency loans to banks and financial institutions		
	State owned banks:		
	Commercial banks	6,640,863	6,025,131
	Specialised banks*	51,453,404	61,934,132
		58,094,267	**67,959,263**
	Provision for impairment (Note 14.a)	(4,730,723)	(5,661,285)
		53,363,544	**62,297,978**
	Other banks and financial institutions:		
	Private banks	12,932,841	11,242,187
	Other loans and advances	118,875,574	140,406,058
		131,808,415	**151,648,245**
	Interest receivable	1,595,481	1,294,153
	Total (i)	**186,767,440**	**215,240,376**
	(ii) Local currency loans and advances to employees		
	Loans and advances to employees	44,896,632	43,314,878
	Provision for loan losses (Note 14.b)	(654,445)	(690,939)
	Total (ii)	**44,242,187**	**42,623,939**
	Total loans (i+ii)	**231,009,627**	**257,864,315**

*Specialised banks include banks catering the specific needs of different economic sectors as described below:

Banks	**Specialized Sectors**
Bangladesh Krishi Bank	Agricultural
Rajshahi Krishi Unnayan Bank	Agricultural

14.a	**Provision for impairment**		
	Opening balance	5,661,285	6,728,955
	Charged/(Released) during the year	(930,562)	(1,067,670)
	Total	**4,730,723**	**5,661,285**
14.b	**Provision for loan losses**		
	Opening balance	690,939	833,676
	Charged/(Released) during the year	(36,494)	(142,737)
	Total	**654,445**	**690,939**

Provision for impairment is an asset type account which is kept against possible future loss on interest from loans. The released amount is due to write back of provision of rescheduled demand loan. Provision for loan losses is also an asset type account maintained for adjusting loss (both principal and interest) from staff advance.

15	**Consolidated other local currency financial assets**		
	Unutilised Financial Sector Support Project (FSSP) Fund	-	1,039,244
	Interest receivables	4,925,687	3,597,357
	Others	4,136	4,136
	Total	**4,929,823**	**4,640,737**
15.01	**Other local currency financial assets**		
	Unutilised Financial Sector Support Project (FSSP) Fund	-	1,039,244
	Interest receivables	4,111,196	2,826,576
	Total	**4,111,196**	**3,865,820**

Interest receivables include interest receivable on Government Treasury bills and bonds, Debenture-HBFC etc.

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16 Property, plant and equipment

Consolidated

In thousand Tk.

30 June 2022

Particulars	Land	Building and other construction	Mechanical and office equipment	Computer and networking	Fixture and fittings	Motor vehicles	Electrical installation	Gas installation	Security equipment	Artefacts & Currency Museum	Low value assets	Right of use assets	Capital work in progress	Total
Cost														
As at 1 July 2021	36,552,023	7,240,282	8,680,024	3,374,301	712,655	344,675	945,249	2,664	81,095	1,855	71,444	262,218	919,814	**59,188,299**
Addition during the year	-	30,118	87,677	61,897	47,885	129	7,672	-	7,883	6,045	3,670	102,223	97,993	**453,193**
Transfers during the year	-	81,581	60,600	284,150	-	-	-	-	-	-	-	-	(426,331)	**-**
Disposals during the year	-	-	(227)	(253)	(55)	(1,601)	(8)	-	-	-	(549)	-	-	**(2,693)**
Revaluation adjustment	997,800	15,333	26,141	-	-	-	-	-	-	-	-	-	-	**1,039,274**
As at 30 June 2022	**37,549,823**	**7,367,314**	**8,854,215**	**3,720,096**	**760,485**	**343,203**	**952,913**	**2,664**	**88,978**	**7,900**	**74,565**	**364,441**	**591,476**	**60,678,072**
Accumulated depreciation														
As at 1 July 2021	-	3,863,605	3,912,099	2,138,403	405,697	317,625	648,097	2,453	59,949	219	67,480	129,785	-	**11,545,412**
Charge for the year	-	364,973	375,706	368,686	69,746	9,815	99,446	50	11,737	113	4,318	107,282	-	**1,411,872**
Disposals during the year	-	-	(227)	(253)	-	(1,551)	(8)	-	-	-	(543)	-	-	**(2,582)**
Revaluation adjustment	-	28,148	2,486	-	-	-	-	-	-	-	-	-	-	**30,634**
As at 30 June 2022	**-**	**4,256,726**	**4,290,064**	**2,506,836**	**475,443**	**325,889**	**747,535**	**2,503**	**71,686**	**332**	**71,255**	**237,067**	**-**	**12,985,336**
Net book value														
As at 30 June 2022	**37,549,823**	**3,110,588**	**4,564,151**	**1,213,260**	**285,042**	**17,314**	**205,378**	**161**	**17,292**	**7,568**	**3,310**	**127,374**	**591,476**	**47,692,736**
As at 30 June 2021	**36,552,023**	**3,376,677**	**4,767,925**	**1,235,898**	**306,781**	**27,088**	**297,152**	**211**	**21,146**	**1,636**	**3,964**	**132,433**	**919,814**	**47,642,746**

The Bank's leases primarily consist of rental of office space of Sena Kallyan Bhaban situated at Motijheel, Dhaka.

In thousand Tk.

30 June 2021

Particulars	Land	Building and other construction	Mechanical and office equipment	Computer and networking	Fixture and fittings	Motor vehicles	Electrical installation	Gas installation	Security equipment	Artefacts & Currency Museum	Low value assets	Right of use assets	Capital work in progress	Total
As at 1 July 2020	36,551,304	7,125,901	8,612,168	2,263,627	677,335	342,096	848,704	2,664	81,056	1,855	70,460	288,607	1,784,415	**58,650,191**
Addition during the year	719	43,398	61,694	285,934	36,350	4,148	86,432	-	39	-	5,571	-	62,894	**587,179**
Transfers during the year	-	70,983	17,945	825,714	-	-	11,237	-	-	-	-	-	(927,496)	**(1,617)**
Disposals during the year	-	-	(11,782)	(975)	(1,207)	(1,569)	(1,123)	-	-	-	(4,587)	(26,389)	-	**(47,633)**
As at 30 June 2021	**36,552,023**	**7,240,282**	**8,680,024**	**3,374,301**	**712,478**	**344,675**	**945,249**	**2,664**	**81,095**	**1,855**	**71,444**	**262,218**	**919,814**	**59,188,120**
Accumulated depreciation														
As at 1 July 2020	-	3,464,466	3,530,550	1,893,565	340,309	303,929	529,248	2,273	43,974	126	67,088	73,404	-	**10,248,932**
Charge for the year	-	399,139	393,331	245,813	66,540	15,227	119,959	180	15,975	93	4,970	56,381	-	**1,317,609**
Disposals during the year	-	-	(11,782)	(975)	(1,151)	(1,569)	(1,110)	-	-	-	(4,578)	-	-	**(21,166)**
Adjustment														
As at 30 June 2021	**-**	**3,863,605**	**3,912,099**	**2,138,403**	**405,697**	**317,587**	**648,097**	**2,453**	**59,949**	**219**	**67,480**	**129,785**	**-**	**11,545,374**
Net book value														
As at 30 June 2021	**36,552,023**	**3,376,677**	**4,767,925**	**1,235,898**	**306,781**	**27,088**	**297,152**	**211**	**21,146**	**1,636**	**3,964**	**132,433**	**919,814**	**47,642,746**
As at 30 June 2020	**36,551,304**	**3,661,435**	**5,081,618**	**370,062**	**337,026**	**38,167**	**319,456**	**391**	**37,082**	**1,729**	**3,372**	**215,203**	**1,784,415**	**48,401,259**

16.01 Property, plant and equipment

Separate

In thousand Tk.

30 June 2022														
Particulars	Land	Building and other construction	Mechanical and office equipment	Computer and networking	Fixture and fittings	Motor vehicles	Electrical installation	Gas installation	Security equipment	Artefacts & Currency Museum	Low value assets	Right of use assets	Capital work in progress	Total
Cost														
As at 1 July 2021	32,893,423	5,988,694	1,192,727	3,374,301	671,368	307,256	945,248	2,664	81,094	1,855	71,444	262,218	889,362	**46,681,655**
Addition during the year	-	30,118	80,367	61,897	46,160	-	7,672	-	7,883	6,045	3,670	102,223	47,815	**393,850**
Transfers during the year	-	81,581	61,399	284,150	-	-	-	-	-	-	-	-	(427,130)	**-**
Disposals during the year	-	-	(227)	(253)	(55)	(1,601)	(8)	-	-	-	(549)	-	-	**(2,694)**
As at 30 June 2022	**32,893,423**	**6,100,393**	**1,334,266**	**3,720,095**	**717,473**	**305,655**	**952,912**	**2,664**	**88,977**	**7,900**	**74,565**	**364,441**	**510,047**	**47,072,811**
Accumulated depreciation														
As at 1 July 2021	-	2,965,219	788,249	2,138,404	368,609	283,654	648,097	2,453	59,949	219	67,480	129,785	-	**7,452,118**
Charge for the year	-	351,480	69,040	368,686	69,271	7,342	99,446	50	11,737	113	4,318	107,282	-	**1,088,765**
Disposals during the year	-	-	(227)	(253)	-	(1,551)	(8)	-	-	-	(543)	-	-	**(2,582)**
As at 30 June 2022	**-**	**3,316,699**	**857,062**	**2,506,837**	**437,880**	**289,445**	**747,535**	**2,503**	**71,686**	**332**	**71,255**	**237,067**	**-**	**8,538,301**
Net book value														
As at 30 June 2022	**32,893,423**	**2,783,694**	**477,204**	**1,213,258**	**279,593**	**16,210**	**205,377**	**161**	**17,291**	**7,568**	**3,310**	**127,374**	**510,047**	**38,534,510**
As at 30 June 2021	**32,893,423**	**3,023,475**	**404,478**	**1,235,897**	**302,582**	**23,640**	**297,151**	**211**	**21,145**	**1,636**	**3,964**	**132,433**	**889,362**	**39,229,397**

* The Bank's leases primarily consist of rental of office space of Sena Kallyan Bhaban situated at Motijheel, Dhaka.

In thousand Tk.

30 June 2021														
Particulars	Land	Building and other construction	Mechanical and office equipment	Computer and networking	Fixture and fittings	Motor vehicles	Electrical installation	Gas installation	Security equipment	Artefacts & Currency Museum	Low value assets	Right of use assets	Capital work in progress	Total
Cost														
As at 1 July 2020	32,892,704	5,889,827	1,157,187	2,263,627	636,978	303,221	848,704	2,664	81,056	1,855	70,460	288,607	1,753,000	**46,189,890**
Addition during the year	719	27,885	24,271	285,934	35,420	4,041	86,432	-	39	-	5,571	-	57,996	**528,308**
Transfers during the year	-	70,983	12,083	825,714	-	-	11,237	-	-	-	-	-	(921,634)	**(1,617)**
Disposals during the year	-	-	(814)	(975)	(1,207)	(6)	(1,123)	-	-		(4,587)	(26,389)	-	**(35,102)**
As at 30 June 2021	**32,893,423**	**5,988,694**	**1,192,727**	**3,374,301**	**671,191**	**307,256**	**945,248**	**2,664**	**81,094**	**1,855**	**71,444**	**262,218**	**889,362**	**46,681,479**
Accumulated depreciation	-	2,614,009	724,704	1,893,566	303,857	271,857	529,248	2,273	43,974	126	67,088	73,404	-	**6,524,106**
Charge for the year	-	351,210	64,360	245,813	65,903	11,765	119,959	180	15,975	93	4,970	56,381	-	**936,611**
Disposals during the year	-	-	(814)	(975)	(1,151)	(6)	(1,110)	-	-	-	(4,578)	-	-	**(8,635)**
Adjustment														
As at 30 June 2021	**-**	**2,965,219**	**788,249**	**2,138,404**	**368,609**	**283,616**	**648,097**	**2,453**	**59,949**	**219**	**67,480**	**129,785**	**-**	**7,452,082**
Net book value														
As at 30 June 2021	**32,893,423**	**3,023,475**	**404,478**	**1,235,897**	**302,582**	**23,640**	**297,151**	**211**	**21,145**	**1,636**	**3,964**	**132,433**	**889,362**	**39,229,397**
As at 30 June 2020	**32,892,704**	**3,275,818**	**432,483**	**370,061**	**333,121**	**31,364**	**319,456**	**391**	**37,082**	**1,729**	**3,372**	**215,203**	**1,753,000**	**39,665,782**

		2022	2021
17	**Intangible assets**		
	Intangible asset at cost	2,037,729	1,985,577
	Accumulated amortisation	(1,527,438)	(1,396,214)
	Capital work in progress	210,184	212,705
	Total	**720,476**	**802,068**

Balance represents the accumulated value of systems like Enterprise Resources Planning (ERP), Core Banking Solutions (CBS), Enterprise Data Warehouse (EDW), Real Time Gross Settlement (RTGS), Bangladesh Automated Clearing House (BACH), Bangladesh Electronic Fund Transfers Network (BEFTN), Credit Information Bureau (CIB) and Bank's in-house built software.

