



Bangladesh Bank
(Central Bank of Bangladesh)

Auditors' Report and Audited Financial Statements

As at and for the year ended 30 June 2024

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Independent Auditors' Report

To the Government of the People's Republic of Bangladesh

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 2024, 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 to the financial statements, comprising a summary of material accounting policy information.

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 2024, 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).

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) Bye 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 and note #42.2 of the financial statements, the Bank's entire portfolio of financial assets other than those measured at "Fair Value Through Profit or Loss" are subject to impairment assessment. Out of the total portfolio, Bangladesh Bank has assessed BDT 399,276 million of local currency loan to banks as stage- 2 & 3 category. For calculation of impairment provision under Lifetime Expected Credit Loss (ECL), Probability of Default (PD) is made @15% considering significant recovery at subsequent period and future strategy of Board of Bangladesh Bank.

2. As disclosed in note # 3.17 of the financial statements, the Bank follows revaluation model for recognition on of Property, Plant and Equipment (PPE) and revalued its lands as on 01 January 2022 and other items of PPE were revalued on 31 January 2018, but updated revaluation is yet to be made. While, as disclosed in note # 45 the actuarial valuation of the Bank's defined benefit plans was made in 2016, but updated valuation is pending.
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 2024 is BDT 522.41 core. 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 consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate 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.

1. Foreign Investments

Foreign Investments includes short term deposits & overnight investment with overseas commercial banks, foreign bonds and US treasury notes equivalent to BDT 2,280,499 million which is 35% of the Bank's total assets. The existence, valuation and presentation of these foreign investments in the financial statements pose significant audit risk.

Our audit procedures to address the risks of material misstatement relating to foreign 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 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, expected credit loss on the investment and disclosures in the financial statements in accordance with the related IFRSs.
- Finally, review the impairment assessment and calculation done by management under ECL model of IFRS 9.

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

2. Loans to Banks

Loans to Banks includes foreign currency loans amounting to BDT 328,927 million and local currency loans to banks and financial institutions amounting to BDT 798,881 million. The aggregate amount of the above is 17% of the total assets of Bangladesh Bank. The existence and valuation of these loans in the financial statements pose significant audit risk.

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

- Evaluation of the effectiveness of controls over the disbursement process of these loans including proper approval and execution of required documentation.
- Assessment the existence of loan balance at year-end through external confirmations from respective banks and financial institutions.
- Verification of translation of foreign currency (i.e. EDF, LTFF and GTF Investments) loan balances using the prevailing exchange rate on cut-off date.
- Verification of interest calculation which are mostly automated and calculated in e-Refinance software and confirmed with the General Ledgers; and
- Finally, review the impairment assessment and calculation of provision done by the management under ECL model of IFRS 9.

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.

3. 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 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 was considered as Key Audit Matter.

Our audit procedures to address the risk of material misstatement relating to the above items include:

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

Other Information

Management is responsible for the other information. The other information comprises all 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 IFRSs 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 unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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 exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess 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.

- Obtain 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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.
- Evaluate 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.
- Obtain 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 communicate 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 provide 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 Deadstock (Capital Assets) and immovable properties are not in line with applicable financial reporting framework except as mentioned in under # 2 of 'Emphasis of Matters' section mentioned earlier.
- Internal control measures undertaken by the Bank appeared to be adequate except for some insignificant control deficiencies.
- 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.

Howladar Yunus & Co.
Chartered Accountants

Hoda Vasi Chowdhury & Co
Chartered Accountants



Muhammad Farooq FCA
Managing Partner
ICAB Enrolment # 521
DVC No.: 2408280521AS272745



Sabbir Ahmed FCA
Partner
ICAB Enrolment # 770
DVC No.: 2408280770AS917473

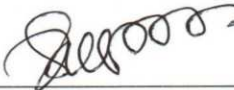
Dated: 28 August 2024
Dhaka, Bangladesh


BANGLADESH BANK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

In Thousand Tk.

Particulars	Notes	30-Jun-24	30-Jun-23
ASSETS			
Foreign currency financial assets			
Foreign currency accounts	4	80,037,105	88,946,844
Foreign investments	5	2,280,383,483	2,324,639,709
Assets held with International Monetary Fund	6.01	446,650,988	415,910,328
Gold and silver	7	101,195,822	54,093,399
Claims from gold transactions	8	25,507,529	37,757,643
Foreign currency loans to banks	9	328,927,368	511,418,327
Other foreign currency financial assets	10	14,369,258	16,450,320
Total foreign currency financial assets		3,277,071,553	3,449,216,570
Local currency financial assets			
Taka coin and cash balances	11	2,391,082	3,582,958
Securities purchased under agreement to resell		748,186,830	169,462,750
Loans to the Government of Bangladesh	12	567,454,700	178,018,700
Local currency investments	13	756,895,136	1,318,131,179
Local currency loans to banks, financial institutions and employees	14	851,787,072	475,816,678
Other local currency financial assets	15	204,115,321	90,531,418
Total local currency financial assets		3,130,830,141	2,235,543,683
Total financial assets		6,407,901,694	5,684,760,253
Non-financial assets			
Property, plant and equipment	16	80,020,972	80,099,350
Intangible assets	17	576,845	758,615
Other non-financial assets	18	6,940,570	5,959,259
Total non-financial assets		87,538,387	86,817,224
Total assets		6,495,440,081	5,771,577,477
LIABILITIES & EQUITY			
LIABILITIES			
Foreign currency financial liabilities			
Deposits from banks and financial institutions	19	311,018,502	248,898,292
Liabilities with International Monetary Fund	6.02	493,095,097	400,326,205
Other foreign currency financial liabilities	20	106,814,242	56,260,118
Total foreign currency financial liabilities		910,927,841	705,484,615
Local currency financial liabilities			
Notes in circulation	21	3,184,097,642	3,101,560,298
Deposits from banks and financial institutions	22	932,764,069	714,863,215
Other local currency financial liabilities	23	105,574,334	138,816,051
Total local currency financial liabilities		4,222,436,045	3,955,239,564
Total liabilities		5,133,363,886	4,660,724,179
EQUITY			
Capital	24	30,000	30,000
Retained earnings	31	174,005,788	122,020,617
Revaluation reserves	25	621,703,613	653,256,585
Currency fluctuation reserve	26	509,875,432	281,090,590
Statutory funds	27	19,617,046	19,067,046
Non statutory funds	28	17,345,023	16,445,330
Other reserves	29	13,798,793	13,342,630
General reserve	30	5,700,500	5,600,500
Total equity		1,362,076,195	1,110,853,298
Total liabilities and equity		6,495,440,081	5,771,577,477

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


Md. Abul Bashir FCMA
Director (A&BD)
Accounts & Budgeting Department



Dr. Md. Habibur Rahman
Deputy Governor


Dr. Ahsan H. Mansur
Governor

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

Howladar Yunus & Co.
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Sabbir Ahmed FCA
Partner
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DVC No.: 2408280770AS917473

Dated: 28 August 2024
Dhaka, Bangladesh

BANGLADESH BANK
SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

In Thousand Tk.

Particulars	Notes	2024	2023
ASSETS			
Foreign currency financial assets			
Foreign currency accounts	4	80,037,105	88,946,844
Foreign investments	5	2,280,383,483	2,324,639,709
Assets held with International Monetary Fund	6.01	446,650,988	415,910,328
Gold and silver	7	101,195,822	54,093,399
Claims from gold transactions	8	25,507,529	37,757,643
Foreign currency loans to banks	9	328,927,368	511,418,327
Other foreign currency financial assets	10	14,369,258	16,450,320
Total foreign currency financial assets		3,277,071,552	3,449,216,570
Local currency financial assets			
Taka coin and cash balances	11.01	1,271,949	2,345,632
Securities purchased under agreement to resell	11.02	748,186,830	169,462,750
Loans to the Government of Bangladesh	12	567,454,700	178,018,700
Local currency investments	13.01	752,362,565	1,313,565,685
Local currency loans to banks, financial institutions and employees	14.01	850,013,802	473,927,804
Other local currency financial assets	15.01	203,152,295	89,667,613
Total local currency financial assets		3,122,442,141	2,226,988,184
Total financial assets		6,399,513,693	5,676,204,754
Non-financial assets			
Property, plant and equipment	16.01	71,247,196	71,203,229
Intangible assets	17	576,845	758,615
Other non-financial assets	18.01	1,282,033	907,462
Total non-financial assets		73,106,074	72,869,306
Total assets		6,472,619,767	5,749,074,060
LIABILITIES & EQUITY			
LIABILITIES			
Foreign currency financial liabilities			
Deposits from banks and financial institutions	19	311,018,502	248,898,292
Liabilities with International Monetary Fund	6.02	493,095,097	400,326,205
Other foreign currency financial liabilities	20	106,814,242	56,260,118
Total foreign currency financial liabilities		910,927,841	705,484,615
Local currency financial liabilities			
Notes in circulation	21	3,184,097,642	3,101,560,298
Deposits from banks and financial institutions	22	932,764,069	714,863,215
Other local currency financial liabilities	23.01	104,083,975	137,518,285
Total local currency financial liabilities		4,220,945,686	3,953,941,798
Total liabilities		5,131,873,527	4,659,426,413
EQUITY			
Capital	24	30,000	30,000
Retained earnings	31.01	158,744,549	106,807,347
Revaluation reserves	25.01	617,084,897	648,614,204
Currency fluctuation reserve	26	509,875,432	281,090,590
Statutory funds	27	19,617,046	19,067,046
Non statutory funds	28	17,345,023	16,445,330
Other reserves	29	13,798,793	13,342,630
General reserve	30.01	4,250,500	4,250,500
Total equity		1,340,746,240	1,089,647,647
Total liabilities and equity		6,472,619,767	5,749,074,060

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


Md. Abul Bashar FCMA
Director (A&BD)
Accounts & Budgeting Department



Dr. Md. Habibur Rahman
Deputy Governor


Dr. Ahsan H. Mansur
Governor

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

Howladar Yunus & Co.
Chartered Accountants

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Hoda Vasi Chowdhury & Co
Chartered Accountants

Sabbir Ahmed FCA
Partner
ICAB Enrolment # 770
DVC No.: 2408280770AS917473

Dated: 28 August 2024
Dhaka, Bangladesh


BANGLADESH BANK
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

In Thousand Tk.