18	**Consolidated other non-financial assets**		
	Prepayments and advances	711,299	585,026
	Stock*	2,702,970	3,211,224
	Sundry debtors	1,676,740	1,205,655
	Total	**5,091,009**	**5,001,905**

*Stock held by the Group are primarily comprise of paper, ink, plates and related materials for printing of notes and other products at the Subsidiary. Stock are valued at the lower of cost and net realisable value. Cost of material is determined on weighted average method. Cost in relation to work-in-process and finished goods represents direct cost of materials, direct wages and an appropriate portion of production overheads.

18.01	**Other non-financial assets**		
	Prepayments and advances	206,434	538,230
	Stock	79,059	61,635
	Total	**285,493**	**599,865**
19	**Deposits from banks and financial institutions**		
	Foreign currency deposits from commercial banks	78,190,896	119,449,152
	Asian Clearing Union (ACU)	182,564,825	131,496,336
	Interest payable on ACU	172,770	11,078
	Total	**260,928,491**	**250,956,566**
20	**Other foreign currency financial liabilities**		
	Swap liability to CBSL	18,761,840	-
	Total	**18,761,840**	**-**

The swap liability to the Central Bank of Sri Lanka is a financial instrument which is used to hedge against the currency risk exposure assumed by the bank. Details of the swap agreement with the Central Bank of Sri Lanka are discussed in Note 3.15.

21	**Notes in circulation**	2,545,233,973	2,253,250,666
	Cash in hand	(60)	(49)
	Total	**2,545,233,913**	**2,253,250,617**

Notes in circulation represents currency issued having a claim on Bangladesh Bank. However, cash in hand balance is the amount of issued bank note held at the Banking Department of the Bank. The denomination of notes in circulation as at 30 June was as follows:

Denomination	Number in pieces	2022	2021
10 Taka note	1,514,079,027	15,140,790	14,457,779
20 Taka note	820,818,080	16,416,362	13,866,033
50 Taka note	464,262,664	23,213,133	19,405,173
100 Taka note	1,271,297,700	127,129,770	117,598,414
200 Taka note	163,073,586	32,614,717	14,832,412
500 Taka note	1,975,061,003	987,530,502	923,804,842
1000 Taka note	1,343,188,699	1,343,188,699	1,149,286,013
Total	**7,551,780,759**	**2,545,233,973**	**2,253,250,666**

Liability for notes in circulation is recorded at its face value in the statement of financial position. In accordance with Article 30 of Bangladesh Bank Order, 1972, this liability is backed by the following assets:

Gold	12,898,958	31,057,209
Silver	327,573	369,225
Approved foreign exchange	2,360,000,000	2,126,000,000
Bangladesh Government securities	138,502,130	49,346,827
Taka coin	3,625,873	4,597,967
Investment	-	12,000,000
Other loans and advances	29,879,438	29,879,438
Total	**2,545,233,973**	**2,253,250,666**

22	**Deposits from banks and financial institutions**		
	State owned commercial banks	214,772,317	337,519,292
	Government specialised banks	17,831,750	14,956,179
	Private banks	620,943,224	757,796,338
	Foreign banks	50,199,433	95,651,827
	Financial institutions	5,429,038	5,244,935
	Other banks	86,125	49,895
	Total	**909,261,888**	**1,211,218,466**

Deposits from banks and financial institutions comprise required reserve deposits as Cash Reserve Ratio (CRR) calculated at a rate of 4.0% (2021: 4.0%) on the bank's liability base, together with balances held for settlement purposes.

		2022	2021
23	**Consolidated other local currency financial liabilities**		
	Government deposits	5,054	27,030,875
	Other deposits (Note 23.02)	74,017,322	178,937,771
	Bank notes adjusting account - demonetised Pakistani notes	-	3,230
	Sundry creditors account	7,503,646	8,430,843
	Lease liability (Note: 23.03)	131,008	137,086
	Interest suspense account	107,904	107,599
	Deposits from donor agencies	35,508,961	20,309,114
	Inter branch adjustments (suspense)	3,646,144	162,188
	Provision for pension*	24,625,583	22,816,002
	Provision for gratuity*	2,033,890	1,800,643
	Provision for leave encashment	3,630,735	3,265,808
	Loan from Govt. of Bangladesh - Central Bank Strengthening Project (Note 23.04)	2,352,389	2,362,951
	Loan from Govt. of Bangladesh-Fin. Sector Support Project (Note 23.05)	21,630,017	22,596,966
	Deferred tax liability	930,165	910,066
	Others - subsidiary	1,633,282	1,831,702
	Fund for small investor affected in capital market	25,627	1,413,785
	Miscellaneous	1,352	1,352
	Total	**177,783,080**	**292,117,981**
23.01	**Other local currency financial liabilities**		
	Government deposits	5,054	27,030,875
	Other deposits (Note 23.02)	74,017,322	178,937,771
	Bank notes adjusting account - demonetised Pakistani notes	-	3,230
	Sundry creditors account	8,556,296	8,869,572
	Lease liability (Note: 23.03)	131,008	137,086
	Interest suspense account	107,904	107,599
	Deposits from donor agencies	35,508,961	20,309,114
	Inter branch adjustments (suspense)	3,646,144	162,188
	Provision for pension*	24,625,583	22,816,002
	Provision for gratuity*	1,939,387	1,800,643
	Provision for leave encashment	3,397,359	3,004,932
	Loan from Govt. of Bangladesh - Central Bank Strengthening Project (Note 23.04)	2,352,389	2,362,951
	Loan from Govt. of Bangladesh-Fin. Sector Support Project (Note 23.05)	21,630,017	22,596,966
	Fund for small investor affected in capital market	25,627	1,413,785
	Miscellaneous	1,352	1,352
	Total	**175,944,403**	**289,554,066**

*Refer to note 45 for details.

23.02 Other deposits comprise Bangladesh Government special Islamic bonds fund deposit, employees provident fund deposit, liquidator bank deposit, schedule bank's insurance fund deposit, security deposit, employees co-operative societies deposits and other sundry deposits.

23.03 **Lease liability**

Recognized against Right of Use asset for rented office space of Sena Kallyan Bhaban situated at Motijheel, Dhaka. Total amount of lease liabilities fall within maturity of one to three years.

23.04 **Central Bank Strengthening Project fund (CBSP)**

Government of Bangladesh (GoB) signed a Credit Agreement with the International Development Association (IDA) for a Project named Central Bank Strengthening Project (CBSP). The related Credit Reference is IDA 3792 BD and the Project was meant for "Improvement of efficiency of the Bank through functional reforms and large scale automation of its' business process". Subsequent to this agreement, a subsidiary loan agreement was signed between GoB and the Bank to this effect for execution of the project. The total cost of the project was Tk. 3,892 million (USD 55.60 million), of which IDA provided Tk. 3,060 million (USD 43.71 million) through Government and the rest Tk. 832 million (USD 11.88 million) was funded by the Bank. The project started in late 2003 and was completed on 30 April 2013.

The Bank has to repay the principal and the interest amount of the loan to Government within a tenure of 30 years starting from December 01, 2013 to June 01, 2043 as per the schedule.

23.05 **Financial Sector Support Project (FSSP)**

Government of Bangladesh (GoB) signed a credit agreement with the International Development Association (IDA) for a Project named Financial Sector Support Project (FSSP) for amount of SDR 213,400,000. The related credit reference is 5664 BD and the Project was meant for "Improvement of the recipient's financial market infrastructure, the regulatory and oversight capacity of the project implementing entity and access to long term financing for private firms in Bangladesh". Subsequent to this agreement, a subsidiary loan agreement was signed between GoB and Bangladesh Bank on August 27, 2015 to this effect for execution of the Project. The Project was completed on March 31, 2020.

The subsidiary loan was denominated in taka and the Bank have to repay the principal and the interest amount of the loan to Government within a tenure of 38 years including a grace period of 6 years for each disbursement from the proceeds of the credit.

24	**Capital**	**30,000**	**30,000**

The entire capital of the Bank stands vested in and allocated to the Government as per Article 4(1) and 4(2) of the Order.

		2022	2021
25	**Consolidated revaluation reserves**		
	Revaluation reserve - gold and silver (Note 25.02)	46,074,964	37,018,347
	Revaluation reserve - foreign currency accounts (Note 25.03)	387,978,795	149,162,633
	Revaluation reserve - property, plant and equipment (Note 25.04)	39,752,523	38,729,423
	Revaluation reserve - financial instruments (Note 25.05)	(37,260,698)	45,390,673
	Total	**436,545,584**	**270,301,076**
25.01	**Revaluation reserves**		
	Revaluation reserve - gold and silver (Note 25.02)	46,074,964	37,018,347
	Revaluation reserve - foreign currency accounts (Note 25.03)	387,978,795	149,162,633
	Revaluation reserve - property, plant and equipment (Note 25.04)	35,086,230	35,086,230
	Revaluation reserve - financial instruments (Note 25.05)	(37,260,698)	45,390,673
	Total	**431,879,291**	**266,657,883**

25.02 Revaluation reserve - gold and silver

The Bank accounts for the gain/loss on revaluation of gold and silver in the statement of profit or loss and other comprehensive income and subsequently transfer to a separate account - revaluation reserve-gold and silver, which forms part of equity.

25.03 Revaluation reserve - foreign currency accounts

The Bank accounts for the unrealised gain/loss on revaluation of foreign currency to the statement of profit or loss and other comprehensive income and subsequently transfer to a separate account - revaluation reserve-foreign currency, which forms part of equity.

25.04 Revaluation reserve - property, plant and equipment

The Group accounts for the gain/loss on revaluation of property, plant and equipment in the statement of profit or loss and other comprehensive income and subsequently transfer to a separate account - revaluation reserve - property, plant and equipment, which forms part of equity.

25.05 Revaluation reserve - financial instruments

The Bank accounts for the gain/loss on revaluation of financial instruments in the statement of profit or loss and other comprehensive income and subsequently transfer to a separate account - revaluation reserve- financial instrument, which forms part of equity.

26	**Currency fluctuation reserve**	**110,568,363**	**86,393,061**

The Bank credited the realised gain on revaluation of foreign currencies to the statement of profit or loss and other comprehensive income and subsequently transfer the same to a separate account - currency fluctuation reserve account, which forms part of equity.

27	**Statutory funds**		
	Rural credit fund (Note 27.01)	7,200,000	7,100,000
	Agricultural credit stabilisation fund (Note 27.02)	7,200,000	7,100,000
	Export credit fund (Note 27.03)	1,300,000	1,300,000
	Industrial credit fund (Note 27.04)	1,937,852	1,887,852
	Credit guarantee fund (Note 27.05)	879,194	879,194
	Total	**18,517,046**	**18,267,046**

Statutory funds were created and maintained as per provisions of the Bangladesh Bank Order, 1972 and appropriations from profits are made in consultation with the Government of Bangladesh.

27.01 Rural credit fund

This fund was created as per Article 60(1) of Bangladesh Bank Order, 1972 for making of short term, medium term and long term loans and advances to co-operative bank, scheduled bank and rural credit agencies. Contribution of Taka 100 million was made for this fund during the year.

27.02 Agricultural credit stabilisation fund

This fund was created as per Article 61 of Bangladesh Bank Order, 1972 for making of loans and advances to apex co-operative banks. Contribution of Taka 100 million was made for this fund during the year.

27.03 Export credit fund

As per Article 63 of Bangladesh Bank Order, 1972 this fund was created for making of medium term and short term loans and advances to scheduled banks and other credit institutions for financing export from Bangladesh. No appropriation was made for this fund during the year.

27.04 Industrial credit fund

As per Article 62 of Bangladesh Bank Order, 1972 the fund was created for making of short term and medium term loans and advances to co-operative banks. Contribution of Taka 50 million was made for this fund during the year.

27.05 Credit guarantee fund

As per clause 24 of Article 16 of Bangladesh Bank Order, 1972 the Fund was created by appropriating profit every year as per decision of the Board of Directors to cover the loss sustained by scheduled banks for making small loans to cottage industries. No appropriation was made for this fund during the year.

HOQUE VASI CHOWDHURY & CO. Dhaka

ACNABIN Dhaka Chartered Accountants

		2022	2021
28	**Non statutory funds**		
	Small and medium enterprise fund (Note 28.01)	7,000,000	7,000,000
	Housing refinance fund	4,660,000	4,660,000
	Human resources development fund (Note 28.02)	265,542	270,408
	Monetary management fund (Note 28.03)	200,000	200,000
	Rural Agri product processing industries refinance fund (Note 28.04)	3,410,000	3,410,000
	Disaster management and social responsibility fund (Note 28.05)	100,000	100,000
	Total	**15,635,542**	**15,640,408**

28.01 Small and medium enterprise fund

This fund was created as per clause 24 of Article 16 of the Bangladesh Bank Order, 1972 for refinancing facilities to the schedule banks and financial institutions against loans and advances given to the small enterprise sector and housing refinance scheme. Appropriation to those funds are made as per decision of the Board.

28.02 Human resources development fund

Human resources development fund was created as per clause 2(n) of Article 82 of Bangladesh Bank Order,1972 and decision taken by the Board of the Bank for development of efficiency of the Bank's officials by conducting seminar, symposium, training etc. at home and abroad. Appropriation to this fund was made from the dividend payable to Government for the year 2010-2011.

28.03 Monetary management fund

Monetary management fund was created as per decision of the Board of the Bank for sound and smooth operation of monetary policy activities. Appropriation to this fund was made from the dividend payable to Government for the year 2010-2011.

28.04 Rural Agri product processing industries refinance fund

This fund was created in 2001 for the purpose of financing rural Agri product processing industries. Under this scheme, there are 37 Agri product processing industries. This fund plays an important role for developing the Agri product sectors in Bangladesh.

28.05 Disaster management and social responsibility fund

This fund was created by the approval of Board of Directors (341 Board Meeting held in 2013). Primarily, the fund, Tk. 50 million as donation, was collected from Bangladesh Bank's 2012-2013 profit and subsequently Tk. 50 million will be deducted from each year's profit transferring the amount to this fund. From financial year 2014-2015, Tk. 100 million has been contributed deducting from each year's profit.

29	**Other reserves**		
	Asset renewal and replacement fund (29.01)	5,377,761	4,926,785
	Interest reserve (29.02)	7,522,114	7,522,114
	Total	**12,899,875**	**12,448,899**

29.01 Asset renewal and replacement fund

As per Asset renewal and replacement fund guideline approved in the 289th Board of Director's meeting, an amount of taka 450.98 million was appropriated to this account .

29.02 Interest reserve

As per the decision of the Board in FY 2006-2007, the total interest accrued against the overdue loan of Bangladesh Krishi Bank and Rajshahi Krishi Unnayan Bank was kept as interest reserve.

30	**Consolidated general reserve**	**5,500,500**	**5,400,500**

Consolidated general reserve consists of the general reserve of Bangladesh Bank and its subsidiary-SPCBL.

30.01	**General reserve**	**4,250,500**	**4,250,500**

As per Article 59 of Bangladesh Bank Order, 1972 securities having value of Tk. 30 million was allocated by the Government and held by the Bank as the general reserve. Further an amount of Taka 4,220.5 million was transferred to the reserve from general provision over the years.

31	**Consolidated retained earnings**		
	Opening balance	44,919,663	70,385,443
	Adjustment against due from Government	(19,215)	(27,983)
	Transfer to statutory fund	-	(1,500,000)
	Dividend paid	(31,099,777)	(55,461,405)
	Prior year adjustment	(639)	3,774
	Derecognition of reserve on account of sale and maturity of assets	30,634	34,733
	Profit for the period	293,270,153	58,242,069
	Appropriation of profit to other funds	(263,792,440)	(26,656,968)
	Transferred to general reserve	(100,000)	(100,000)
	Closing balance	**43,208,378**	**44,919,663**

		2022	2021
31.01	**Retained earnings**		
	Opening balance	31,118,991	56,989,387
	Adjustment against due from Government	(19,215)	(27,983)
	Transfer to statutory fund	-	(1,500,000)
	Dividend paid	(31,099,777)	(55,461,405)
	Prior year adjustment	(639)	3,774
	Appropriation of profit to funds	(800,976)	(600,000)
	Profit for the period	29,478,602	31,715,218
	Closing balance	**28,676,987**	**31,118,991**
32	**Interest income on foreign currency financial assets**		
	Loans to banks	6,364,096	5,345,473
	Short term deposits with commercial banks	5,502,814	4,801,309
	Foreign bonds and US treasury notes	15,691,566	15,067,394
	US treasury bills	251,937	145,328
	Others	560,588	87,796
	Total	**28,371,001**	**25,447,300**
33	**Commission and discounts**		
	Commission on foreign currency operations	278,349	315,175
	Others	248,902	-
	Total	**527,251**	**315,175**
34	**Interest expenses on foreign currency financial liabilities**		
	Deposits	89,461	524,110
	Asian Clearing Union (ACU)	300,958	86,193
	IMF Charges	381,426	46,882
	Total	**771,845**	**657,185**
35	**Consolidated interest income on local currency financial assets**		
	Securities purchased under agreement to resell	470,661	496,810
	Government securities	19,645,425	21,624,510
	Loans and advance to Government	111,904	480,642
	Debentures	190,750	194,107
	Loans to banks, financial institutions and employees	6,895,187	6,655,892
	Short term money market deposits	1,019,487	1,030,833
	Total	**28,333,414**	**30,482,794**
35.01	**Interest income**		
	Securities purchased under agreement to resell	470,661	496,810
	Government securities	19,645,425	21,624,510
	Loans and advance to Government	111,904	480,642
	Debentures	190,750	194,107
	Loans to banks, financial institutions and employees	6,821,016	6,589,302
	Total	**27,239,756**	**29,385,371**
36	**Commission and discounts**		
	Commission income from Government sources	9,009	11,411
	Miscellaneous commission income	2,053,469	4,422,075
	Total	**2,062,478**	**4,433,486**
37	**Other income**		
	Exchange A/C	24	20
	Gain on asset sale or de-recognition	1,255	665
	Penal Interest	194,007	110,435
	Misc. Income	3,776	3,998
	Total	**199,062**	**115,118**
38	**Interest expense**		
	Bangladesh Bank bills	659,890	-
	Interest Expense- FSSP	221,749	227,392
	Interest expense - CBSP	23,954	24,528
	Total	**905,593**	**251,920**
39	**Commission and other expenses**		
	Agency charges (Note 39.01)	6,717,800	8,118,000
	Under writing commission on treasury bills & bonds (Note 39.02)	441,800	414,600
	Other expenses	82,476	36,293
	Total	**7,242,076**	**8,568,893**

39.01 Agency charges

Agency charges are paid to Sonali Bank Limited for acting as agent of Bangladesh Bank.

39.02 Under writing commission on treasury bills & bonds

Underwriting commission is paid to primary dealers for issuing Govt. treasury bill and bond.

40	**Revaluation gain/(loss) on financial instruments**		
	Valuation gain / (loss) on US Treasury Notes Investment	(39,512,497)	(4,852,595)
	Valuation gain/ (loss) on Bangladesh Government Treasury Bond	(41,861,130)	45,663,837
	Total	**(81,373,627)**	**40,811,242**

		2022	2021
41	**Consolidated general and administrative expenses**		
	Staff costs (Note 41 (a))	13,567,471	12,817,522
	Depreciation	1,149,660	1,317,609
	Amortisation	131,224	45,424
	Directors' fees	925	1,319
	Audit fees	6,325	8,869
	Stationery	111,372	98,626
	Rent, electricity etc.	361,159	446,862
	Remittance of treasure	70,073	66,831
	Donations, Welfare, Sports and other administrative expenses	251,690	220,766
	Telephone	130,725	119,544
	Repairs & maintenance	521,023	494,666
	Materials	3,113,296	2,371,577
	Provision for Workers' Profit Participation Fund	101,431	101,776
	Income tax and Value Added Tax	349,326	309,256
	Miscellaneous	1,014,878	1,070,431
	Total	**20,880,578**	**19,491,078**
41 (a)	**Staff costs**		
	Salary	3,240,085	3,159,017
	House rent	1,246,480	1,205,192
	Contribution to contributory provident fund	809,100	1,189,625
	Pension and gratuity	3,774,805	3,117,967
	Leave encashment	578,271	273,841
	General and incentive bonus	1,782,674	1,711,380
	Medical expenses	584,706	541,739
	Training	25,110	35,659
	Travel expenses	549,021	480,283
	Lunch	300,508	290,863
	Other staff costs	676,711	811,957
	Total	**13,567,471**	**12,817,522**
41.01	**General and administrative expenses**		
	Staff costs (Note 41.01(a))	12,590,404	12,024,385
	Depreciation	1,088,811	936,610
	Amortization	131,224	45,424
	Directors' fee	573	893
	Audit fee	5,750	8,294
	Stationery	108,487	95,520
	Rent, electricity etc.	244,008	328,166
	Remittance of treasure	69,608	66,430
	Donations	224,535	192,759
	Telephone	130,077	118,776
	Repairs	488,196	453,199
	Miscellaneous	973,031	1,048,123
	Total	**16,054,704**	**15,318,579**
41.01(a)	**Staff costs**		
	Salary	2,888,680	2,815,667
	House rent	1,246,480	1,205,192
	Contribution to contributory provident fund	809,100	1,054,880
	Pension and gratuity	3,524,622	3,117,967
	Leave encashment	578,271	273,841
	General and incentive bonus	1,620,646	1,602,953
	Medical expenses	563,076	522,046
	Training	25,012	35,498
	Travel expenses	534,652	462,692
	Lunch	265,800	259,515
	Other staff costs	534,065	674,134
	Total	**12,590,404**	**12,024,385**

HOQUE VASI CHOWDHURY & CO

ACNABIN Dhaka Chartered Accountants

42 Financial instruments-Fair values and risk management

42.1 a. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Consolidated *In Thousand Tk.*