Particulars	Notes	2023-24	2022-23
INCOME			
Income from foreign currency financial assets			
Interest income	32	64,895,960	59,344,153
Commission and discounts	33	659,530	660,756
Total income from foreign currency financial assets		65,555,490	60,004,909
Income from local currency financial assets			
Interest income	35	158,495,028	91,426,303
Commission and discounts	36	7,193,103	2,047,115
Sales to other parties by subsidiary		1,987,862	1,979,813
Other income		9,477,237	1,865,480
Total income from local currency financial assets		177,153,230	97,318,711
Total income		242,708,720	157,323,620
EXPENSES			
Expenses on foreign currency financial liabilities			
Interest expense	34	(18,596,117)	(9,563,573)
Commission and other expenses		(1,247,118)	(2,962,133)
Total expenses on foreign currency financial liabilities		(19,843,235)	(12,525,706)
Expenses on local currency financial liabilities			
Interest expense	38	(235,751)	(242,684)
Commission and other expenses	39	(5,924,145)	(10,353,407)
Total expenses on local currency financial liabilities		(6,159,896)	(10,596,091)
Other expenses			
General and administrative expenses	41	(22,959,257)	(24,200,763)
Allowances for Expected Credit Loss		(30,831,289)	-
Total other expenses		(53,790,546)	(24,200,763)
Total expenses		(79,793,677)	(47,322,560)
Foreign currency revaluation gain/(loss) - unrealised		15,202,385	193,451,299
Foreign currency revaluation gain/(loss) - realised		228,784,842	170,522,226
Profit before tax		406,902,271	473,974,585
Current tax expense		(840,479)	(547,435)
Deferred tax income/(expense)		73,283	15,320
Prior year tax adjustment		(473,293)	-
Profit for the year		405,661,781	473,442,470
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Gold revaluation gain/(loss)		33,012,684	14,843,380
Silver revaluation gain/(loss)		183,181	72,268
Revaluation gain/(loss) on financial instruments	40	(80,824,050)	(23,207,021)
Revaluation gain on property, plant and equipment		-	31,390,039
Total other comprehensive income		(47,628,185)	23,098,666
Total comprehensive income for the year		358,033,596	496,541,135

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


Md. Abul Bashar FCMA
 Director (A&BD)
 Accounts & Budgeting Department


Dr. Md. Habibur Rahman
 Deputy Governor


Dr. Ahsan H. Mansur
 Governor

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

Howladar Yunus & Co.
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 Chartered Accountants


Sabbir Ahmed FCA
 Partner
 ICAB Enrolment # 770
 DVC No.: 2408280770AS917473

Dated: 28 August 2024
 Dhaka, Bangladesh

BANGLADESH BANK
SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

In thousand Tk.

Particulars	Notes	2024	2023
INCOME			
Income from foreign currency financial assets			
Interest income	32	64,895,960	59,344,153
Commission and discounts	33	659,530	660,756
Total income from foreign currency financial assets		65,555,490	60,004,909
Income from local currency financial assets			
Interest income	35.01	156,985,665	90,279,045
Commission and discounts	36	7,193,103	2,047,115
Dividend income		840,000	720,000
Other income	37	9,462,737	1,837,450
Total income from local currency financial assets		174,481,505	94,883,610
Total income		240,036,995	154,888,519
EXPENSES			
Expenses on foreign currency financial liabilities			
Interest expense	34	(18,596,117)	(9,563,573)
Commission and other expenses		(1,247,118)	(2,962,133)
Total expenses on foreign currency financial liabilities		(19,843,235)	(12,525,706)
Expenses on local currency financial liabilities			
Interest expense	38	(235,751)	(242,684)
Commission and other expenses	39	(5,924,145)	(10,353,407)
Total expenses on local currency financial liabilities		(6,159,896)	(10,596,091)
Other expenses			
Note printing expenses		(3,372,948)	(3,740,385)
General and administrative expenses	41.01	(18,279,379)	(19,315,360)
Allowances for Expected Credit Loss	41.02	(30,831,289)	-
Total other expenses		(52,483,616)	(23,055,745)
Total expenses		(78,486,747)	(46,177,542)
Foreign currency revaluation gain/(loss) - unrealised		15,202,385	193,451,299
Foreign currency revaluation gain/(loss) - realised		228,784,842	170,522,226
Profit for the year		405,537,475	472,684,502
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Gold revaluation gain/(loss)		33,012,684	14,843,380
Silver revaluation gain/(loss)		183,181	72,268
Revaluation gain/(loss) on financial instruments	40	(80,824,050)	(23,207,021)
Revaluation gain/(loss) on property, plant and equipment		-	31,390,039
Total other comprehensive income		(47,628,185)	23,098,666
Total comprehensive income for the year		357,909,290	495,783,168

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



Md. Abul Bashar FCMA

Director (A&BD)

Accounts & Budgeting Department



Dr. Md. Habibur Rahman

Deputy Governor



Dr. Ahsan H. Mansur

Governor

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

Howladar Yunus & Co.
Chartered Accountants

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Muhammad Farooq FCA

Managing Partner

ICAB Enrolment # 521

DVC No.: 2408280521AS272745



Sabbir Ahmed FCA

Partner

ICAB Enrolment # 770

DVC No.: 2408280770AS917473

Dated: 28 August 2024
Dhaka, Bangladesh

BANGLADESH BANK
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

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 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
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(200,000)	(200,000)
Dividend paid for 2021-22	-	-	-	-	-	-	-	-	-	-	-	(28,476,987)	(28,476,987)
Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	(875)	(875)
Total comprehensive income for the year	-	14,915,648	-	(23,207,021)	31,390,039	-	-	-	-	-	-	473,442,469	496,541,135
Utilization of funds	-	-	-	-	-	-	-	(100,212)	-	-	-	-	(100,212)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	184,948	(23,912)	-	-	-	-	-	-	23,912	184,948
Appropriation of profit to other funds	-	-	193,451,299	-	-	170,522,226	550,000	910,000	442,755	-	100,000	(365,976,280)	-
Balance as at 30 June 2023	30,000	60,990,612	581,430,095	(60,282,771)	71,118,650	281,090,589	19,067,046	16,445,330	5,820,516	7,522,114	5,600,500	122,020,617	1,110,853,298
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(57,276)	(57,276)
Transfer to Disaster Management and Social Responsibility Fund	-	-	-	-	-	-	-	-	-	-	-	(200,000)	(200,000)
Dividend paid for 2022-23	-	-	-	-	-	-	-	-	-	-	-	(106,526,304)	(106,526,304)
Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	(23,304)	(23,304)
Total comprehensive income for the year	-	33,195,865	-	(80,824,050)	-	-	-	-	-	-	-	405,661,781	358,033,596
Utilization of funds	-	-	-	-	-	-	-	(900,307)	-	-	-	-	(900,307)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	896,493	(23,664)	-	-	-	-	-	-	23,664	896,493
Appropriation of profit to other funds	-	-	15,202,385	-	-	228,784,842	550,000	1,800,000	456,163	-	100,000	(246,893,390)	-
Balance as at 30 June 2024	30,000	94,186,477	596,632,480	(140,210,328)	71,094,986	509,875,431	19,617,046	17,345,023	6,276,679	7,522,114	5,700,500	174,005,788	1,362,076,195



BANGLADESH BANK
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

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 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
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(200,000)	(200,000)
Dividend paid for 2021-22	-	-	-	-	-	-	-	-	-	-	-	(28,476,987)	(28,476,987)
Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	(875)	(875)
Total comprehensive income for the year	-	14,915,648	-	(23,207,021)	31,390,039	-	-	-	-	-	-	472,684,502	495,783,168
Utilization of funds	-	-	-	-	-	-	-	(100,212)	-	-	-	-	(100,212)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	184,948	-	-	-	-	-	-	-	-	184,948
Appropriation of profit to other funds	-	-	193,451,299	-	-	170,522,226	550,000	910,000	442,755	-	-	(365,876,281)	-
Balance as at 30 June 2023	30,000	60,990,612	581,430,094	(60,282,771)	66,476,269	281,090,589	19,067,046	16,445,330	5,820,516	7,522,114	4,250,500	106,807,347	1,089,647,647
Adjustment against due from government	-	-	-	-	-	-	-	-	-	-	-	(57,276)	(57,276)
Transfer to Disaster Management and Social Responsibility Fund	-	-	-	-	-	-	-	-	-	-	-	(200,000)	(200,000)
Dividend paid for 2022-23	-	-	-	-	-	-	-	-	-	-	-	(106,526,304)	(106,526,304)
Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	(23,304)	(23,304)
Total comprehensive income for the year	-	33,195,865	-	(80,824,050)	-	-	-	-	-	-	-	405,537,475	357,909,290
Utilization of funds	-	-	-	-	-	-	-	(900,307)	-	-	-	-	(900,307)
Derecognition of reserve on account of sale and maturity of assets	-	-	-	896,493	-	-	-	-	-	-	-	-	896,493
Appropriation of profit to other funds	-	-	15,202,385	-	-	228,784,842	550,000	1,800,000	456,163	-	-	(246,793,390)	-
Balance as at 30 June 2024	30,000	94,186,477	596,632,479	(140,210,328)	66,476,269	509,875,431	19,617,046	17,345,023	6,276,679	7,522,114	4,250,500	158,744,548	1,340,746,240



BANGLADESH BANK
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

In Thousand Tk.

Particulars	2023-24	2022-23
Cash flows from operating activities		
Profit for the year	405,661,781	473,442,470
Adjustments:		
Depreciation	1,770,875	1,628,924
Loan loss provision	30,831,289	1,755,257
Foreign currency revaluation gain - unrealised	(15,202,385)	(193,451,299)
Investment income from short term deposit, foreign bills and bonds	(28,538,687)	(32,114,724)
Investment Income from local treasury bills and bonds	(139,521,504)	(79,974,172)
Interest from claims from gold transactions	(12,466,104)	(8,049,207)
	242,535,263	163,237,249
Tax paid during the year	(1,313,773)	(532,115)
Payment from WPPF	(105,794)	(101,431)
Provision to WPPF	116,042	105,794
(Increase) / decrease in foreign currency loans to banks	182,490,959	194,222,158
(Increase) / decrease in other receivable on foreign currency loans	4,018,854	(2,950,115)
(increase) / decrease in loans to government	(389,436,000)	(170,750,200)
(increase)/ decrease in local currency loans to banks, financial institutions and employees	(376,085,998)	(242,730,572)
increase/(decrease) in interest payable on SDR allocation	240,046	1,169,487
(increase)/decrease in other local currency financial assets	(114,235,087)	(85,578,876)
(increase)/decrease in other non-financial assets	(464,912)	(1,603,279)
increase/(decrease) in notes in circulation	82,537,344	556,326,385
increase/(decrease) in other local currency financial liabilities	(33,043,896)	(38,243,764)
	(645,282,213)	209,333,471
Net cash from operating activities	(402,746,950)	372,570,720
Cash flows from investing activities		
Settlement with liabilities with IMF	62,028,232	23,832,689
Investment Income from short term deposit, US treasury notes, foreign bills and bonds	41,004,792	40,163,931
Net investment in foreign bills, US treasury notes and bonds	419,258,313	(123,892,692)
Net investment in foreign short term deposits	(4,026,550)	400,260,220
Investment income from local treasury bills and bonds	139,521,504	79,974,172
Net investment in local treasury bills and bonds	561,202,574	(766,596,482)
Other local investment	1,315,729	967,742
Income from claims from gold transactions	12,466,104	8,049,207
Gain on asset sale or derecognition	1,116	852
Addition of fixed assets and intangible assets	(1,683,983)	(2,665,022)
Net cash used in investing activities	1,231,087,831	(339,905,383)
Cash flows from financing activities		
Dividend paid to the Government of Bangladesh	(106,526,304)	(28,476,987)
Net cash (used in)/from financing activities	(106,526,304)	(28,476,987)
Net increase/(decrease) in cash and cash equivalents	721,814,577	4,188,350
Opening balance of cash and cash equivalents	265,122,401	260,934,051
Cash and cash equivalents as at 30 June	986,936,978	265,122,401
Cash and cash equivalents includes		
Foreign currency accounts	80,037,105	53,978,419
Foreign investments with short-term maturity	1,400,104,532	1,001,859,781
Taka coin and cash balances	2,391,082	3,582,958
Securities purchased under agreement to resell	748,186,830	169,462,750
Foreign currency deposits from banks and financial institutions	(311,018,502)	(248,898,292)
Deposits from banks and financial institutions	(932,764,069)	(714,863,215)
Cash and cash equivalents as at 30 June	986,936,978	265,122,401



BANGLADESH BANK
SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

In Thousand Tk.