Particulars	30 June 2022							
	Carrying amount				Fair value			
	Amortised Cost	Fair value through OCI	Fair value through profit or loss	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
US treasury bills	93,246,868	-	-	93,246,868	93,246,868	-	-	93,246,868
Foreign bonds	1,046,239,303	-	-	1,046,239,303	1,046,239,303	-	-	1,046,239,303
US Treasury Notes	-	658,982,606	-	658,982,606	658,982,606	-	-	658,982,606
Gold and silver	-	45,306,167	-	45,306,167	45,306,167	-	-	45,306,167
Claims from Gold Transaction	-	31,629,227	-	31,629,227	31,629,227			31,629,227
Treasury bills	-	187,751,353	-	187,751,353	187,751,353	-	-	187,751,353
Treasury bonds	-	343,272,850	-	343,272,850	343,272,850	-	-	343,272,850
Swift shares	80	-	-	80	-	-	80	80
Debenture - House Building Finance Corporation	3,945,000	-	-	3,945,000	-	3,945,000	-	3,945,000
	1,143,431,251	**1,266,942,202**	**-**	**2,410,373,454**	**2,406,428,374**	**3,944,999**	**80**	**2,410,373,454**
Financial assets not measured at fair value								
Taka coin and cash balances	4,074,800			4,074,800	-	-	-	-
Foreign currency accounts	78,519,805			78,519,805	-	-	-	-
Overnight investment	333,247,420			333,247,420	-	-	-	-
Short term deposits with overseas commercial banks	650,493,866			650,493,866	-	-	-	-
Asset held with IMF	376,731,118			376,731,118	-	-	-	-
Foreign currency loans to banks	705,640,485			705,640,485	-	-	-	-
Interest receivable	9,897,427			9,897,427	-	-	-	-
Other receivable	5,224,144			5,224,144	-	-	-	-
Ways and means advance	7,268,500			7,268,500	-	-	-	-
Short term money market investments	19,371,887			19,371,887	-	-	-	-
Share of ICB Islamic Bank Limited	7,452			7,452				
Loan to commercial banks	6,640,863			6,640,863	-	-	-	-
Loan to specialised banks	46,722,681			46,722,681	-	-	-	-
Loan to private banks	12,932,841			12,932,841	-	-	-	-
Other loans and advances	118,875,574			118,875,574	-	-	-	-
Interest receivable	1,595,481			1,595,481	-	-	-	-
Loans and advances to employees	46,136,964			46,136,964	-	-	-	-
Other local currency financial assets	4,929,823			4,929,823	-	-	-	-
	2,428,311,130	**-**	**-**	**2,428,311,130**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value								
Nil	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	337,314,306	-	-	337,314,306	-	-	-	-
Foreign currency deposits by commercial banks	78,190,896	-	-	78,190,896	-	-	-	-
Asian Clearing Union (ACU)	182,737,595	-	-	182,737,595	-	-	-	-
Notes in circulation	2,545,233,913	-	-	2,545,233,913	-	-	-	-
Local currency deposits from banks and financial institutions	909,261,888	-	-	909,261,888	-	-	-	-
	4,052,738,598	**-**	**-**	**4,052,738,598**	**-**	**-**	**-**	**-**

In Thousand Tk.

Particulars	30 June 2021							
	Carrying amount				Fair value			
	Amortised Cost	Fair value through OCI	Fair value through profit or loss	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
US treasury bills	84,805,822	-	-	84,805,822	84,805,822	-	-	84,805,822
Foreign bonds	952,738,490	-	-	952,738,490	952,738,490	-	-	952,738,490
US Treasury Notes	-	353,701,465	-	353,701,465	353,701,465	-	-	353,701,465
Gold and silver	-	39,678,816	-	39,678,816	39,678,816	-	-	39,678,816
Treasury bills	-	14,400,494	-	14,400,494	-	14,400,494	-	14,400,494
Treasury bonds	-	279,992,478	-	279,992,478	-	279,992,478	-	279,992,478
Swift shares	80	-	-	80	-	-	80	80
Debenture - House Building Finance Corporation	3,945,000	-	-	3,945,000	-	3,945,000	-	3,945,000
	1,041,489,392	**687,773,252**	**-**	**1,729,262,644**	**1,430,924,592**	**298,337,971**	**80**	**1,729,262,644**
Financial assets not measured at fair value								
Taka coin and cash balances	5,082,015			5,082,015	-	-	-	-
Foreign currency accounts	49,481,759			49,481,759	-	-	-	-
Overnight investment	254,099,109			254,099,109	-	-	-	-
Short term deposits with overseas commercial banks	1,541,538,161			1,541,538,161	-	-	-	-
Asset held with IMF	198,454,465			198,454,465	-	-	-	-
Foreign currency loans to banks	525,654,368			525,654,368	-	-	-	-
Interest receivable	8,763,557			8,763,557	-	-	-	-
Other receivable	5,224,144			5,224,144	-	-	-	-
Short term money market investments	17,225,097			17,225,097	-	-	-	-
Share of ICB Islamic Bank Limited	7,452			7,452				
Loan to commercial banks	6,025,131			6,025,131	-	-	-	-
Loan to specialised banks	56,272,847			56,272,847	-	-	-	-
Loan to private banks	11,242,187			11,242,187	-	-	-	-
Other loans and advances	140,406,058			140,406,058	-	-	-	-
Interest receivable	1,294,153			1,294,153	-	-	-	-
Loans and advances to employees	44,503,518			44,503,518	-	-	-	-
Other local currency financial assets	4,640,737			4,640,737	-	-	-	-
	2,869,914,757	**-**	**-**	**-**	**2,869,914,757**	**-**	**-**	**-**
Financial liabilities measured at fair value								
Nil	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	219,535,548	-	-	-	219,535,548	-	-	-
Foreign currency deposits by commercial banks	119,449,152	-	-	-	119,449,152	-	-	-
Asian Clearing Union (ACU)	131,507,414	-	-	-	131,507,414	-	-	-
Notes in circulation	2,253,250,617	-	-	-	2,253,250,617	-	-	-
Local currency deposits from banks and financial institutions	1,211,218,466	-	-	-	1,211,218,466	-	-	-
	3,934,961,198	**-**	**-**	**-**	**3,934,961,198**	**-**	**-**	**-**

Separate

In Thousand Tk.

Particulars	30 June 2022							
	Carrying amount				Fair value			
	Amortised Cost	Fair value through OCI	Fair value through profit or loss	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
US treasury bills	93,246,868	-	-	93,246,868	93,246,868	-	-	93,246,868
Foreign bonds	1,046,239,303	-	-	1,046,239,303	1,046,239,303	-	-	1,046,239,303
US Treasury Notes	-	658,982,606	-	658,982,606	658,982,606	-	-	658,982,606
Gold and silver	-	45,306,167	-	45,306,167	45,306,167	-	-	45,306,167
Claims from Gold Transaction		31,629,227		31,629,227	31,629,227	-	-	31,629,227
Treasury bills	-	187,751,353	-	187,751,353	187,751,353	-	-	187,751,353
Treasury bonds	-	343,272,850	-	343,272,850	343,272,850	-	-	343,272,850
Swift shares	80	-	-	80	-	-	80	80
Investment in subsidiary	-	12,000,000	-	12,000,000	-	-	12,000,000	12,000,000
Debenture - House Building Finance Corporation	3,945,000	-	-	3,945,000	-	3,945,000	-	3,945,000
	1,143,431,251	**1,278,942,202**	**-**	**2,422,373,454**	**2,406,428,374**	**3,944,999**	**12,000,080**	**2,422,373,454**
Financial assets not measured at fair value								
Taka coin and cash balances	3,664,924			3,664,924				
Foreign currency accounts	78,519,805			78,519,805				
Overnight investment	333,247,420			333,247,420				
Short term deposits with overseas commercial banks	650,493,866			650,493,866				
Asset held with IMF	376,731,118			376,731,118				
Foreign currency loans to banks	705,640,485			705,640,485				
Interest receivable	9,897,427			9,897,427				
Other receivable	5,224,144			5,224,144				
Ways and means advance	7,268,500			7,268,500				
Securities purchased under agreement to resell	2,180,000			2,180,000				
Loan to commercial banks	6,640,863			6,640,863				
Loan to specialised banks	46,722,681			46,722,681				
Loan to private banks	12,932,841			12,932,841				
Other loans and advances	118,875,574			118,875,574				
Interest receivable	1,595,481			1,595,481				
Loans and advances to employees	44,242,187			44,242,187				
Other local currency financial assets	4,111,196			4,111,196				
	2,407,988,511	**-**	**-**	**-**	**2,407,988,511**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value								
Nil	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	337,314,306			337,314,306				
Foreign currency deposits by commercial banks	78,190,896			78,190,896				
Asian Clearing Union (ACU)	182,737,595			182,737,595				
Notes in circulation	2,545,233,913			2,545,233,913				
Local currency deposits from banks and financial institutions	909,261,888			909,261,888				
	4,052,738,598	**-**	**-**	**-**	**4,052,738,598**	**-**	**-**	**-**	**-**

Particulars	30 June 2021							
	Carrying amount				Fair value			
	Amortised Cost	Fair value through OCI	Fair value through profit or loss	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
US treasury bills	84,805,822	-		84,805,822	84,805,822	-	-	84,805,822
Foreign bonds	952,738,490	-		952,738,490	952,738,490	-	-	952,738,490
US Treasury Notes	-	353,701,465		353,701,465	353,701,465	-	-	353,701,465
Gold and silver	-	39,678,816		39,678,816	39,678,816	-	-	39,678,816
Treasury bills	-	14,400,494		14,400,494	-	14,400,494	-	14,400,494
Treasury bonds	-	279,992,478		279,992,478	-	279,992,478	-	279,992,478
Swift shares	80	-		80	-	-	80	80
Investment in subsidiary	-	12,000,000		12,000,000	-	-	12,000,000	12,000,000
Debenture - House Building Finance Corporation	3,945,000	-		3,945,000	-	3,945,000	-	3,945,000
	1,041,489,392	**699,773,252**	-	**1,741,262,644**	**1,430,924,593**	**298,337,971**	**12,000,080**	**1,741,262,644**
Financial assets not measured at fair value								
Taka coin and cash balances	4,626,669			4,626,669				
Foreign currency accounts	49,481,759			49,481,759				
Overnight investment	254,099,109			254,099,109				
Short term deposits with overseas commercial banks	1,541,538,161			1,541,538,161				
Asset held with IMF	198,454,465			198,454,465				
Foreign currency loans to banks	525,654,368			525,654,368				
Interest receivable	8,763,557			8,763,557				
Other receivable	5,224,144			5,224,144				
Loan to commercial banks	6,025,131			6,025,131				
Loan to specialised banks	56,272,847			56,272,847				
Loan to private banks	11,242,187			11,242,187				
Other loans and advances	140,406,058			140,406,058				
Interest receivable	1,294,153			1,294,153				
Loans and advances to employees	42,623,939			42,623,939				
Other local currency financial assets	3,865,820			3,865,820				
	2,849,572,367	-	-	- **2,849,572,367**	-	-	-	-
Financial liabilities measured at fair value								
Nil	-	-	-	- -	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	219,535,548			219,535,548				
Foreign currency deposits by commercial banks	119,449,152			119,449,152				
Asian Clearing Union (ACU)	131,507,414			131,507,414				
Notes in circulation	2,253,250,617			2,253,250,617				
Local currency deposits from banks and financial institutions	1,211,218,466			1,211,218,466				
	3,934,961,198	-	-	- **3,934,961,198**	-	-	-	-

As at 30 June 2022, the Group holds level 3 financial instruments only on SWIFT shares and investment in subsidiary. Management believes that the fair value of these shares are equal to its carrying amount. A Level 3 reconciliation table has not been disclosed as no change in fair value of investment from last year.

42.1 b. Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Fair value have been based on management assumptions according to Fair value of foreign securities is based on quoted market prices, at the reporting date. Local currency financial investments includes shares in SPCBL with a value of BDT 12,000,000,000 (2021: BDT 12,000,000,000) & Debentures of HBFC with a value of BDT 3,945,000,000 (2021: BDT 3,945,000,000) for which fair value cannot be reliably determined as they are not traded in the active market and there are no similar instruments with similar characteristics. Management believes that the fair value of these

Loans to Government (overdraft- current) are carried at cost as the interest accrued is recovered on a daily basis. Treasury bills and bonds are classified as Fair Value Through Other Comprehensive Income (OCI) and are carried at fair value. Loans to banks, financial institutions and employees are carried at amortized cost and are net of provisions for impairment. The fair value approximates their carrying value.

42.2 Financial Risk Management

The Group has exposure to the following risks arising from financial instruments :

I. Credit risk
II. Liquidity risk
III. Market risk
IV. Operational risk

Risk management framework

International Financial Reporting Standard "IFRS 7 - Financial Instruments: Disclosures" requires disclosure of information relating to both recognised and unrecognised financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Group's policies for controlling risks and exposures.