Particulars	2023-24	2022-23
Cash flows from operating activities		
Profit for the year	405,537,475	472,684,502
Adjustments:		
Depreciation	1,440,363	1,298,412
Loan loss provision	30,831,289	1,755,257
Foreign currency revaluation gain - unrealised	(15,202,385)	(193,451,299)
Investment income from short term deposit, foreign bills and bonds	(28,538,687)	(32,114,724)
Investment income from local treasury bills and bonds	(139,521,504)	(79,974,172)
Interest from claims from gold transactions	(12,466,104)	(8,049,207)
Dividend income	(840,000)	(720,000)
	241,240,448	161,428,769
(Increase) / decrease in foreign currency loans to banks	182,490,959	194,222,158
(Increase) / decrease in other receivable on foreign currency loans	4,018,854	(2,950,115)
(increase) / decrease in loans to government	(389,436,000)	(170,750,200)
(increase)/ decrease in local currency loans to banks,	(376,085,998)	(242,918,177)
increase/(decrease) in interest payable on SDR allocation	240,047	1,169,487
(increase)/decrease in other local currency financial assets	(113,484,682)	(85,556,417)
(increase)/decrease in other non-financial assets	(374,571)	(621,969)
increase/(decrease) in notes in circulation	82,537,344	556,326,385
increase/(decrease) in other local currency financial liabilities	(33,434,310)	(38,426,118)
	(643,528,359)	210,495,032
Net cash from operating activities	(402,287,911)	371,923,801
Cash flows from investing activities		
Settlement with liabilities with IMF	62,028,232	23,832,689
Investment Income from short term deposit, US treasury notes, foreign bills and bonds	41,004,792	40,163,931
Net investment in foreign bills, US treasury notes and bonds	419,258,313	(123,892,692)
Net investment in foreign short term deposits	(4,026,550)	400,260,220
Net investment in local treasury bills and bonds	561,202,574	(766,596,482)
Investment income from local treasury bills and bonds	139,521,504	79,974,172
Addition of fixed assets and intangible assets	(1,549,099)	(2,597,813)
Gain on asset sale or derecognition	1,116	852
Income from claims from gold transactions	12,466,104	8,049,207
Dividend received	840,000	720,000
Net cash used in/ (from) investing activities	1,230,746,986	(340,085,914)
Cash flows from financing activities		
Dividend paid to the Government of Bangladesh	(106,526,304)	(28,476,987)
Net cash (used in)/from financing activities	(106,526,304)	(28,476,987)
Net increase/(decrease) in cash and cash equivalents	721,932,771	3,360,900
Opening balance of cash and cash equivalents	263,885,075	260,524,175
Cash and cash equivalents as at 30 June	985,817,845	263,885,075
Cash and cash equivalents includes		
Foreign currency accounts	80,037,105	53,978,419
Foreign investments with short-term maturity	1,400,104,532	1,001,859,781
Taka coin and cash balances	1,271,949	2,345,632
Securities purchased under agreement to resell	748,186,830	169,462,750
Foreign currency deposits from banks and financial institutions	(311,018,502)	(248,898,292)
Deposits from banks and financial institutions	(932,764,069)	(714,863,215)
Cash and cash equivalents as at 30 June	985,817,845	263,885,075



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
AS AT & FOR THE YEAR ENDED 30 JUNE 2024

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 Sohrwardi 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	Barara, Mymensingh Sadar, Mymensingh

The Bank has exclusive agency arrangement with Sonali Bank Limited, state owned commercial bank, for carrying out certain specific treasury related functions across the country. As of 30 June 2024, 734 branches of Sonali Bank Limited 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.

These financial statements have been prepared in accordance with 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



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
AS AT & FOR THE YEAR ENDED 30 JUNE 2024

	Compliance status
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 29: Financial Reporting in Hyperinflationary Economies	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
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
IFRS 17: Insurance Contracts	Not applicable

Adoption of new and revised Standards

a) New and amended IFRS Standards that are effective for the current year

The following are the amendments that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- IFRS 16 Leases- Lease Liability in a Sale and Leaseback
- Amendments to IAS 1 Presentation of Financial Statements- Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements
- IFRS S1 General Requirements for Disclosure of Sustainability- related Financial Information
- IFRS S2 Climate-related Disclosures

b) New and revised IFRS Standards in issue but not yet effective

At the date of authorization of these financial statements, the Bank has not applied the following new and revised IFRS Standards that have been issued but are not yet effective and in some cases had not yet been adopted by the Bank.

- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 1 Amendments to IAS 1
- Amendments to IAS 7 and IFRS 7
- Classification of Liabilities as Current or Non-current Liabilities with Covenants Supplier Finance Arrangements
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback
- Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

The Board does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Bank in future periods.

2.02 Basis of measurement

The financial statements have been 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"):

- Financial instruments held at fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI) are measured at fair value.
- All assets, except for low value assets and value amounting less than BDT 1 Lac, under Property Plant & Equipment (PPE) are measured at cost at the time of acquisition and subsequently at revalued amounts less accumulated depreciation and impairment losses.
- The net defined-benefit liability/asset of employee benefit plans, which is recognized as the net of fair value of plan assets and the present value of the defined-benefit obligations.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
AS AT & FOR THE YEAR ENDED 30 JUNE 2024

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 issued notes. 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 prepared 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 note 21.

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 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 property, plant and equipment and intangible assets for calculation of depreciation and amortization.
- 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 is given in accordance with IAS-1 & IAS-8. The narrative and descriptive information are disclosed 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 2024, Other local currency financial liabilities have been reclassified to Other foreign currency financial liabilities.

3 Material accounting policy information

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.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
AS AT & FOR THE YEAR ENDED 30 JUNE 2024

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, One thousand 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 definition "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. 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 unrealized income & expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with the subsidiary are eliminated to the extent of the Group's interest in the subsidiary. Unrealized losses are eliminated in the same way as unrealized 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 prevailing 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 prevailing 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-24	30-Jun-23
US Dollar	118.0000	106.0000
Australian Dollar	78.6706	70.6596
Canadian Dollar	86.2762	80.0846
EURO	126.4134	115.6460
Pound Sterling	149.1756	134.6624
CNY	16.1659	14.5853
JPY	0.7337	0.7345
SDR	155.2054	140.9906
SGD	87.0592	78.4024
SEK	11.1418	9.8349

3.03 Foreign exchange gain/loss

Realized 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 realized revaluation reserve.

The difference between realized revaluation reserve account and the ledger balance is accounted as unrealized exchange gain/loss for the period and is recognized in the statement of profit or loss for the year. Subsequently the realized and unrealized gain/loss is 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, unforeseen global economic shocks and other financial risks. Maintaining such reserve is a common practice by many other central banks.



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3.05 Financial assets and liabilities

Financial assets comprise 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 recognized in the Statement of Financial Position on the date they are originated. Regular purchases or sales of financial assets are recognized or derecognized, 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 recognized 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 amortized cost :

A financial asset shall be measured at amortized 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, advances to Government, investment in REPO, equity investment in HBFC debentures and foreign and local currency loans to Banks and Financial Institutions are measured at amortized cost using the effective interest rate method less ECLs (Expected Credit Losses), if any. 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 amortized 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

- 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 available 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) Amortized cost measurement principles

Amortized 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 amortization using the effective interest method of any difference between that initial amount and the maturity amount, minus any reduction for impairment or irrecoverability.



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Effective interest method is a method of calculating the amortized 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 recognized 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 maximize the use of relevant observable inputs and minimize 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 recognized 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 recognizes 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) recognized 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 recognized in the statement of profit or loss. Gains and losses on subsequent measurement of the financial assets categorized as amortized cost are recognized 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 derecognizes 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 recognized 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 recognized in other comprehensive income is recognized in the statement of profit or loss.

Group enters into transactions whereby it transfers assets recognized 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 derecognized. Transfers of assets with retention of all or substantially all risks and rewards include, for example, claims from gold transactions and repurchase transactions. Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

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



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(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 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

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.

All the Bank's financial assets which are measured at amortized cost are considered to have low credit risk and therefore are subject to impairment assessments under Stage 1. There were no transfers of financial instruments between stages during the reporting period. The Bank records 12-month ECLs on its financial instruments which are measured at amortized cost (local and foreign currency loans given to Banks and Financial institutions) as at June 30, 2024 and adequately disclosed in notes 14(a).

(h) **Off-setting**

Financial assets and liabilities are offset and the net amount presented in Statement of Financial Position when and only when, the Bank has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Bank has offset the cash at vault with the currency in circulation and presented the net amount of currency in circulation as liabilities in Statement of Financial Position.

i) **Materiality and Aggregation**

Each material class of similar item is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

j) **Contingent Liabilities and Commitments**

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. All outstanding letter of credit issued, capital commitments, litigation amount and unclaimed amount recognized as income, which are not recognized as liabilities in Statement of Financial Position, are shown under respective headings disclosed as Contingent Liabilities and Capital Commitments items. Where applicable, such amounts are measured at best estimates.

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 recognized 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 recognized in the statement of profit or loss and are subsequently transferred to revaluation reserve-foreign currency accounts.



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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 Financial Sector Support Project (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 3.00% 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 available 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 realizable 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.

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.80,000 million (2023: Tk. 80,000 million), is treated as WMA with interest being charged thereon at the reverse repo rate. WMA is realized only after full recovery of Government overdraft account balance.

Overdraft

Government borrowing in excess of the Tk. 80,000 million limit set for WMA are recognized as overdraft with a limit not exceeding Tk. 80,000 million (2023: Tk. 80,000 million). Interest is charged thereon at a rate one percent higher than the reverse repo rate. Any recovery or surplus realized by the Bank from the Government is first applied to the overdraft account balance. Any surplus remaining after full recovery of overdraft account balance is then adjusted against WMA. Government may in its capacity suspend the limit considering the borrowing amount at hand.

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.

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.

3.14 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 schemes 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 Scheme against Term Loans to CMSMEs
- Refinance scheme for Technology Development/Up-gradation Fund
- Prefinance Scheme against Term Loans to CMSMEs
- Export Facilitation Prefinance Fund (EFPF)

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).



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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 recognized 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 total 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 agreement 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.

Subsequently, the second addendum is made and entered into the 13th day of February 2023 Bangladesh Bank and Monetary Board of the CBSL. According to the second addendum, the swap transaction may be renewed by mutual consent for maximum of 7 (seven) times.

3.17 Property, plant and equipment (PPE)

(a) Recognition and measurement

Items of PPE are initially recognized 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. However, the bank is actively considering to change the subsequent measurement policy from revaluation model (land) to revaluation & Cost model (other than land).

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 increases as a result of a revaluation, the increased amount is recognized in Other Comprehensive Income (OCI) and accumulated in equity under the heading of revaluation reserve. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If an asset's carrying amount is decreased as a result of a revaluation, the decreased amount is recognized in profit or loss. However, the decrease is recognized in OCI to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decreased amount which is recognized in OCI reduces the amount accumulated in equity under the heading of revaluation reserve.

The Bank revalued its land as at 01 January 2022 and other items of PPE were revalued as at 31 January 2018 by an independent valuer, S.F. Ahmed & Co. 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, artifacts 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 3.17

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.