The Bank is involved in policy-oriented activities. Therefore, the Bank's risk management framework differs from the risk management framework for most other financial institutions. The main financial risks to which the Bank is exposed include credit risk, foreign exchange risk and interest rate risk. In the management of foreign reserves, minimising liquidity risk is the prime consideration in order to ensure the availability of currency as required. Like most central banks, the nature of the Bank's operations create exposure to a range of operational and reputational risks also.

The Bank's management seeks to ensure that strong and effective risk management and control systems are in place for assessing, monitoring and managing risk exposure. Experienced staff conducts the Bank's local currency, foreign currency reserves management, and foreign exchange dealing operations in accordance with a clearly defined risk management framework, including limits and delegated authorities set by the Governor. The investment portfolio is managed in line with investment guidelines approved by the Board. The Investment Committee chaired by Deputy Governor of the Bank is responsible for monitoring and implementation of risk mitigation measures prescribed in the "Reserve Management Guideline" and making sure that the Bank operates within the established risk parameters.Typical activities of the Investment Committee are reviewing the monthly reports, approving the list of eligible counterparties, approving changes to the strategy before submitting them to the Board and providing suggestion regarding important tactical decisions on asset allocation.

The Bank is subject to an annual audit by two external auditors who are appointed by the Government as prescribed in Article 65 (1) of the Bangladesh Bank Order, 1972. Auditing arrangements are overseen by the Audit Committee of the Board to monitor the financial reporting and audit functions within the Bank and the Committee reviews the internal audit functions as well. Audit Committee reports to the Board of Directors on its activities.

The overall risk management framework is designed to strongly encourage the sound and prudent management of the Bank's risk. The Bank seeks to ensure that the risk management framework is consistent with financial market best practices. Risk tables in this note are all based on the Bank's portfolio as reported in its statement of financial position.

I. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is monitored and managed regularly. Bangladesh Bank's maximum exposure to credit risk in relation to each class of recognized financial assets, is the carrying amount of those assets as indicated in the statement of financial position. Bangladesh Bank's exposure is to highly rated counter-parties and its credit risk is very low, with mitigates to credit risk including both the Bank's rigorous monitoring activities and, in many cases, guarantees from the government.

a. Concentration of credit exposure

The Bank's significant end-of-year concentrations of credit exposure, based on the country/region in which the issuers' parent was located, were as follows:

In Thousand Tk.

Particulars	2022		2021	
	Consolidated	Separate	Consolidated	Separate
Bangladesh	1,557,632,413	1,549,309,795	1,228,239,352	1,166,450,242
Other Asian countries	390,330,332	390,330,332	470,089,363	470,089,363
United States of America	1,097,017,831	1,097,017,831	683,685,766	683,685,766
Europe	527,552,021	527,552,021	1,117,947,193	1,117,947,193
Australia	25,323,189	25,323,189	91,905,805	91,905,805
Others	1,240,828,797	1,240,828,797	1,088,612,352	1,088,612,352
Total	**4,838,684,584**	**4,830,361,966**	**4,680,479,831**	**4,618,690,721**

b. Credit exposures by credit rating

Following tables represent the Group's foreign currency financial assets (excluding foreign currency loans to banks) mainly based on Moody's credit rating of the issuer (or equivalent Moody's rating in case of rating by other agencies). For long term deposits Aaa is the highest quality rating possible and indicates that the entity has an exceptional credit quality and have the smallest degree of risk; Aa is excellent credit quality but are rated lower than Aaa. Aa1 indicates the higher end of Aa category, Aa2 indicates mid range ranking of Aa category and Aa3 indicates lower end of Aa category. Credit rating ranging from Ba1 to Ba3 and B1 to B3 are considered as below investment grade category. The BDT equivalent amount in these category is 3,918.77 million for the current fiscal year. For short term deposits P-1 indicates banks rated prime -1 for deposits, and offers superior credit quality and a very strong capacity for timely payment of short-term deposit obligations; ST-1 indicates the highest capacity for timely repayment of obligations; ST-2 indicates a strong capacity for timely repayment of obligations and ST-3 indicates average capacity for timely repayment of obligations.

However, the Bank's local currency financial assets along with foreign currency loans to banks are based on credit rating from Credit Rating Information and Services Limited, Credit Rating Agency of Bangladesh Limited, Emerging Credit Rating Limited, National Credit Rating Limited, Alpha Credit Rating Limited, ARGUS Credit Rating Services Limited etc. which were preferred by respective institutions.

Consolidated

In Thousand Tk.

Particulars	Credit Rating	2022		2021	
		Amount	% of financial assets	Amount	% of financial assets
i) Foreign currency financial assets					
Foreign currency accounts	P-1	78,519,805	1.64%	49,481,759	1.09%
Overnight investment	P-1	333,247,420	6.95%	254,099,109	5.59%
Short term deposits with overseas commercial banks	P-1	650,493,866	13.57%	1,541,538,161	33.91%
US Dollar treasury bills	P-1	93,246,868	1.95%	84,805,822	1.87%
Foreign bonds	Aaa	669,843,472	13.97%	736,332,766	16.20%
Foreign bonds	Aa1, Aa2, Aa3	109,654,174	2.29%	41,936,997	0.92%
Foreign bonds	A1, A2,A3	102,989,451	2.15%	58,142,958	1.28%
Foreign bonds	Baa1, Baa2, Baa3,Ba1, Ba2, Ba3,B1,B2,B3	163,752,206	3.42%	116,325,769	2.56%
US Treasury Notes	Aaa	658,982,606	13.75%	353,701,465	7.78%
Foreign currency loans to banks	A	22,022,104	0.46%	9,378,064	0.21%
Foreign currency loans to banks	Aaa to Aa	660,659,523	13.78%	515,427,153	11.34%
Foreign currency loans to banks	Baa,Ba, B	3,306,591	0.07%	810,136	0.02%
Foreign currency loans to banks	Unrated	19,652,268	0.41%	39,015	0.00%
Claims from Gold transaction	A3	31,629,227	0.66%	-	0.00%
Assets held with International Monetary Fund	Unrated	376,731,118	7.86%	198,454,465	4.37%
Other foreign currency financial assets	Unrated	15,121,651	0.32%	13,987,781	0.31%
Total		**3,989,852,349**	**83.24%**	**3,974,461,418**	**87.44%**
ii) Local currency financial assets					
Loans to the Government of Bangladesh	Ba3	538,292,703	11.23%	294,392,972	6.48%
Securities purchased under agreement to resel	A	2,180,000	0.05%	-	0.00%
Local currency investments	Unrated	21,144,339	0.44%	21,177,549	0.47%
Loans to banks, financial institutions	A	7,654,757	0.16%	20,221,692	0.44%
Loans to banks, financial institutions	Aaa to Aa	101,888,285	2.13%	115,687,298	2.55%
Loans to banks, financial institutions	Ba to B	54,534,481	1.14%	1,455,318	0.03%
Loans to banks, financial institutions	Baa	379,058	0.01%	17,278,480	0.38%
Loans to banks, financial institutions	Unrated	22,310,858	0.47%	46,470,036	1.02%
Loans to employees	-	46,136,964	0.96%	44,503,518	0.98%
Other local currency financial assets	-	4,929,823	0.10%	4,640,737	0.10%
Taka coin and cash balances	-	4,074,800	0.09%	5,082,015	0.11%
Total		**803,526,068**	**16.76%**	**570,909,614**	**12.56%**
Total financial assets (i+ii)		**4,793,378,417**	**100.00%**	**4,545,371,033**	**100.00%**

HOQUE VASI CHOWDHURY & CO. DHAKA

ACNABIN Dhaka Chartered Accountants

Separate

In Thousand Tk.

Particulars	Credit Rating	2022		2021	
		Amount	% of financial assets	Amount	% of financial assets
i) Foreign currency financial assets					
Foreign Currency Accounts	P-1	78,519,805	1.64%	49,481,759	1.09%
Overnight investment	P-1	333,247,420	6.96%	254,099,109	5.60%
Short term deposits with overseas commercial banks	P-1	650,493,866	13.59%	1,541,538,161	33.98%
US Dollar treasury bills	Aaa	93,246,868	1.95%	84,805,822	1.87%
Foreign bonds	Aaa	669,843,472	14.00%	736,332,766	16.23%
Foreign bonds	Aa1, Aa2, Aa3	109,654,174	2.29%	41,936,997	0.92%
Foreign bonds	A1, A2,A3	102,989,451	2.15%	58,142,958	1.28%
Foreign bonds	Baa1, Baa2, Baa3,Ba1, Ba2, Ba3,B1,B2,B3	163,752,206	3.42%	116,325,769	2.56%
US Treasury Notes	Aaa	658,982,606	13.77%	353,701,465	7.80%
Foreign currency loans to banks	A	22,022,104	0.46%	9,378,064	0.21%
Foreign currency loans to banks	Aaa to Aa	660,659,523	13.81%	515,427,153	11.36%
Foreign currency loans to banks	Baa,Ba, B	3,306,591	0.07%	810,136	0.02%
Foreign currency loans to banks	Unrated	19,652,268	0.41%	39,015	0.00%
Claims from Gold transaction	A3	31,629,227	0.66%	-	0.00%
Assets held with International Monetary Fund	Unrated	376,731,118	7.87%	198,454,465	4.37%
Other foreign currency financial assets	Unrated	15,121,651	0.32%	13,987,781	0.31%
Total		**3,989,852,349**	**83.38%**	**3,974,461,419**	**87.60%**
ii) Local currency financial assets					
Loans to the Government of Bangladesh	Ba3	538,292,703	11.25%	294,392,972	6.49%
Securities purchased under agreement to resel	A	2,180,000	0.05%	-	0.00%
Local currency investments	Unrated	15,945,000	0.33%	15,945,000	0.35%
Loans to banks, financial institutions	A	7,654,757	0.16%	20,221,692	0.45%
Loans to banks, financial institutions	Aaa to Aa	101,888,285	2.13%	115,687,298	2.55%
Loans to banks, financial institutions	Ba to B	54,534,481	1.14%	1,455,318	0.03%
Loans to banks, financial institutions	Baa	379,058	0.01%	17,278,480	0.38%
Loans to banks, financial institutions	Unrated	22,310,858	0.47%	46,470,036	1.02%
Loans to employees	-	44,242,187	0.92%	42,623,939	0.94%
Other local currency financial assets	-	4,111,196	0.09%	3,865,820	0.09%
Taka coin and cash balances	-	3,664,924	0.08%	4,626,669	0.10%
Total		**795,203,450**	**16.62%**	**562,567,224**	**12.40%**
Total financial assets (i+ii)		**4,785,055,799**	**100%**	**4,537,028,644**	**100%**

c. **Collateral held and other credit enhancements and their financial effect**

The Group holds collateral and other credit enhancements against certain of its credit exposures. The table below sets out the principal types of collateral held against different types of financial assets.

In thousand Tk.

Particulars		2022		2021	
		Amount	Principal type of Collateral	Amount	Principal type of Collateral
i) Foreign currency financial assets					
Foreign currency loans to banks		705,640,485	Debit Authorization, Demand Promisory Note	525,654,368	Debit Authorization, Demand Promisory Note
Assets held with International Monetary Fund		376,731,118	None	198,454,465	None
ii) Local currency financial assets					
Loans to the Government of Bangladesh		538,292,703	Govt. Guarantee	294,392,972	Govt. Guarantee
Local currency loans to banks, financial institutions and employees		231,009,627	- Government guarantee - Bank guarantee - Demand Promissory Note - Employee provident fund, gratuity fund and Mortgage of property	257,864,315	- Government guarantee - Bank guarantee - Demand Promissory Note - Employee provident fund, gratuity fund and Mortgage of property

II. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity risk can be caused by market disruptions or credit downgrades which may cause certain sources of funding to dry up immediately. To mitigate this risk, the Group has diversified funding sources and assets are managed with liquidity in mind.