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- (c) Subsequent costs
Cost of replacing a part of PPE is recognized 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 derecognized. The costs of the day-to-day servicing of PPE are recognized in the statement of profit or loss as incurred.
- (d) Capital work in progress
Capital work in progress is recognized when it is incurred and depreciated after being recognized 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.

Class of Property, plant and equipment (PPE)	Bank	SPCBL
Building and other construction	5%	2% - 20%
Mechanical and office equipment	10%	2.5% - 20%
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 Artifacts	5%	-

- (f) Borrowing cost capitalization
The Bank capitalizes 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 capitalization, 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.



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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 amortization

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

Expenditure on internally developed software is recognized 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 capitalized costs of internally developed software include all costs directly attributable to developing the software and capitalized borrowing costs, and are amortized over its useful life. Internally developed software is stated at capitalized cost less accumulated amortization and impairment.

Subsequent expenditure on software assets is capitalized 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 amortized 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. Amortization methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

3.19 Transactions on Repurchase Obligations (Repo) and Reverse Repo

Repurchase Arrangements (Repo) and Reverse Repo of securities are recorded as follows:

- a. Securities purchased under Repurchase Agreement (Repo) are recognized as loans and advances to Banks and Financial Institutions. Interest income on Repo facility is recognized as per effective interest rate method. The difference between the purchase price and sale price is recognized as interest income over the tenure of the facility using effective interest rate.
 - b. Securities sold under Reverse Repurchase Agreement ('Reverse Repo') are recognized as short term borrowings. Interest expense on Reverse Repo is recognized as per effective interest rate method. The difference between the sale price and purchase price is recognized as interest expense over the tenure of the facility using effective interest rate.
- Securities lent to counterparties are also retained in the statement of financial position.

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 recognized 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 recognized 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)

The Bank and employees contribute to the fund, which are invested 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 recognized in the statement of profit or loss. Bank's obligations for contributions to the above fund are recognized as an expense in the statement of profit or loss as incurred.



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(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 2023-24 up to BDT 1.5 million, 12% return over the balance ranged from BDT 1.5 million to BDT 3.00 million and 11% return for the remaining balance over BDT 3.00 million. 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% (2023: 90%) of their last basic salary. 50% of the pension amount is paid as a lump sum computed at the rate of Tk. 230 (2023: 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 recognized 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 recognized 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 recognized as an expense in the statement of profit or loss when the plan amendment or curtailment occurs.

(iv) Leave encashment

Those employees who have unutilized 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 unutilized leave is encashed (maximum eighteenth months). Employees are not allowed to encash their unutilized leave until reaching retirement age.

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 recognized 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 recognized 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 and 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 recognized 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 favor 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 remain with the Group are not reflected in note # 21 to the financial statements.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
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3.26 Government grants

Government grants are recognized 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 recognized 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 amortization 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 realized from the staff and other miscellaneous items.

3.29 Dividend income

Dividend income is recognized 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 fulfillment 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 the 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 recognized directly to equity, in which case it is recognized in equity. Present applicable income tax rate is 25.0 % (2023: 27.5%).

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 recognized 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.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
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	2024	2023
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	63,705,832	67,409,046
Foreign commercial banks	16,331,273	21,537,798
Total	80,037,105	88,946,844
5 Foreign investments		
Overnight investment	551,584,340	469,186,507
Short term deposits with overseas commercial banks	254,260,196	250,233,646
US Dollar treasury bills	-	23,067,946
Foreign bonds	856,865,677	925,811,866
*Impairment - Foreign Bonds	(116,192)	-
US treasury notes	617,789,461	656,339,744
Total	2,280,383,483	2,324,639,709
* Amount arises from ECL. Details are disclosed in note 42.2.		
6 International Monetary Fund related assets and liabilities		
6.01 Assets held with International Monetary Fund		
Quota	165,519,596	150,377,636
Quota(IMF) paid by Government*	(14,546,568)	(14,546,567)
SDR holding	293,537,977	278,149,209
Refundable Commitment fee to IMF	24,695	47,699
Interest receivable on SDR holding	2,115,288	1,882,351
Total	446,650,988	415,910,328
*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	295,183,674	212,779,364
Advances to Government against RFI from IMF**	(20,634,215)	(41,268,430)
Advances to Government against ECF from IMF***	(34,794,051)	(7,937,849)
Advances to Government against EFF from IMF***	(69,588,102)	(15,954,887)
IMF-1 and IMF-2 account	1,997,314	1,917,565
SDR allocation	237,882,248	216,095,322
IMF Extended Credit Facility (ECF)	81,429,056	33,315,994
Interest payable	1,619,173	1,379,126
Total	493,095,097	400,326,205

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 authorized 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 Bank 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 2024.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
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	2024	2023
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**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 to fulfill the 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". It requires to be disclosed that under that arrangement SDR 177,770,000.00 (USD 243,903,777.58) was received as Rapid Credit Facility (RCF) and as per MoU signed by Bangladesh Bank and Ministry of Finance the whole amount was transferred to the Government of Bangladesh (GoB) account.

***Against the backdrop of Bangladesh's request for an extended arrangement under the Extended Fund Facility (EFF), an arrangement under the Extended Credit Facility (ECF) and an arrangement under the Resilience and Sustainability Fund (RSF)- the first installment of ECF and EFF was received by the amount of SDR 117,450,000.00 (USD 158,756,978.14) and SDR 234,900,000.00 (USD 317,513,956.28) respectively. The second and third installment of EFF & ECF was received on 14 December 2023 & 26 June 2024 respectively. Amount received as EFF by the second and third installment was SDR 234,900,000.00 (USD 312,206,766.21) and SDR 469,800,000.00 (USD 618,678,072.74) respectively. Whereas amount received as ECF by the second and third installment was SDR 117,450,000.00 (USD 156,103,383.10) and SDR 234,900,000.00 (USD 309,339,036.37) respectively. As per the arrangement, 50% (fifty percent) of the amount received from EFF & ECF has been subsequently transferred to the Government of Bangladesh (GoB) account by creating contra asset accounts named "Advances to Government against ECF from IMF" and "Advances to Government against EFF from IMF". In addition to those, first and second installment of RSF was received on 14 December 2023 & 26 June 2024 respectively by the amount corresponding to SDR 166,670,000.00 (USD 221,521,931.56) and SDR 166,680,000.00 (USD 219,500,343.05) and as per the agreement the whole amount was transferred to the Government of Bangladesh.

IMF Quota account, IMF Securities account and IMF 1 & 2 account are revalued by the exchange rate taken from the General Resources Account (GRA) department. Other than those accounts, all IMF related accounts are revalued using the rate disclosed in note 3.02.

The borrowing is repayable within around 10 years, by the Government through the accounts of the Bank with the IMF. The Government shall deposit in its accounts at the Bank sufficient funds to repay all principal, interest and any other expenses associated with the above tranches as such repayments fall due. In relation to this borrowing, the Ministry of Finance issued promissory notes in favor of the IMF.

7 Gold and silver

Gold	100,612,800	53,693,558
Silver	583,022	399,841
Total	101,195,822	54,093,399

The Bank has in total 458,542.34 troy ounces of gold and 168,728.28 troy ounces of silver under its holding. Out of the total holding, 282,463.42 troy ounces of gold is held at the Bank of England which is subject to lending operation and 83,339.85 troy ounces of gold & 168,728.28 troy ounce of silver is stored at the own local vault of Bangladesh Bank.

8 Claims from gold transactions

25,507,529	37,757,643
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Out of the total Gold holdings mentioned in note 7, remaining 92,739.07 troy ounces is invested in SCB-London which are presented as claims from gold transactions.

9 Foreign currency loans to banks

Export Development Fund (EDF) Dollar investment	302,942,813	458,023,377
Long Term Financing Facility (LTFF) Investment under FSSP*	11,657,780	13,801,487
Green Transformation Fund	15,950,319	18,301,769
Deposit in Central Bank of Sri Lanka	-	21,291,694
Impairment- FC Loans**	(1,623,544)	-
Total	328,927,368	511,418,327

*Duration of LTFF investment under FSSP was from July 2015 to March 2021. No disbursement is made under this project rather the BB-LTFF Revolving fund has been created with the recovered amount.

** The amount arises from ECL model. Details are discussed in note 42.2.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
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	2024	2023
10 Other foreign currency financial assets		
SWIFT shares	80	80
Interest receivable	9,145,034	11,226,096
Other receivable*	5,224,144	5,224,144
Total	14,369,258	16,450,320

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 from the reserve account of Bangladesh Bank maintained with the Federal Reserve Bank of New York through cyber hacking. Out of the heisted money, USD 20 million was recovered immediately from Sri Lanka and later on USD 14.6 million was recovered from the Philippines. Coordinated efforts of all relevant parties are ongoing to recover the remaining USD 66 (approx.) million.

Bangladesh Bank filed a case against 20 defendants including Rizal Commercial Banking Corporation (RCBC) in the US Federal Court on 31 January 2019. The defendants filed Motion to Dismiss against the case and the court dismissed their appeal. In addition, the court dismissed the only Federal claim of Bangladesh Bank i.e.: RICO (Racketeers Influenced Corrupt Organization) claim in the same judgment. Following the dismissal of Bangladesh Bank's only RICO claim in the Federal Court, a case was filed against the same defendants in the New York County Supreme Court (State Court) on 27 May 2020 against which the defendants filed Motion to dismiss. On 13 January 2023, the court dismissed the Motion to Dismiss and instructed the defendants to file their reply. Kim Wong (defendant) appealed against the judgment and on 30 May 2023, the US Appellate Court dismissed the appeal, which means the case filed against him by Bangladesh Bank will continue in the US Court. The state court also ruled in favor of Bloomberry (Solaire) and Eastern Hawaii's Motion to dismiss. Bangladesh Bank appealed against the judgment but the court dismissed the appeal. On 29 February 2024, the Appellate Court gave its verdict on RCBC's appeal against the State Court's order. Bangladesh Bank won the said verdict.

In response to Bangladesh's Mutual Legal Assistance Request, the Department of Justice (DoJ) of the Philippines has been providing necessary legal assistance to Bangladesh. DoJ has filed a number of cases against concerned defendants which are ongoing in the Courts of the Philippines. In a case, the court convicted Ms. Maia Santos Deguito, the then manager of RCBC's Makati branch and sentenced her to 32-56 years of imprisonment and a fine of USD 109 million. She appealed against the judgment and on 19 April 2023 the court of Appeal dismissed the appeal. In another case, a Philippines court sentenced Ms. Angela Ruth Torres (Torres), former Branch Senior Customer Relations Officer of RCBC Bank's Jupiter branch, to 4-5 years of imprisonment and a fine of 1.5 million Philippine pesos. In addition, hearing on 15 cases filed against the president and treasurer of the Philrem Service Corporation were held in the three courts of the Philippines during the period of 30 January - 03 February 2023.

On 15 March 2016 a case was filed on behalf of Bangladesh Bank at the Motijheel Police Station, Dhaka, which is currently under investigation by the Criminal Investigation Department (CID) of Bangladesh Police. It is known that the forensic report of the said case has been completed and the completion of the investigation report of the case is ongoing.

11 Consolidated Taka coin and cash balances		
Taka coin	1,204,462	2,319,221
Cash balances	1,186,620	1,263,737
Total	2,391,082	3,582,958

11.01 Taka coin and cash balances		
Taka coin	1,204,462	2,319,221
Cash balances	67,487	26,411
Total	1,271,949	2,345,632

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.