The table below summarizes the maturity profile of the Group's financial assets and liabilities based on the contractual repayment date determined on the basis of the remaining period at the statement of financial position date to the contractual maturity date. Assets and liabilities will mature within the following periods:

Consolidated

30 June 2022					*In Thousand Tk.*
Particulars	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**
Foreign currency financial assets					
Foreign currency accounts	78,519,805	-	-	-	-
Foreign investments	422,342,806	609,253,183	314,753,836	1,435,860,238	-
Assets held with International Monetary Fund	258,631,660	301,040	-	-	117,798,418
Gold and silver	-	-	-	-	45,306,167
Claims from Gold transaction	15,882,258	15,746,969	-	-	-
Foreign currency loans to banks	55,365,043	133,278,877	504,759,248	8,538,234	3,699,084
Other foreign currency financial assets	-	9,897,427	-	5,224,144	80
Total	**830,741,573**	**768,477,495**	**819,513,084**	**1,449,622,617**	**166,803,749**
Local currency financial assets					
Taka coin and cash balances	4,074,800				
Securities purchased under agreement to resell	2,180,000				
Loans to the Government of Bangladesh	8,741,920	81,425,445	113,852,229	122,468,820	211,804,289
Local currency investments			17,191,887		3,952,452
Local currency loans to Banks, FIs and employees	18,227,432	25,605,862	101,148,413	63,272,043	24,650,654
Other local currency financial assets	4,929,823				
Total	**38,153,974**	**107,031,306**	**232,192,529**	**185,740,863**	**240,407,395**
Total financial assets	**868,895,547**	**875,508,801**	**1,051,705,613**	**1,635,363,480**	**407,211,144**
Foreign currency financial liabilities					
Deposits from banks and financial institutions	260,928,491	-	-	-	-
Liabilities with International Monetary Fund	2,849,391	12,688,048	-	14,747,178	307,029,686
Other foreign currency financial liabilities	-	-	18,761,840	-	-
Total	**263,777,882**	**12,688,048**	**18,761,840**	**14,747,178**	**307,029,686**
Local currency financial liabilities					
Notes in circulation	2,545,233,913	-	-	-	-
Deposits from banks and financial institutions	909,261,888	-	-	-	-
Other local currency financial liabilities	5,054	1,352	13,122,648	75,203,327	89,561,601
Total	**3,454,500,855**	**1,352**	**13,122,648**	**75,203,327**	**89,561,601**
Total financial liabilities	**3,718,278,737**	**12,689,400**	**31,884,488**	**89,950,505**	**396,591,287**
Maturity Gap	**(2,849,383,190)**	**862,819,401**	**1,019,821,125**	**1,545,412,975**	**10,619,857**

30 June 2021					*In Thousand Tk.*
Particulars	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**
Foreign currency financial assets					
Foreign currency accounts	49,481,759	-	-	-	-
Foreign investments	872,952,168	974,617,957	149,650,704	1,002,176,611	187,485,607
Assets held with International Monetary Fund	83,891,027	8,101	-	-	114,555,336
Gold and silver	39,678,816	-	-	-	-
Foreign currency loans to banks	914,734	124,335,187	375,749,763	14,103,655	10,551,029
Other foreign currency financial assets	8,763,557	-	5,224,144	-	80
Total	**1,055,682,062**	**1,098,961,244**	**530,624,611**	**1,016,280,266**	**312,592,053**
Local currency financial assets					
Taka coin and cash balances	5,082,015	-	-	-	-
Securities purchased under agreement to resell	-	-			
Loans to the Government of Bangladesh	5,555,857	14,400,494	26,399,253	68,627,723	179,409,646
Local currency investments	-	-	17,225,097	-	3,952,452
Local currency loans to Banks, FIs and employees	7,386,407	33,212,339	103,103,644	53,001,169	61,160,755
Other local currency financial assets	4,640,737	-	-	-	-
Total	**22,665,015**	**47,612,833**	**146,727,993**	**121,628,892**	**244,522,853**
Total financial assets	**1,078,347,077**	**1,146,574,077**	**677,352,604**	**1,137,909,158**	**557,114,906**
Foreign currency financial liabilities					
Deposits from banks and financial institutions	250,956,566	-	-	-	-
Liabilities with International Monetary Fund	1,688,640	-	-	43,135,113	174,711,795
Total	**252,645,206**	**-**	**-**	**43,135,113**	**174,711,795**
Local currency financial liabilities					
Notes in circulation	2,253,250,617	-	-	-	-
Deposits from banks and financial institutions	1,211,218,466	-	-	-	-
Other local currency financial liabilities	2,762,158	5,524,316	38,286,108	240,021,086	5,524,316
Total	**3,467,231,241**	**5,524,316**	**38,286,108**	**240,021,086**	**5,524,316**
Total financial liabilities	**3,719,876,447**	**5,524,316**	**38,286,108**	**283,156,199**	**180,236,110**
Maturity gap	**(2,641,529,370)**	**1,141,049,762**	**639,066,496**	**854,752,959**	**376,878,796**

Separate

In Thousand Tk.

30 June 2022					
Particulars	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**
Foreign currency financial assets					
Foreign currency accounts	78,519,805				
Foreign investments	422,342,806	609,253,183	314,753,836	1,435,860,238	-
Assets held with International Monetary Fund	258,631,660	301,040	-	-	117,798,418
Gold and silver	-	-	-	-	45,306,167
Claims from Gold transaction	15,882,258	15,746,969	-	-	-
Foreign currency loans to banks	55,365,043	133,278,877	504,759,248	8,538,234	3,699,084
Other foreign currency financial assets	-	9,897,427	-	5,224,144	80
Total	**830,741,573**	**768,477,495**	**819,513,084**	**1,449,622,617**	**166,803,749**
Local currency financial assets					
Taka coin and cash balances	3,664,924				
Securities purchased under agreement to resell	2,180,000				
Loans to the Government of Bangladesh	8,741,920	81,425,445	113,852,229	122,468,820	211,804,289
Local currency investments	-	-	-	650,000	15,295,000
Local currency loans to Banks, FIs and employees	18,227,432	25,605,862	101,148,413	63,272,043	22,755,877
Other local currency financial assets	4,111,196				
Total	**36,925,472**	**107,031,306**	**215,000,642**	**186,390,863**	**249,855,166**
Total financial assets	**867,667,045**	**875,508,801**	**1,034,513,726**	**1,636,013,480**	**416,658,915**
Foreign currency financial liabilities					
Deposits from banks and financial institutions	260,928,491	-	-	-	-
Liabilities with International Monetary Fund	2,849,391	12,688,048	-	14,747,178	307,029,686
Other foreign currency financial liabilities	-	-	18,761,840	-	-
Total	**263,777,882**	**12,688,048**	**18,761,840**	**14,747,178**	**307,029,686**
Local currency financial liabilities					
Notes in circulation	2,545,233,913				
Deposits from banks and financial institutions	260,928,491				
Other local currency financial liabilities	5,054	1,352	12,202,440	74,173,957	89,561,601
Total	**2,806,167,458**	**1,352**	**12,202,440**	**74,173,957**	**89,561,601**
Total financial liabilities	**3,069,945,340**	**12,689,400**	**30,964,280**	**88,921,135**	**396,591,287**
Maturity gap	**(2,202,278,295)**	**862,819,401**	**1,003,549,446**	**1,547,092,345**	**20,067,628**

30 June 2021					
Particulars	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**
Foreign currency financial assets					
Foreign currency accounts	49,481,759	-	-	-	-
Foreign investments	872,952,168	974,617,957	149,650,704	1,002,176,611	187,485,607
Assets held with International Monetary Fund	83,891,027	8,101	-	-	114,555,336
Gold and silver	39,678,816	-	-	-	-
Foreign currency loans to banks	914,734	124,335,187	375,749,763	14,103,655	10,551,029
Other foreign currency financial assets	8,763,557	-	5,224,144	-	80
Total	**1,055,682,062**	**1,098,961,244**	**530,624,611**	**1,016,280,266**	**312,592,053**
Local currency financial assets					
Taka coin and cash balances	4,626,669	-	-	-	-
Securities purchased under agreement to resell	-	-	-	-	-
Loans to the Government of Bangladesh	5,555,857	14,400,494	26,399,253	68,627,723	179,409,646
Local currency investments	-	-	-	650,000	15,295,000
Local currency loans to Banks, FIs and employees	7,386,407	33,212,339	103,103,644	53,001,169	61,160,755
Other local currency financial assets	3,865,820	-	-	-	-
Total	**21,434,754**	**47,612,833**	**129,502,897**	**122,278,892**	**255,865,401**
Total financial assets	**1,077,116,815**	**1,146,574,077**	**660,127,508**	**1,138,559,158**	**568,457,454**
Foreign currency financial liabilities					
Deposits from banks and financial institutions	250,956,566	-	-	-	-
Liabilities with International Monetary Fund	1,688,640	-	-	43,135,113	174,711,795
Total	**252,645,206**	**-**	**-**	**43,135,113**	**174,711,795**
Local currency financial liabilities					
Notes in circulation	2,253,250,617	-	-	-	-
Deposits from banks and financial institutions	1,211,218,466	-	-	-	-
Other local currency financial liabilities	2,762,158	5,524,316	37,004,150	238,739,128	5,524,316
Total	**3,467,231,241**	**5,524,316**	**37,004,150**	**238,739,128**	**5,524,316**
Total financial liabilities	**3,719,876,447**	**5,524,316**	**37,004,150**	**281,874,241**	**180,236,110**
Maturity gap	**(2,642,759,632)**	**1,141,049,762**	**623,123,358**	**856,684,917**	**388,221,344**

III. Market risk

Market risk is the probability of experiencing losses due to changes in market prices – such as foreign exchange rates, interest rates and equity prices – which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. In Bangladesh Bank, foreign exchange reserve management and investment functions are guided by an Investment Committee. Decision of the Investment Committee and dealing practices approved by the Investment Committee serve as operational guidelines for Bangladesh Bank's reserve management and investments. The guidelines are directed towards managing different types of risks, while earning a reasonable return. There is an approved benchmark for investment in terms of currency composition, portfolio duration and proportion of different assets within a band. Dealers/portfolio managers afford best to comply with this benchmark and continually rebalance the investment portfolio to follow the benchmark on daily/weekly basis as approved by the Investment Committee.

Foreign currency monetary assets and liabilities

In Thousand Tk.

30 June 2022 Particulars	US$ equivalent	Gold and Silver equivalent	EURO equivalent	GBP equivalent	Japanese Yen equivalent	Canadian $ equivalent	Australian $ equivalent	Chinese Yuan Renminbi equivalent	SDR equivalent	Others equivalent
Assets										
Held in other Central Banks and Foreign Commercial Banks	1,255,243	-	12,245,535	7,642,524	54,132,776	627,590	811,699	1,713,436	-	91,001
Overnight investment	308,702,730	-	24,544,690	-	-	-	-	-	-	-
Short term deposits in overseas commercial banks	452,831,500	-	7,829,381	83,452,592	-	53,446,047	3,224,493	47,526,962	-	2,182,891
US Dollar treasury bills	93,246,868	-		-	-	-	-	-	-	-
Foreign bonds	737,989,016	-	132,431,967	72,726,888	10,143,545	33,262,969	55,526,610	-	-	4,158,308
US Treasury Notes	658,982,606	-	-	-	-	-	-	-	-	-
Loan to Banks	705,640,485	-	5,540,602	-	-	-	-	-	-	-
Claims from gold transaction	-	76,939,855	-	-	-	-	-	-	-	-
Interest receivable	7,245,660	-	176,566	525,456	15,674	218,378	478,945	175,799	-	22,143
Asset held with IMF	-	-	-	-	-	-	-	-	376,731,118	-
Total	**2,965,894,109**	**76,939,855**	**182,768,742**	**164,347,460**	**64,291,995**	**87,554,984**	**60,041,747**	**49,416,198**	**376,731,118**	**6,454,343**
Liabilities										
Deposits from other banks, financial institutions and ACU	257,547,842	-	2,941,573	426,000	12,801	276	-	-	-	-
Liabilities to IMF	-	-	-	-	-	-	-	-	337,314,306	-
Total	**257,547,842**	**-**	**2,941,573**	**426,000**	**12,801**	**276**	**-**	**-**	**337,314,306**	**-**
Net	**2,708,346,267**	**76,939,855**	**179,827,168**	**163,921,461**	**64,279,194**	**87,554,708**	**60,041,747**	**49,416,198**	**39,416,812**	**6,454,343**