11.02 Securities purchased under agreement to resell		
BB's Invest in Repo	748,288,724	169,462,750
Impairment - Repo	(101,894)	-
Total	748,186,830	2,345,632

This represents collateralized lending made to various banks under resell arrangement. The collaterals held by the Bank consists of treasury bills, bonds and sukuk. The tenure of Securities purchased under agreement to resell is from 1 day to 90 days. Impairment value arises from the ECL model. Details are discussed in note 42.2.

12 Loans to the Government of Bangladesh		
Ways and means advance (WMA)	80,000,000	80,000,000
Overdraft*	487,454,700	98,018,700
Total	567,454,700	178,018,700

During the year, Overdraft Credit (ODC) was given to the Government more than the approved limit of BDT 80,000 million. However, such excess loan extended to the Government was approved subsequently on 20 August 2024 vide letter # 07.00.0000.137.63.022.17-28 issued by Ministry of Finance.

* policy aspect has been discussed in note 3.12.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
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	2024	2023
13 Consolidated local currency investments		
Treasury bills	4,048,668	504,989,926
Treasury bonds	732,369,443	792,630,759
Short term money market investments*	16,525,119	16,558,042
Debenture - Bangladesh House Building Finance Corporation	3,945,000	3,945,000
Impairment- Debenture*	(545)	-
Shares- ICB Islamic Bank Limited**	7,452	7,452
Total	756,895,136	1,318,131,179

*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.

13.01 Local currency investments		
Treasury bills	4,048,668	504,989,926
Treasury bonds	732,369,443	792,630,759
Debenture - Bangladesh House Building Finance Corporation	3,945,000	3,945,000
Impairment- Debenture*	(545)	-
Investment in subsidiary	12,000,000	12,000,000
Total	752,362,565	1,313,565,685

*Impairment value arises from the ECL model. Details are discussed in note 42.2.

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	1,207,755	5,633,896
Specialized banks*	88,728,744	94,438,830
	89,936,499	100,072,726
Other banks and financial institutions:		
Private banks	369,090,677	12,552,780
Other loans and advances	370,404,224	317,522,107
	739,494,901	330,074,887
Credit loss allowance - Demand Loan (Note 14.a)	(34,724,286)	(6,511,400)
	794,707,114	423,636,213
Interest receivable	4,174,073	2,829,655
Total (i)	798,881,187	426,465,868

(ii) Local currency loans and advances to employees

Loans and advances to employees	52,905,885	49,979,835
Provision for loan losses (Note 14.b)	-	(629,025)
Total (ii)	52,905,885	49,350,810
Total loans (i+ii)	851,787,072	475,816,678

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	1,207,755	5,633,896
Specialized banks*	88,728,744	94,438,830
	89,936,499	100,072,726
Other banks and financial institutions:		
Private banks	369,090,677	12,552,780
Other loans and advances	370,404,224	317,522,107
	739,494,901	330,074,887
Credit loss allowance - Demand Loan (Note 14.a)	(34,724,286)	(6,511,400)
	794,707,114	423,636,213
Interest receivable	4,174,073	2,829,655
Total (i)	798,881,187	426,465,868



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
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	2024	2023
(ii) Local currency loans and advances to employees		
Loans and advances to employees	51,132,615	48,090,961
Provision for loan losses (Note 14.b)	-	(629,025)
Total (ii)	51,132,615	47,461,936
Total loans (i+ii)	850,013,802	473,927,804
*Specialized banks include banks catering the specific needs of different economic sectors as described below:		
Banks		Specialized Sectors
Bangladesh Krishi Bank		Agriculture
Rajshahi Krishi Unnayan Bank		Agriculture
14.a Impairment - Demand Loan		
Opening balance	6,511,400	6,511,400
Charged/(Released) during the year	28,212,886	-
Total	34,724,286	6,511,400
The total impaired value reflects the amount derived from the Expected Credit Loss (ECL) model. Details about the ECL model including the amount arising from ECL has been further disclosed in note 42.2.		
14.b Provision for loan losses		
Opening balance	629,025	629,025
Charged/(Released) during the year	(629,025)	-
Total	-	629,025
Provision for loan losses is for adjusting loss (both principal and interest) from staff advance which were kept previously but to implement the IFRS-9 in its entirety the amount has been written back to income with the approval of the Governor.		
15 Consolidated other local currency financial assets		
Investment in Islami Bank Liquidity Facility (IBLF)*	109,800,000	64,420,000
SLS Quard Account**	65,515,568	-
Impairment- Islamic Investment***	(23,703)	-
Interest receivables	23,764,817	26,107,283
Others	5,058,640	4,135
Total	204,115,321	90,531,418
15.01 Other local currency financial assets		
Investment in Islami Bank Liquidity Facility (IBLF)*	109,800,000	64,420,000
SLS Quard Account**	65,515,568	-
Impairment- Islamic Investment***	(23,703)	-
Interest receivables****	22,805,926	25,247,613
Other Receivable*****	5,054,504	-
Total	203,152,295	89,667,613

*Sukuk bond is kept as collateral against the facility provided to the Islami Bank.

**SLS quard account is a non-interest bearing special liquidity support for shariah based banks. Special treasury bond is kept as collateral.

***Impairment value arises from the ECL model. Details are discussed in note 42.2.

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

*****Other receivable mainly includes commission of issue and management of treasury bills and bonds.



BANGLADESH BANK
NOTES TO THE FINANCIAL STATEMENTS
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16 Property, plant and equipment

Consolidated

In thousand Tk.

30 June 2024

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 2023	70,079,827	6,973,639	5,681,342	3,838,388	802,017	343,404	1,129,682	2,696	145,332	9,247	71,526	746,060	769,507	90,592,667
Addition during the year	-	106,558	187,522	153,942	56,038	15,400	7,313	-	7,539	-	1,587	76,571	879,938	1,492,409
Transfers during the year	-	19,779	68,786	226,571	9,750	-	78,758	-	-	-	-	-	(411,514)	(7,872)
Disposals during the year	-	-	(336)	(12,720)	(209)	(2,895)	(5,255)	-	-	-	(581)	-	-	(21,996)
Revaluation adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 30 June 2024	70,079,827	7,099,976	5,937,314	4,206,181	867,596	355,909	1,210,498	2,696	152,871	9,247	72,532	822,631	1,237,931	92,055,209
Accumulated depreciation														
As at 1 July 2023	-	3,891,961	1,422,146	2,893,240	546,977	333,639	860,690	2,555	85,501	744	68,931	386,933	-	10,493,317
Prior year adjustment	-	-	-	-	-	-	1,352	-	-	-	-	-	-	1,352
Charge for the year	-	373,735	364,729	426,643	77,901	8,193	118,723	37	17,079	462	2,105	171,363	-	1,560,971
Disposals during the year	-	-	(336)	(12,127)	(209)	(2,895)	(5,255)	-	-	-	(581)	-	-	(21,402)
Revaluation adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 30 June 2024	-	4,265,696	1,786,539	3,307,756	624,669	338,937	975,510	2,592	102,580	1,206	70,455	558,296	-	12,034,237
Net book value														
As at 30 June 2024	70,079,827	2,834,280	4,150,775	898,425	242,927	16,972	234,988	104	50,291	8,041	2,077	264,335	1,237,931	80,020,972
As at 30 June 2023	70,079,827	3,081,682	4,259,201	945,148	255,038	9,765	268,994	141	59,831	8,502	2,595	359,127	769,507	80,099,350

The Group's leases primarily consist of rental of office space of Sena Kallyan Bhaban situated at Motijheel, Dhaka and Dormitory spaces for Barishal, Chattogram and Rangpur Office.

30 June 2023

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 2022	37,549,823	7,367,314	8,854,215	3,720,095	760,485	343,203	952,913	2,664	88,978	7,900	74,565	364,441	591,476	60,678,072
Addition during the year	1,139,963	343,166	70,251	126,703	43,835	201	176,992	32	56,354	1,347	2,694	381,619	168,818	2,511,975
Transfers during the year	-	371	(9,584)	-	-	-	-	-	-	-	-	-	9,213	-
Disposals during the year	-	(391,516)	(2,921,312)	(8,410)	(2,304)	-	(223)	-	-	-	(5,733)	-	-	(3,329,498)
Revaluation adjustment	31,390,041	(345,696)	(312,229)	-	-	-	-	-	-	-	-	-	-	30,732,117
As at 30 June 2023	70,079,827	6,973,639	5,681,342	3,838,388	802,017	343,404	1,129,682	2,696	145,332	9,247	71,526	746,060	769,507	90,592,665
Accumulated depreciation														
As at 1 July 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
Charge for the year	-	343,005	362,361	394,490	73,837	7,750	113,377	52	13,815	412	3,406	149,866	-	1,462,372
Disposals during the year	-	(383,685)	(2,920,351)	(8,086)	(2,303)	-	(223)	-	-	-	(5,730)	-	-	(3,320,379)
Adjustment	-	(324,085)	(309,927)	-	-	-	-	-	-	-	-	-	-	(634,012)
As at 30 June 2023	-	3,891,961	1,422,146	2,893,240	546,977	333,639	860,690	2,555	85,501	744	68,931	386,933	-	10,493,315
Net book value														
As at 30 June 2023	70,079,827	3,081,680	4,259,198	945,148	255,039	9,765	268,993	141	59,831	8,503	2,595	359,127	769,507	80,099,350
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



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16.01 Property, plant and equipment

Separate

In thousand Tk.

30 June 2024														
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 2023	65,423,427	6,392,726	1,362,193	3,838,388	758,482	305,654	1,129,682	2,696	145,332	9,247	71,526	746,060	669,984	80,855,396
Addition during the year	-	11,712	26,191	153,942	53,292	15,400	7,313	-	7,539	-	1,587	76,571	929,156	1,282,703
Transfers during the year	-	19,779	44,398	226,571	9,750	-	78,758	-	-	-	-	-	(387,127)	(7,872)
Disposals during the year	-	-	(336)	(12,720)	(209)	(2,895)	(5,255)	-	-	-	(581)	-	-	(21,996)
Revaluation adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 30 June 2024	65,423,427	6,424,217	1,432,446	4,206,181	821,315	318,159	1,210,498	2,696	152,871	9,247	72,532	822,631	1,212,013	82,108,231
Accumulated depreciation														
As at 1 July 2023	-	3,633,034	915,718	2,893,240	508,607	296,211	860,689	2,554	85,502	744	68,932	386,933	-	9,652,164
Prior year adjustment	-	-	-	-	-	-	1,352	-	-	-	-	-	-	1,352
Charge for the year	-	337,403	70,032	426,642	76,971	8,104	118,723	37	17,079	462	2,105	171,363	-	1,228,921
Disposals during the year	-	-	(336)	(12,127)	(209)	(2,895)	(5,255)	-	-	-	(581)	-	-	(21,402)
As at 30 June 2024	-	3,970,437	985,414	3,307,755	585,368	301,420	975,509	2,591	102,581	1,206	70,456	558,296	-	10,861,035
Net book value														
As at 30 June 2024	65,423,427	2,453,780	447,032	898,426	235,947	16,739	234,989	105	50,290	8,041	2,076	264,335	1,212,013	71,247,196
As at 30 June 2023	65,423,427	2,759,691	446,475	945,148	249,875	9,443	268,994	143	59,830	8,502	2,594	359,128	669,984	71,203,229

The Bank's leases primarily consist of rental of office space of Sena Kallyan Bhaban situated at Motijheel, Dhaka and Dormitory spaces for Barishal, Chattogram and Rangpur Office.

30 June 2023														
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 2022	32,893,423	6,100,393	1,334,266	3,720,095	717,473	305,654	952,912	2,664	88,977	7,900	74,565	364,441	510,047	47,072,810
Addition during the year	1,139,963	312,782	41,464	126,703	43,312	-	176,992	32	56,354	1,347	2,694	381,619	160,307	2,443,569
Transfers during the year	-	371	-	-	-	-	-	-	-	-	-	-	(371)	-
Disposals during the year	-	(20,820)	(13,537)	(8,410)	(2,304)	-	(223)	-	-	-	(5,733)	-	-	(51,027)
Revaluation adjustment	31,390,041	-	-	-	-	-	-	-	-	-	-	-	-	31,390,041
As at 30 June 2023	65,423,427	6,392,726	1,362,193	3,838,388	758,482	305,654	1,129,682	2,696	145,332	9,247	71,526	746,060	669,984	80,855,393
Accumulated depreciation														
As at 1 July 2022	-	3,316,699	857,062	2,506,837	437,880	289,445	747,535	2,503	71,686	332	71,256	237,067	-	8,538,302
Charge for the year	-	329,325	71,231	394,489	73,030	6,765	113,377	52	13,815	412	3,406	149,866	-	1,155,768
Disposals during the year	-	(12,989)	(12,575)	(8,086)	(2,303)	-	(223)	-	-	-	(5,730)	-	-	(41,906)
As at 30 June 2023	-	3,633,034	915,718	2,893,240	508,607	296,211	860,689	2,554	85,502	744	68,932	386,933	-	9,652,164
Net book value														
As at 30 June 2023	65,423,427	2,759,691	446,475	945,148	249,875	9,443	268,993	142	59,830	8,503	2,594	359,127	669,984	71,203,229
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



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	2024	2023
17 Intangible assets		
Intangible asset at cost	2,458,369	2,191,973
Accumulated amortisation	(1,881,524)	(1,670,082)
Capital work in progress	-	236,724
Total	576,845	758,615
Balance represents the accumulated value of intangible assets 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	1,357,190	1,072,638
Stock*	3,712,419	3,628,338
Sundry debtors	1,870,961	1,258,283
Total	6,940,570	5,959,259
*Stocks held by the Group are primarily comprised of paper, ink, plates and related materials for printing of notes and other products at the Subsidiary. Stocks 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	1,114,794	760,986
Stock	167,239	146,476
Total	1,282,033	907,462
19 Deposits from banks and financial institutions		
Foreign currency deposits from commercial banks	143,394,836	132,647,482
Asian Clearing Union (ACU)	166,607,848	115,690,536
Interest payable on ACU	1,015,818	560,274
Total	311,018,502	248,898,292
20 Other foreign currency financial liabilities		
Swap liability to CBSL*	-	21,291,694
ESCROW account**	69,297,810	34,968,424
Deposit from Development Partners***	37,516,432	27,869,898
Total	106,814,242	84,130,016
*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 3.16.		
**Escrow account is a temporary liability account created for the loan repayment of Rooppur Nuclear Power Plant. This amount reflects the payment of the Government made to the creditor. The corresponding foreign currency amount is kept in foreign currency accounts.		
*** Reclassified from Other local currency financial liabilities to Other foreign currency financial liabilities.		
21 Notes in circulation		
Notes in circulation	3,184,097,762	3,101,560,420
Cash in hand	(120)	(122)
Total	3,184,097,642	3,101,560,298

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	2024	2023
10 Taka note	1,617,413,990	16,174,140	15,881,919
20 Taka note	965,023,313	19,300,466	18,515,840
50 Taka note	597,898,075	29,894,904	26,621,131
100 Taka note	1,293,881,965	129,388,197	130,066,133
200 Taka note	331,273,491	66,254,698	50,160,813
500 Taka note	2,496,884,734	1,248,442,367	1,179,634,958
1000 Taka note	1,674,642,990	1,674,642,990	1,680,679,626
Total	8,977,018,558	3,184,097,762	3,101,560,420



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	2024	2023
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	118,372,309	87,948,235
Silver	583,022	399,841
Approved foreign exchange	2,009,550,000	2,287,450,000
Bangladesh Government securities	1,024,508,530	693,563,685
Taka coin	1,204,462	2,319,221
Other loans and advances	29,879,438	29,879,438
Total	3,184,097,761	3,101,560,420

22 Deposits from banks and financial institutions

State owned commercial banks	208,963,536	189,169,085
Government specialized banks	20,899,133	23,953,199
Private banks	646,081,702	445,482,843
Foreign banks	51,643,234	49,485,391
Financial institutions	5,148,500	6,739,733
Other banks	27,964	32,964
Total	932,764,069	714,863,215

Deposits from banks and financial institutions comprise reserve deposits as required by Cash Reserve Ratio (CRR) calculated at a rate of 4.0% (2023: 4.0%) on the bank's liability base, together with the balances held for settlement purposes.

23 Consolidated other local currency financial liabilities

Government deposits	5,046	5,043
Other deposits (Note 23.02)	34,996,276	41,799,128
Sundry creditors account	6,832,563	7,456,117
Lease liability (Note: 23.03)	271,323	363,898
Interest suspense account	112,945	108,345
Deposits from donor agencies	-	27,869,898
Inter branch adjustments (suspense)	4,488,361	2,709,601
Provision for pension*	28,662,080	26,570,883
Provision for gratuity*	2,246,795	2,103,368
Provision for leave encashment	3,404,331	3,381,720
Loan from Govt. of Bangladesh - Central Bank Strengthening Project (Note 23.04)	2,180,263	2,295,014
Loan from Govt. of Bangladesh-Financial Sector Support Project (Note 23.05)	19,602,203	21,630,017
Deferred tax liability	841,562	914,845
Others - subsidiary	1,924,747	1,600,878
Fund for small investor affected in capital market	5,839	5,770
Miscellaneous	-	1,527
Total	105,574,334	138,816,051

23.01 Other local currency financial liabilities

Government deposits	5,046	5,043
Other deposits (Note 23.02)	34,996,276	41,799,128
Sundry creditors account	8,319,457	8,904,504
Lease liability (Note: 23.03)	271,323	363,898
Interest suspense account	112,945	108,345
Inter branch adjustments (suspense)	4,488,361	2,709,601
Provision for pension*	28,662,080	26,570,883
Provision for gratuity*	2,242,780	2,086,594
Provision for leave encashment	3,197,402	3,168,063
Loan from Govt. of Bangladesh - Central Bank Strengthening Project (Note 23.04)	2,180,263	2,295,014
Loan from Govt. of Bangladesh-Financial Sector Support Project (Note 23.05)	19,602,203	21,630,017
Fund for small investor affected in capital market	5,839	5,770
Miscellaneous	-	1,527
Total	104,083,975	137,518,285

*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, scheduled bank's insurance fund deposit, security deposit, employees co-operative societies deposits and other sundry deposits.



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	2024	2023
23.03 Lease liability		
Recognized against Right-of-use asset for rented office space of Sena Kallyan Bhaban situated at Motijheel, Dhaka. Apart from this, the rented space for dormitory of Chattogram, Barishal and Rangpur office are also recognized as Right-of-use asset. 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 has 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 allotted to the Government as per Article 4(1) and 4(2) of the Bangladesh Bank Order, 1972.		
25 Consolidated revaluation reserves		
Revaluation reserve - gold and silver (Note 25.02)	94,186,477	60,990,612
Revaluation reserve - foreign currency accounts (Note 25.03)	596,632,479	581,430,094
Revaluation reserve - property, plant and equipment (Note 25.04)	71,094,985	71,118,650
Revaluation reserve - financial instruments (Note 25.05)	(140,210,328)	(60,282,771)
Total	621,703,613	653,256,585
25.01 Revaluation reserves		
Revaluation reserve - gold and silver (Note 25.02)	94,186,477	60,990,612
Revaluation reserve - foreign currency accounts (Note 25.03)	596,632,479	581,430,094
Revaluation reserve - property, plant and equipment (Note 25.04)	66,476,269	66,476,269
Revaluation reserve - financial instruments (Note 25.05)	(140,210,328)	(60,282,771)
Total	617,084,897	648,614,204
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 transferred to a separate account - revaluation reserve-gold and silver, which is part of equity.		
25.03 Revaluation reserve - foreign currency accounts		
The Bank accounts for the unrealized gain/loss on revaluation of foreign currency to the statement of profit or loss and other comprehensive income and subsequently transferred to a separate account - revaluation reserve-foreign currency, which is 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 transferred to a separate account - revaluation reserve - property, plant and equipment, which is 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 transferred to a separate account - revaluation reserve- financial instrument, which is part of equity.		



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	2024	2023
26 Currency fluctuation reserve	509,875,432	281,090,590
The Bank credited the realized gain on revaluation of foreign currencies to the statement of profit or loss and other comprehensive income and subsequently transferred the same to a separate account - currency fluctuation reserve account, which is part of equity.		
27 Statutory funds		
Rural credit fund (Note 27.01)	7,600,000	7,400,000
Agricultural credit stabilization fund (Note 27.02)	7,600,000	7,400,000
Export credit fund (Note 27.03)	1,300,000	1,300,000
Industrial credit fund (Note 27.04)	2,237,852	2,087,852
Credit guarantee fund (Note 27.05)	879,194	879,194
Total	19,617,046	19,067,046

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 200 million is made for this fund during the year.

27.02 Agricultural credit stabilization 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 200 million is 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 is 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 150 million is 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 providing small loans to cottage industries. No appropriation is made for this fund during the year.

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)	275,023	275,330
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)	1,800,000	900,000
Total	17,345,023	16,445,330

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 scheduled 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 first made from the dividend payable to Government in 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.