30 June 2021										
Particulars	**US$ equivalent**	**Gold and Silver equivalent**	**EURO equivalent**	**GBP equivalent**	**Japanese Yen equivalent**	**Canadian $ equivalent**	**Australian $ equivalent**	**Chinese Yuan Renminbi equivalent**	**SDR equivalent**	**Others equivalent**
Assets										
Held in other Central Banks and Foreign Commercial Banks	7,843,389	-	10,119,336	9,534,985	12,802,283	1,483,251	723,411	634,051	-	1,362,294
Overnight investment	188,087,460	-	31,325,392	-	-	-	-	-	-	-
Short term deposits in overseas commercial banks	1,120,263,720	-	-	115,202,609	-	31,754,877	38,824,483	33,407,333	-	827,023
US Dollar treasury bills	84,815,473	-	-	-	-	-	-	-	-	-
Foreign bonds	448,750,185	-	110,082,498	4,824,648	-	4,382,037	9,826,461	480,505	-	-
US Treasury Notes	210,274,881									
Loan to Banks	401,255,896	-	-	-	-	-	-	-	-	-
Claims from gold transaction	-	67,676,977	-	-	-	-	-	-	-	-
Interest receivable	9,793,759	-	828,437	190,780	-	56,969	184,242	182,513	-	3,738
Asset held with IMF	-	-	-	-	-	-	-	-	204,220,488	-
Total	**2,471,084,762**	**67,676,977**	**152,355,662**	**129,753,022**	**12,802,283**	**37,677,134**	**49,558,596**	**34,704,402**	**204,220,488**	**2,193,054**
Liabilities										
Deposits from other banks, financial institutions and ACU	194,136,305	-	29,394,964	408,893	14,705	819	-	-	-	-
Liabilities to IMF	-	-	-	-	-	-	-	-	222,329,785	-
Total	**194,136,305**	**-**	**29,394,964**	**408,893**	**14,705**	**819**	**-**	**-**	**222,329,785**	**-**
Net	**2,276,948,457**	**67,676,977**	**122,960,698**	**129,344,129**	**12,787,578**	**37,676,315**	**49,558,596**	**34,704,402**	**(18,109,297)**	**2,193,054**

Currency risk sensitivity analysis

During the year, if the Taka had weakened 10 per cent against the principal currencies in its foreign reserves portfolio with all other variables held constant, profit for the year would have been Tk. 29,163.12.00 million higher, (2021: Tk. 26,056.97 million). Conversely, if the Taka had strengthened 10 per cent against the same currencies with all other variables held constant, the Bank would have experienced a decrease of profit for the year of Tk.29,163.12. million , (2021: Tk. 26,056.97 million). Profit/Loss is very sensitive to changes in exchange rate movements. The bank as part of its core functions holds substantial foreign currency assets.

b) Interest rate risk

Interest rate risk is the risk of loss arising from changes in interest rates. The Group is exposed to interest rate risk as a result of mismatches of interest rate re-pricing of assets and liabilities. Since the primary objective of the Bank is to achieve and maintain price stability, it determines at its own discretion the monetary policy that it will implement and the monetary policy instruments that is going to use in order to achieve and maintain price stability. Bank's interest sensitivity position based on contractual re-pricing arrangements as on 30 June 2022 is presented below. It includes the Bank's financial assets and liabilities at carrying amounts, categorised by the earlier of contractual re-pricing of maturity dates. The table below summaries all financial instruments in their re-pricing period, which is equivalent to the remaining term of maturity:

Consolidated

In Thousand Tk.

30 June, 2022						
Particulars	**Balance as at 30 June 2022**	**Re-pricing period**				**Weighted average interest**
		0 to 3 months	**3 to 12 months**	**1 to 5 years**	**over 5 years**	
Assets						
Foreign currency financial assets						
Foreign currency accounts	78,519,805	78,519,805	-	-	-	0.34%
Foreign investments	2,782,210,063	1,031,595,989	314,753,836	1,435,860,238	-	1.45%
Assets held with International Monetary Fund	376,731,118	258,932,700	-	-	117,798,418	0.89%
Foreign currency loans to banks	705,640,485	188,643,919	504,759,248	8,538,234	3,699,084	1.00%
Other foreign currency financial assets	15,121,651	9,897,427	-	5,224,144	80	0.00%
Total Foreign currency financial assets	**3,958,223,122**	**1,567,589,840**	**819,513,084**	**1,449,622,617**	**121,497,582**	
Local currency financial assets						
Loans to the Government of Bangladesh	538,292,703	90,167,365	113,852,229	122,468,820	211,804,289	5.00%
Local currency investments	21,144,339	-	17,191,887	-	3,952,452	4.84%
Local currency loans to banks, financial institutions and employees	232,904,404	43,833,294	101,148,413	63,272,043	24,650,654	3.00%
Total Local currency financial assets	**792,341,446**	**134,000,658**	**232,192,529**	**185,740,863**	**240,407,394**	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	260,928,491	260,928,491	-	-	-	0.72%
Liabilities with International Monetary Fund	337,314,306	15,537,439	-	14,747,178	307,029,686	0.89%
Total foreign currency financial liabilities	**598,242,797**	**276,465,930**	**-**	**14,747,178**	**307,029,686**	
Local currency financial liabilities						
Deposits from banks and financial institutions	909,261,888	909,261,888	-	-	-	0.00%
Total local currency financial liabilities	**909,261,888**	**909,261,888**	**-**	**-**	**-**	

BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
AS AT & FOR THE YEAR ENDED 30 JUNE 2022

In Thousand Tk.

30 June, 2021						
Particulars	Balance as at 30 June 2021	Re-pricing period				Weighted average interest
		0 to 3 months	3 to 12 months	1 to 5 years	over 5 years	
Assets						
Foreign currency financial assets						
Foreign currency accounts	49,481,759	49,481,759	-	-	-	0.00%
Foreign investments	3,186,883,047	1,847,570,124	149,650,704	1,002,176,611	187,485,607	0.75%
Assets held with International Monetary Fund	198,454,465	83,899,128	-	-	114,555,336	0.05%
Foreign currency loans to banks	525,654,368	125,249,921	375,749,763	14,103,655	10,551,029	0.82%
Other foreign currency financial assets	13,987,781	8,763,557	5,224,144	-	80	0.00%
Total Foreign currency financial assets	**3,974,461,420**	**2,114,964,489**	**530,624,611**	**1,016,280,266**	**312,592,053**	
Local currency financial assets						
Loans to the Government of Bangladesh	294,392,972	19,956,351	26,399,253	68,627,723	179,409,646	7.56%
Local currency investments	21,177,549	-	17,225,097	-	3,952,452	5.00%
Local currency loans to banks, financial institutions and employees	259,743,894	40,598,746	103,103,644	53,001,169	61,160,755	2.57%
Total Local currency financial assets	**575,314,415**	**60,555,096**	**146,727,993**	**121,628,892**	**244,522,853**	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	250,956,566	250,956,566	-	-	-	0.10%
Liabilities with International Monetary Fund	219,535,548	1,688,640	-	43,135,113	174,711,795	0.05%
Total foreign currency financial liabilities	**470,492,114**	**252,645,206**	**-**	**43,135,113**	**174,711,795**	
Local currency financial liabilities						
Deposits from banks and financial institutions	1,211,218,466	1,211,218,466	-	-	-	0.00%
Total local currency financial liabilities	**1,211,218,466**	**1,211,218,466**	**-**	**-**	**-**	

Separate

In Thousand Tk.

30 June, 2022

Particulars	Balance as at 30 June 2022	Re-pricing period				Weighted average interest
		0 to 3 months	3 to 12 months	1 to 5 years	over 5 years	
Assets						
Foreign currency financial assets						
Foreign currency accounts	78,519,805	78,519,805	-	-	-	0.34%
Foreign investments	2,782,210,063	1,031,595,989	314,753,836	1,435,860,238	-	1.45%
Assets held with International Monetary Fund	376,731,118	258,932,700	-	-	117,798,418	0.89%
Foreign currency loans to banks	705,640,485	188,643,919	504,759,248	8,538,234	3,699,084	1.00%
Other foreign currency financial assets	15,121,651	9,897,427	-	5,224,144	80	0.00%
Total Foreign currency financial assets	**3,958,223,122**	**1,567,589,840**	**819,513,084**	**1,449,622,617**	**121,497,583**	
Local currency financial assets						
Loans to the Government of Bangladesh	538,292,703	90,167,365	113,852,229	122,468,820	211,804,289	5.00%
Local currency investments	15,945,000	-	-	650,000	15,295,000	4.84%
Local currency loans to banks, financial institutions and employees	231,009,627	43,833,294	101,148,413	63,272,043	22,755,877	3.00%
Total Local currency financial assets	**785,247,330**	**134,000,658**	**215,000,642**	**186,390,863**	**249,855,167**	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	260,928,491	260,928,491	-	-	-	0.72%
Liabilities with International Monetary Fund	337,314,306	15,537,439	-	14,747,178	307,029,686	0.89%
Total foreign currency financial liabilities	**598,242,797**	**276,465,930**	**-**	**14,747,178**	**307,029,686**	
Local currency financial liabilities						
Deposits from banks and financial institutions	909,261,888	909,261,888	-	-	-	0.00%
Total local currency financial liabilities	**909,261,888**	**909,261,888**	**-**	**-**	**-**	

In Thousand Tk.

30 June, 2021						
Particulars	Balance as at 30 June 2021	Re-pricing period				Weighted average interest
		0 to 3 months	3 to 12 months	1 to 5 years	over 5 years	
Assets						
Foreign currency financial assets						
Foreign currency accounts	49,481,759	49,481,759	-	-	-	0.00%
Foreign investments	3,186,883,047	1,847,570,124	149,650,704	1,002,176,611	187,485,607	0.75%
Assets held with International Monetary Fund	198,454,465	83,899,128	-	-	114,555,336	0.05%
Foreign currency loans to banks	525,654,368	125,249,921	375,749,763	14,103,655	10,551,029	0.82%
Other foreign currency financial assets	13,987,781	8,763,557	5,224,144	-	80	0.00%
Total Foreign currency financial assets	**3,974,461,420**	**2,114,964,489**	**530,624,611**	**1,016,280,266**	**312,592,054**	
Local currency financial assets						
Loans to the Government of Bangladesh	294,392,972	19,956,351	26,399,253	68,627,723	179,409,646	7.56%
Local currency investments	15,945,000	-	-	650,000	15,295,000	5.00%
Local currency loans to banks, financial institutions and employees	257,864,315	40,598,746	103,103,644	53,001,169	61,160,755	2.56%
Total Local currency financial assets	**568,202,287**	**60,555,096**	**129,502,896**	**122,278,892**	**255,865,402**	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	250,956,566	250,956,566	-	-	-	0.10%
Liabilities with International Monetary Fund	219,535,548	1,688,640	-	43,135,113	174,711,795	0.05%
Total foreign currency financial liabilities	**470,492,114**	**252,645,206**	**-**	**43,135,113**	**174,711,795**	
Local currency financial liabilities						
Deposits from banks and financial institutions	1,211,218,466	1,211,218,466	-	-	-	0.00%
Total local currency financial liabilities	**1,211,218,466**	**1,211,218,466**	**-**	**-**	**-**	

Interest rate risk sensitivity analysis

During the year, if interest rates had been 100 basis points higher with all other variables constant, profit for the year would have been Tk. 46,033.23 million higher (2021: Tk. 35,348.23 million), arising mainly as a result of higher interest income on financial assets. Conversely, if interest rates had been 100 basis point lower with all other variables held constant, profit for the year would have been Tk. 46,033.23 million lower (2021: Tk. 35,348.23 million) arising mainly as a result of lower interest income on financial assets. Profit is very sensitive to changes in interest rates as interest is the principal source of income of the bank.

IV. Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from human error, failure of internal processes and systems, legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Group's operations.