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	2024	2023
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. 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 was collected as donation from Bangladesh Bank's 2012-2013 profit and subsequently Tk. 50 million had been deducted from each year's profit transferring the amount to this fund. From financial year 2014-2015, Tk. 100 million had been contributed deducting from each year's profit. This year Tk. 180.00 million has been appropriated.		
29 Other reserves		
Asset renewal and replacement fund (29.01)	6,276,679	5,820,516
Interest reserve (29.02)	7,522,114	7,522,114
Total	13,798,793	13,342,630
29.01 Asset renewal and replacement fund		
As per Asset renewal and replacement fund policy, an amount of taka 456.16 million is 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	5,700,500	5,600,500
Consolidated general reserve consists of the general reserve of Bangladesh Bank and that of 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 Tk. 4,220.5 million was transferred to the reserve from general provision over the years.		
31 Consolidated retained earnings		
Opening balance	122,020,617	43,208,378
Adjustment against due from Government	(57,276)	-
Transfer to Disaster Management and Social Responsibility Fund	(200,000)	(200,000)
Dividend paid	(106,526,304)	(28,476,987)
Prior year adjustment	(23,304)	(875)
Derecognition of reserve on account of sale and maturity of assets	23,664	23,912
Profit for the period	405,661,781	473,442,469
Appropriation of profit to other funds	(246,793,390)	(365,876,280)
Transfer to general reserve	(100,000)	(100,000)
Closing balance	174,005,788	122,020,617
31.01 Retained earnings		
Opening balance	106,807,347	28,676,987
Adjustment against due from Government	(57,276)	-
Transfer to Disaster Management and Social Responsibility Fund	(200,000)	(200,000)
Dividend paid	(106,526,304)	(28,476,987)
Prior year adjustment	(23,304)	(875)
Appropriation of profit to funds	(2,806,163)	(1,902,755)
Profit for the period	161,550,249	108,710,977
Closing balance	158,744,549	106,807,347
32 Interest income from foreign currency financial assets		
Loans to banks	23,891,169	19,180,222
Short term deposits with commercial banks	13,223,036	11,681,300
Foreign bonds and US treasury notes	15,184,064	18,137,119
US treasury bills	131,587	2,296,305
Others	12,466,104	8,049,207
Total	64,895,960	59,344,153
33 Commission and discounts		
Commission on foreign currency operations	195,888	660,756
Others	463,642	-
Total	659,530	660,756



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	2024	2023
34 Interest expenses on foreign currency financial liabilities		
Interest on deposits	2,451,677	949,374
Asian Clearing Union (ACU)	4,841,823	2,773,184
IMF charges	11,302,617	5,841,015
Total	18,596,117	9,563,573
35 Consolidated interest income on local currency financial assets		
Securities purchased under agreement to resell	36,799,496	7,670,616
Government securities	89,753,205	70,477,608
Loans and advance to Government	12,778,053	1,635,198
Debentures	190,750	190,750
Loans to banks, financial institutions and employees	11,889,801	8,073,030
Profit on islamic investment	5,638,564	2,305,286
Interest on liquidity support	5,221	-
Short term money market deposits	1,439,937	1,073,815
Total	158,495,028	91,426,303
35.01 Interest income from local currency financial assets		
Securities purchased under agreement to resell	36,799,496	7,670,616
Government securities	89,753,205	70,477,608
Loans and advance to Government	12,778,053	1,635,198
Debentures	190,750	190,750
Loans to banks, financial institutions and employees	11,820,376	7,999,587
Profit on islamic investment	5,638,564	2,305,286
Interest on liquidity support	5,221	-
Total	156,985,665	90,279,045
36 Commission and discount income		
Commission income from Government sources	4,926,874	8,931
Miscellaneous commission income	2,266,229	2,038,184
Total	7,193,103	2,047,115
37 Other income		
Exchange A/C	25	24
Gain on asset sale or de-recognition	1,116	852
Penal Interest	9,367,448	1,832,558
Misc. Income	2,973	4,016
Fee Income	91,175	-
Total	9,462,737	1,837,450
38 Interest expense on local currency financial liabilities		
Bangladesh Bank bills	1,726	-
Interest Expense- Financial Sector Support Project	211,362	219,304
Interest expense - Central Bank Strengthening Project	22,663	23,380
Total	235,751	242,684
39 Commission and other expenses		
Agency charges (Note 39.01)	4,963,500	5,518,000
Underwriting commission on treasury bills & bonds (Note 39.02)	809,800	481,300
Loss on amortization of treasury bond	-	4,294,602
Other expenses	150,845	59,505
Total	5,924,145	10,353,407
39.01 Agency charges		
Agency charges are paid to Sonali Bank Limited for acting as agent of Bangladesh Bank.		
39.02 Underwriting commission on treasury bills & bonds		
Underwriting commission is paid to primary dealers for treasury bill and bond.		
40 Revaluation gain/(loss) on financial instruments		
Valuation gain / (loss) on US Treasury Notes Investment	16,197,494	(11,446,375)
Valuation gain/ (loss) on Bangladesh Government Treasury Bond	(97,021,544)	(11,760,646)
Total	(80,824,050)	(23,207,021)



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	2024	2023
41 Consolidated general and administrative expenses		
Staff costs (Note 41 (a))	14,762,226	14,036,948
Depreciation	1,560,970	1,486,280
Amortization	211,442	142,644
Directors' fees	867	889
Audit fees	6,325	6,325
Stationery	135,323	115,319
Rent, electricity etc.	417,905	396,898
Remittance of treasure	59,074	80,567
Donations, Welfare, Sports and other administrative expenses	334,164	248,601
Telephone	129,647	128,632
Repairs & maintenance	947,129	506,258
Materials	2,694,950	2,991,081
Provision for Workers' Profit Participation Fund	116,042	105,794
Value Added Tax	304,582	336,531
Miscellaneous	1,278,611	3,617,997
Total	22,959,257	24,200,763
41 (a) Staff costs		
Salary	3,347,047	3,284,619
House rent	1,284,977	1,268,843
Contribution to contributory provident fund	751,953	821,906
Pension and gratuity	4,378,933	4,200,166
Leave encashment	296,533	10,000
General and incentive bonus	2,072,414	2,119,800
Medical expenses	711,678	614,113
Training	146,366	88,332
Travel expenses	689,922	659,204
Lunch	300,291	302,260
Other staff costs	782,112	667,705
Total	14,762,226	14,036,948
41.01 General and administrative expenses		
Staff costs (Note 41.01(a))	13,817,288	13,198,925
Depreciation	1,228,921	1,155,768
Amortization	211,442	142,644
Directors' fee	432	608
Audit fee	5,750	5,750
Stationery	127,504	109,716
Rent, electricity etc.	291,052	255,947
Remittance of treasure	58,706	80,099
Donations	328,917	208,852
Telephone	129,227	128,174
Repairs	905,565	467,736
Miscellaneous	1,174,575	3,561,142
Total	18,279,379	19,315,360
41.01(a) Staff costs		
Salary	2,955,676	2,928,542
House rent	1,284,977	1,268,843
Contribution to contributory provident fund	751,953	821,906
Pension and gratuity	4,211,302	4,139,982
Leave encashment	265,925	-
General and incentive bonus	1,925,864	1,927,716
Medical expenses	684,950	591,651
Training	146,366	88,332
Travel expenses	683,962	644,888
Lunch	269,018	269,662
Other staff costs	637,298	517,401
Total	13,817,288	13,198,925
41.02 Allowances for Expected Credit Loss (ECL)		
Allowances for ECL	30,831,289	-
Total	30,831,289	13,198,925

Allowances for Expected Credit Loss is an estimate of the exposure derived from the model discussed in note 42.2. It may be mentioned that the previously kept provision has been adjusted with the amount arising from ECL.



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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 2024				Fair value			
	Carrying amount							
	Amortized 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	-	-	-	-	-	-	-	-
Foreign bonds	856,865,677	-	-	856,865,677	856,865,677	-	-	856,865,677
US Treasury Notes	-	617,789,461	-	617,789,461	617,789,461	-	-	617,789,461
Gold and silver	-	101,195,822	-	101,195,822	101,195,822	-	-	101,195,822
Claims from Gold Transaction	-	25,507,529	-	25,507,529	25,507,529	-	-	25,507,529
Treasury bills	4,048,667.86	-	-	4,048,668	4,048,668	-	-	4,048,668
Treasury bonds	-	732,369,443	-	732,369,443	732,369,443	-	-	732,369,443
Swift shares	-	80	-	80	-	-	80	80
Debenture - House Building Finance Corporation	3,945,000	-	-	3,945,000	-	3,945,000	-	3,945,000
	864,859,345	1,476,862,335	-	2,341,721,680	2,337,776,600	3,944,999	80	2,341,721,680
Financial assets not measured at fair value								
Taka coin and cash balances	2,391,082	-	-	2,391,082	-	-	-	-
Foreign currency accounts	80,037,105	-	-	80,037,105	-	-	-	-
Overnight investment	551,584,340	-	-	551,584,340	-	-	-	-
Short term deposits with overseas commercial banks	254,260,196	-	-	254,260,196	-	-	-	-
Asset held with IMF	446,650,988	-	-	446,650,988	-	-	-	-
Foreign currency loans to banks	328,927,368	-	-	328,927,368	-	-	-	-
Interest receivable	9,145,034	-	-	9,145,034	-	-	-	-
Other receivable	5,224,144	-	-	5,224,144	-	-	-	-
Ways and means advance	80,000,000	-	-	80,000,000	-	-	-	-
Short term money market investments	764,711,949	-	-	764,711,949	-	-	-	-
Share of ICB Islamic Bank Limited	7,452	-	-	7,452	-	-	-	-
Loan to commercial banks	1,207,755	-	-	1,207,755	-	-	-	-
Loan to specialized banks	88,728,744	-	-	88,728,744	-	-	-	-
Loan to private banks	369,090,677	-	-	369,090,677	-	-	-	-
Other loans and advances	370,404,224	-	-	370,404,224	-	-	-	-
Interest receivable	4,174,073	-	-	4,174,073	-	-	-	-
Loans and advances to employees	52,905,885	-	-	52,905,885	-	-	-	-
Other local currency financial assets	204,115,321	-	-	204,115,321	-	-	-	-
	3,613,566,336	-	-	3,613,566,336	-	-	-	-
Financial liabilities measured at fair value								
Nil	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	493,095,097	-	-	493,095,097	-	-	-	-
Foreign currency deposits by commercial banks	143,394,836	-	-	143,394,836	-	-	-	-
Asian Clearing Union (ACU)	167,623,666	-	-	167,623,666	-	-	-	-
Notes in circulation	3,184,097,642	-	-	3,184,097,642	-	-	-	-
Local currency deposits from banks and financial institutions	932,764,069	-	-	932,764,069	-	-	-	-
	4,920,975,311	-	-	4,920,975,311	-	-	-	-



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In Thousand Tk.

Particulars	30 June 2023 Carrying amount				Fair value			
	Amortized 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	23,067,946	-	-	23,067,946	23,067,946	-	-	23,067,946
Foreign bonds	925,811,866	-	-	925,811,866	925,811,866	-	-	925,811,866
US Treasury Notes	-	656,339,744	-	656,339,744	656,339,744	-	-	656,339,744
Gold and silver	-	54,093,399	-	54,093,399	54,093,399	-	-	54,093,399
Claims from gold transactions	-	37,757,643	-	37,757,643	37,757,643	-	-	37,757,643
Treasury bills	504,989,926	-	-	504,989,926	504,989,926	-	-	504,989,926
Treasury bonds	-	792,630,759	-	792,630,759	792,630,759	-	-	792,630,759
Swift shares	-	80	-	-	-	-	80	80
Debenture - House Building Finance Corporation	3,945,000	-	-	3,945,000	-	3,945,000	-	3,945,000
	1,457,814,737	1,540,821,625	-	2,998,636,282	2,994,691,282	3,945,000	80	2,998,636,362
Financial assets not measured at fair value								
Taka coin and cash balances	3,582,958	-	-	3,582,958	-	-	-	-
Foreign currency accounts	88,946,844	-	-	88,946,844	-	-	-	-
Overnight investment	469,186,507	-	-	469,186,507	-	-	-	-
Short term deposits with overseas commercial banks	250,233,646	-	-	250,233,646	-	-	-	-
Asset held with IMF	415,910,328	-	-	415,910,328	-	-	-	-
Foreign currency loans to banks	511,418,327	-	-	511,418,327	-	-	-	-
Interest receivable	11,226,096	-	-	11,226,096	-	-	-	-
Other receivable	5,224,144	-	-	5,224,144	-	-	-	-
Ways and Means advance	80,000,000	-	-	80,000,000	-	-	-	-
Short term money market investments	186,020,792	-	-	186,020,792	-	-	-	-
Share of ICB Islamic Bank Limited	7,452	-	-	7,452	-	-	-	-
Loan to commercial banks	5,633,896	-	-	5,633,896	-	-	-	-
Loan to specialized banks	94,438,830	-	-	94,438,830	-	-	-	-
Loan to private banks	12,552,780	-	-	12,552,780	-	-	-	-
Other loans and advances	317,522,107	-	-	317,522,107	-	-	-	-
Interest receivable	2,829,655	-	-	2,829,655	-	-	-	-
Loans and advances to employees	49,350,810	-	-	49,350,810	-	-	-	-
Other local currency financial assets	90,531,418	-	-	90,531,418	-	-	-	-
	2,594,616,589	-	-	2,594,616,589	-	-	-	-
Financial liabilities measured at fair value								
Nil	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	400,326,205	-	-	400,326,205	-	-	-	-
Foreign currency deposits by commercial banks	132,647,482	-	-	132,647,482	-	-	-	-
Asian Clearing Union (ACU)	116,250,811	-	-	116,250,811	-	-	-	-
Notes in circulation	3,101,560,298	-	-	3,101,560,298	-	-	-	-
Local currency deposits from banks and financial institutions	714,863,215	-	-	714,863,215	-	-	-	-
	4,465,648,011	-	-	4,465,648,011	-	-	-	-



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Separate

In Thousand Tk.