Managing operational risk is seen as an integral part of the day to day operations and management which includes explicit consideration of both the opportunities and the risks of all business activities. Operational risk management includes Bank-wide corporate policies that describe the standard required for staff and specific internal control systems designed for the various activities of the Group. Compliance with corporate policies and departmental internal control systems are managed by the management of the department and an active internal audit function.

43 Contingent liabilities

Contingent liabilities are possible obligations that could result from uncertain future events outside the bank's control. The Bank had contingent liabilities for guarantees outstanding as at 30 June 2022 amounting to Taka 42,052.73 in favour of International Islamic Trade Finance Corporation & others which are secured by counter guarantees from the Government of Bangladesh. The Bank did not have any contingent liabilities for guarantees outstanding as at 30 June 2021.

44 Operating segments

The Bank's operation is concentrated in one geographical area - Bangladesh and as such comprise a single operating segment for the purpose of IFRS 8, the relevant standard for such segmentation. While the Bank is required by the Bangladesh Bank Order to report revenue and expenses by references to the functions carried out by the Bank viz. Issue and Banking department, these activities do not constitute separate operating segments for the purpose of IFRS 8.

45 Actuarial valuation of defined benefit plans

Most recent actuarial valuation was performed as at 30 June 2016 basis by an independent actuarial firm, AIR Consulting. According to the valuation report, the estimated obligation of the pension fund as at 30 June 2016 was Taka 15,494,646 thousands and for gratuity fund was Taka 1,217,791 thousands. For subsequent years, the obligations are calculated based on the recommendation made by the actuarial firm.

As at 30 June 2022 the obligation for pension fund and gratuity fund was calculated to Taka 24,625,583 thousands and Taka 1,939,387 thousands respectively. The balances of the funds are as under:

In Thousand Tk.

Particulars	Pension plans		Gratuity plans	
	2022	2021	2022	2021
Amounts recognised in the reporting date				
Balance at the beginning of the year	22,816,002	21,132,671	1,800,643	1,669,876
Paid during the year	(1,715,041)	(1,434,636)	(105,723)	(113,700)
Current year's contribution/transfer	3,524,622	3,117,967	244,467	244,467
Balance of the fund	**24,625,583**	**22,816,002**	**1,939,387**	**1,800,643**

Actuarial assumptions

Particulars	Pension plans		Gratuity plans	
	2022	2021	2022	2021
Discount rate	7.50%	7.50%	6.10%	6.10%
Salary growth rate	5%	5%	5%	5%

The assumptions regarding future mortality rate are based on the published statistics and mortality tables of the FA 1975-78 (based on experience collected from UK insurers).

Sensitivity

If the discount rate had been 100 basis points lower with all other variables constant, contribution for pension fund and gratuity fund for the year would have been Taka1,384.30 million and Taka 10.57 million higher respectively, arising mainly as a result of lower discount income. Conversely, if discount rate had been 100 basis point higher with all other variables held constant, contribution for the same during the year would have been Taka 1,384.30 million and Taka 10.57 million lower respectively, arising mainly as a result of higher discount income. Discount rate is very sensitive for calculation of contribution.

46 Capital and material commitments

Capital commitment is the projected capital expenditure that the bank commits to incur. As at 30 June 2022, the Bank had outstanding capital commitments of Taka. 761.85 million with respect to different civil, mechanical and electrical engineering with computer purchases. (2021: 582.39 million).

Material commitment is the commitment made by the bank to extend credit to the external party. The bank created Bangladesh Infrastructure Development Fund (BIDF) to support financing of Government priority infrastructure projects subject to fulfilling several qualifying criteria. As of 30 June 2022, there are two projects for which the bank has committed the following amount:

a) Project of Capital and Maintenance Dredging of Rabnabad Channel, Payra Port through Sonali Bank Limited:
Committed amount: BDT 48,451.24 million

b) Project of Payra-Gopalganj-Aminbazar 400KV Double Circuit Transmission Line through Agrani Bank Limited:
Committed amount: BDT 29,272.28 million.

Out of these commited amount, for project (a) BDT 7,558.87 million will be drawn on 08 August 2022.

47 Related parties transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In the case of the Bank, related parties, as defined in IAS 24 : *Related Parties Disclosure*, include directors and officers of the Bank, and companies of whom they are principal owners and key management personnel. Banking transactions are entered into with related parties on agreed terms and conditions on an arms length basis.

Bank is fully owned by the Government of Bangladesh. Government has interests in various entities such as state owned banks, specialised banks and corporations. Bank deals with these entities on the directives of the government in line with the its monetary policy objectives.

The outstanding as at the reporting date and simple average balances during the year with respect to related parties included in the statement of financial position are as follows:

In Thousand Tk.

Particulars	2022		2021	
	Outstanding	Average	Outstanding	Average
Outstanding balances with the government of Bangladesh				
Ways and means advance	7,268,500	3,634,250	-	-
Treasury bills	187,751,353	101,075,923	14,400,494	49,171,472
Treasury bonds	343,272,850	311,632,664	279,992,478	269,624,218
Other assets (interest receivable)	4,005,821	3,363,094	2,720,366	4,270,707
	542,298,525	**419,705,931**	**297,113,338**	**323,066,397**

In Thousand Tk.

Particulars	2022		2021	
	Outstanding	Average	Outstanding	Average
Other liabilities				
Deposits	5,054	13,517,964	27,030,875	13,517,968
Loan from Government of Bangladesh	23,982,406	24,471,162	24,959,918	24,880,943
	23,987,461	**37,989,126**	**51,990,792**	**38,398,911**
Balances related to subsidiary (SPCBL)				
Other assets (Prepayments and advances)	19,063	221,574	424,084	652,212
Other liabilities (Sundry creditors)	1,052,653	745,212	437,771	779,198

The income and expenses in respect of related parties included in the statement of profit or loss are as follows:

In Thousand Tk.

	2022	2021
Income and expenses related to government		
Interest income	19,757,328	22,105,151
Commission received	9,009	11,411
	19,766,338	**22,116,562**
Expenses		
Agency charges	6,717,800	8,118,000
Under writing commission on treasury bills and bonds	441,800	414,600
	7,159,600	**8,532,600**
Income and expenses related to subsidiary (The Security Printing Corporation)		
Dividend income	600,000	600,000
Note printing expenses	3,842,541	3,401,455
Key management personnel		
Salaries, wages and other benefits (refer note 47.06)	7,998	7,174

47.01 Transactions with Government and Government controlled enterprises

In the normal course of its operations, the Bank enters into transactions with related parties. Related parties include the Government of Bangladesh; as ultimate owner of the Bank, various Government departments, and Government controlled enterprises/entities. All transactions are carried out with reference to market rates. Transactions entered into include:

(a) Acting as the fiscal agent, banker and financial advisor of the Government; the Bank is the depository of the Government and or its agents or institutions and provides banking services to Government and Government departments and corporations;

(b) Acting as the agent of the Government or its agencies and institutions, provide guarantees, participate in loans to Government or related institutions and foreign reserve;

(c) The Bank does not ordinarily collect any commission, fees, or other charges for services which it renders to the Government and related entities;

(d) Acting as the agent of the Government, the Bank issues securities of Government, purchases any unsubscribed portion of any issue and amounts set aside for the Bank; and

(e) As the agent of the Government manages public debt and foreign reserves.

During the year, the Bank received an amount of Taka6,990,991.80 million (in 2021: Tk. 6,344,966.89 million) and paid Taka 7,011,695.20 million (in 2021: 6,252,898.77 million) on behalf of the Government. As at 30 June 2022, total outstanding balance was Taka 538,292.70 million (2021: 294,392.97 million).

(f) Assets under management:

In Thousand Tk.

	2022	2021
Japan Debt Relief Grant	103,392	114,641

The Bank acts as agent on behalf of Government of Bangladesh for managing the Japan Debt Relief Grant.

47.02 Transactions with entities in which the Bank has significant investments

During the year, the Bank received debenture interest from House Building Finance Corporation (HBFC) amounting to Tk. 190.75 million which included in the interest income.

47.03 Transactions with controlled entities

During the year,the Bank incurred expense of Taka 3,842.54 million (2021: Taka 3,401.46 million) as note printing cost through The Security Printing Corporation (Bangladesh) Ltd. The amount is included in the statement of profit or loss of the Bank. It is a 100% owned subsidiary of the Bank. This transactions are eliminated in preparing consolidated financial statements. During the year, The Security Printing Corporation (Bangladesh) Ltd. paid dividend an amounting to Taka 600 million (2021: 600 million) as per decision of their Board.

47.04 Transactions with retirement benefit plans

During the year, the Group was not required to contribute any amount to the retirement benefit plans (consisting of contribution to pension plans including widow/widowers), as sufficient reserve is available as per the actuarial valuation report. Amounts of balances held in the financial statements maintained by these retirement benefit plans are given in note 45.

47.05 Board of Directors of Bangladesh Bank and Key Management Personnel as on 30 June 2022 -

Name	Chairman/Members of the Board of Directors	Executive Committee members	Audit committee members
***Mr. Fazle Kabir** - appointed as the Chairman of the Board of Directors for a period of four years from March 20, 2016 and reappointed on 16 July, 2020 for contract service up to 03 July, 2022. He also holds the post of Governor of the Bangladesh Bank.	Chairman	Chairman	-
****Mr. Abdur Rouf Talukder** - appointed as a Director of the Board of Bangladesh Bank from August 05, 2018 until further order and also holds the post of Senior Secretary, Finance Division, Ministry of Finance, Govt. of the People's Republic of Bangladesh.	Member	-	-
Mr. Abu Hena Md. Rahmatul Muneem- First appointed on January 09, 2020 as a Director of the Board of Bangladesh Bank and then reappointed on 06 January,2022 as contract service which is subject to being in current position but not more than 02 (two) years. He also holds the post of Senior Secretary, Internal Resources Division & Chairman, National Board of Revenue, Govt. of the Peoples Republic of Bangladesh.	Member	Member	-
Mr. Sheikh Mohammad Salim Ullah - appointed as a Director of the Board of Bangladesh Bank on September 01, 2021 He also holds the post of Secretary,Financial Institution Division, Ministry of Finance, Govt. of the People's Republic of Bangladesh.	Member	-	Member
Mr. Mahbub Ahmed - appointed on September 03, 2019 as a Director of the Board of Bangladesh Bank.	Member	Member	Convener
Mr. A. K. M. Aftab ul Islam, FCA - first appointed on 20 March, 2016 and then reappointed on July 16, 2020 as a Director of the Board of Bangladesh Bank.	Member	-	Member
Mr. Md. Nazrul Huda - appointed on January 05, 2020 as a Director of the Board of Bangladesh Bank.	Member	-	Member
Mr. Ahmed Jamal - appointed on January 17, 2021 as a Director of the Board of Bangladesh Bank and also holds the post of Deputy Governor, Bangladesh Bank.	Member	Member	-
Number of meetings held during the year	**7**	**5**	**5**

*Mr. Fazle Kabir's tenure as Governor of Bangladesh Bank ended on 03 July, 2022.
**Mr. Abdur Rouf Talukder was appointed by the Government as Governor of Bangladesh Bank by the Government Order No. 53.00.0000.311.11.016.17-227 dated: 11/06/2022 and subsequently he joined Bangladesh Bank as Governor on 12 July, 2022 .

47.06 Remuneration of members of the Board of Directors and Key management personnel

Members of the Board of Directors received remuneration totaling Tk.572,650.00 (2020: Tk.892,600.00) and the Governor received totaling Tk. 1,218,400.00 (2021: Tk. 1,184,916.12). In addition, the Governor is entitled to a free furnished house for his residence and full time transport facility. Other key management personnel of the Bank received totaling Tk.5,955,732.30 (2021: Tk. 4,750,067.10) and in addition, they are entitled to official residence as well as transport.

48 Events after the reporting date

Subsequent to the statement of financial position date, no events have occurred which require adjustments to/or disclose in the financial statements.

49 Directors' responsibility for financial reporting

These financial statements have been approved for issue by the Board of Directors on 30 August 2022.