Particulars	30 June 2024				Fair value			
	Carrying amount							
	Amortized 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	-	-	-	-	-	-	-	-
Foreign bonds	856,865,677	-	-	856,865,677	856,865,677	-	-	856,865,677
US Treasury Notes	-	617,789,461	-	617,789,461	617,789,461	-	-	617,789,461
Gold and silver	-	101,195,822	-	101,195,822	101,195,822	-	-	101,195,822
Claims from Gold Transaction	-	25,507,529	-	25,507,529	25,507,529	-	-	25,507,529
Treasury bills	4,048,668	-	-	4,048,668	4,048,668	-	-	4,048,668
Treasury bonds	-	732,369,443	-	732,369,443	732,369,443	-	-	732,369,443
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
	864,859,345	1,488,862,335	-	2,353,721,680	2,337,776,600	3,944,999	12,000,080	2,353,721,680
Financial assets not measured at fair value								
Taka coin and cash balances	1,271,949	-	-	1,271,949	-	-	-	-
Foreign currency accounts	80,037,105	-	-	80,037,105	-	-	-	-
Overnight investment	551,584,340	-	-	551,584,340	-	-	-	-
Short term deposits with overseas commercial banks	254,260,196	-	-	254,260,196	-	-	-	-
Asset held with IMF	446,650,988	-	-	446,650,988	-	-	-	-
Foreign currency loans to banks	328,927,368	-	-	328,927,368	-	-	-	-
Interest receivable	9,145,034	-	-	9,145,034	-	-	-	-
Other receivable	5,224,144	-	-	5,224,144	-	-	-	-
Ways and means advance	80,000,000	-	-	80,000,000	-	-	-	-
Securities purchased under agreement to resell	748,186,830	-	-	748,186,830	-	-	-	-
Loan to commercial banks	1,207,755	-	-	1,207,755	-	-	-	-
Loan to specialized banks	88,728,744	-	-	88,728,744	-	-	-	-
Loan to private banks	369,090,677	-	-	369,090,677	-	-	-	-
Other loans and advances	370,404,224	-	-	370,404,224	-	-	-	-
Interest receivable	4,174,073	-	-	4,174,073	-	-	-	-
Loans and advances to employees	51,132,615	-	-	51,132,615	-	-	-	-
Other local currency financial assets	203,152,295	-	-	203,152,295	-	-	-	-
	3,593,178,337	-	-	3,593,178,337	-	-	-	-
Financial liabilities measured at fair value								
Nil	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	493,095,097	-	-	493,095,097	-	-	-	-
Foreign currency deposits by commercial banks	143,394,836	-	-	143,394,836	-	-	-	-
Asian Clearing Union (ACU)	167,623,666	-	-	167,623,666	-	-	-	-
Notes in circulation	3,184,097,642	-	-	3,184,097,642	-	-	-	-
Local currency deposits from banks and financial institutions	932,764,069	-	-	932,764,069	-	-	-	-
	4,920,975,311	-	-	4,920,975,311	-	-	-	-



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Particulars	30 June 2023							
	Carrying amount			Total	Fair value			Total
	Amortized Cost	Fair value through OCI	Fair value through		Level 1	Level 2	Level 3	
Financial assets measured at fair value								
US treasury bills	23,067,946	-	-	23,067,946	23,067,946	-	-	23,067,946
Foreign bonds	925,811,866	-	-	925,811,866	925,811,866	-	-	925,811,866
US Treasury Notes	-	656,339,744	-	656,339,744	656,339,744	-	-	656,339,744
Gold and silver	-	54,093,399	-	54,093,399	54,093,399	-	-	54,093,399
Claims from Gold Transactions	-	37,757,643	-	37,757,643	37,757,643	-	-	37,757,643
Treasury bills	504,989,926	-	-	504,989,926	504,989,925.60	-	-	504,989,926
Treasury bonds	-	792,630,759	-	792,630,759	792,630,759.25	-	-	792,630,759
Swift shares	-	80.47	-	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
	1,457,814,737	1,552,821,625	-	3,010,636,362	2,994,691,282	3,945,000	12,000,080	3,010,636,362
Financial assets not measured at fair value								
Taka coin and cash balances	2,345,632	-	-	2,345,632	-	-	-	-
Foreign currency accounts	88,946,844	-	-	88,946,844	-	-	-	-
Overnight investment	469,186,507	-	-	469,186,507	-	-	-	-
Short term deposits with overseas commercial banks	250,233,646	-	-	250,233,646	-	-	-	-
Asset held with IMF	415,910,328	-	-	415,910,328	-	-	-	-
Foreign currency loans to banks	511,418,327	-	-	511,418,327	-	-	-	-
Interest receivable	11,226,096	-	-	11,226,096	-	-	-	-
Other receivable	5,224,144	-	-	5,224,144	-	-	-	-
Securities purchased under agreement to resell	80,000,000	-	-	80,000,000	-	-	-	-
Ways and Means Advance	169,462,750	-	-	169,462,750	-	-	-	-
Loan to commercial banks	5,633,896	-	-	5,633,896	-	-	-	-
Loan to specialized banks	94,438,830	-	-	94,438,830	-	-	-	-
Loan to private banks	12,552,780	-	-	12,552,780	-	-	-	-
Other loans and advances	317,522,107	-	-	317,522,107	-	-	-	-
Interest receivable	2,829,655	-	-	2,829,655	-	-	-	-
Loans and advances to employees	47,461,936	-	-	47,461,936	-	-	-	-
Other local currency financial assets	89,667,613	-	-	89,667,613	-	-	-	-
	2,574,061,090	-	-	2,574,061,090	-	-	-	-
Financial liabilities measured at fair value								
Nil	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Liabilities with IMF	400,326,205	-	-	400,326,205	-	-	-	-
Foreign currency deposits by commercial banks	132,647,482	-	-	132,647,482	-	-	-	-
Asian Clearing Union (ACU)	116,250,811	-	-	116,250,811	-	-	-	-
Notes in circulation	3,101,560,298	-	-	3,101,560,298	-	-	-	-
Local currency deposits from banks and financial institutions	714,863,215	-	-	714,863,215	-	-	-	-
	4,465,648,011	-	-	4,465,648,011	-	-	-	-

As at 30 June 2024, 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.



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42.1 b. Valuation techniques used in determination of fair values within level 2 and level 3

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 the portfolio of the asset and liability base.

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 (2023: BDT 12,000,000,000) & Debentures of HBFC with a value of BDT 3,945,000,000 (2023: 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 shares are their carrying value.

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 recognized and unrecognized 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, minimizing 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 the investment guidelines approved by the Board. The Investment Committee chaired by the Deputy Governor of the Bank is responsible for monitoring and implementation of risk mitigation measures prescribed in the "Reserve Management Guideline" and ensuring 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, providing with solution to credit risk including both the Bank's rigorous monitoring activities and, in many cases, guarantees from the government.

Impairment of financial assets

Impairment of financial assets are discussed in note 3.05(g).

Definition of Default:

Assumptions and techniques for estimating impairment under ECL:

The Bank is recording the allowance for expected credit losses (ECLs) for all loans and debt instruments that are measured at amortized cost together with loan commitment and guarantee contract. Equity instruments are not subject to ECLs. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since initial recognition, in which case, the allowance is based on the 12 months' expected credit loss as outlined in note 3.05 (g).

The calculation of ECLs:

The Bank calculates ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the Effective Interest Rate (EIR) which is the Reverse Repo rate prevailing at the reporting date.

EAD : Exposure at default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too. To calculate the EAD for a stage 1 financial instruments, the Group assesses the possible default events within 12 months for the calculation of the 12 months ECL. For stage 2 and stage 3 the exposure at default is considered for events over the lifetime of the instruments. The Group determines EAD by modeling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. PDs are then assigned to each economic scenario based on the outcome of the Bank's models.

PD : Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. PD estimation process is based on the probability of default assigned to each counterparty according to their external credit ratings and the related historical credit losses experience, adjusted for forward-looking information.

LGD : Loss given default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD. LGD represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support.

The basis of financial assets which are categorized into three stages depending on their assessed credit risk are discussed in note 3.05 (g).

Credit risk grades:

Grading	12 month PD	Life Time PD
Performing	0.03% - 0.015%	0.03% - 0.015%
Non-performing	1.05%-3.98%	5%-100%



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Amounts arising from ECL:

amount in '000 BDT

Particulars	Balance as on June 30, 2024					
	Credit Exposure Movement-ECL stage wise			Expected Credit Loss		
	Stage I	Stage II	Stage III	12 month ECL	Life Time ECL	Total ECL
Foreign Bond	860,678,833	-	-	116,192	-	116,192
Foreign Currency Loans	329,366,421	-	3,509,065	44,464	1,579,079.44	1,623,544
Investment in Repo	754,773,938	-	-	101,894	-	101,894
Refinance & Demand Loan	434,329,261	366,123,006.06	33,153,207	7,773,142	26,951,144	34,724,286
Advances to Government	567,576,882	-	-	-	-	-
Investment in T. Bill	4,395,900	-	-	-	-	-
Investment in Debenture	4,040,375	-	-	545	-	545
Islamic Investment	175,580,261	-	-	23,703	-	23,703

amount in '000 BDT

Particulars	Balance as on June 30, 2023					
	Credit Exposure Movement-ECL stage wise			Expected Credit Loss		
	Stage I	Stage II	Stage III	12 month ECL	Life Time ECL	Total ECL
Foreign Bond	930,387,290	-	-	125,602	-	125,602
Foreign Currency Loans	514,876,938	-	-	69,508	-	69,508
Investment in Repo	169,462,750	-	-	22,877	-	22,877
Refinance & Demand Loan	434,329,261	-	2,676,517	1,196,987	1,204,433	2,401,420
Advances to Government	178,018,700	-	-	-	-	-
Investment in T. Bill	516,892,945	-	-	-	-	-
Investment in Debenture	4,040,375	-	-	545	-	545
Islamic Investment	64,420,000	-	-	8,697	-	8,697

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Forward looking information: The Bank formulates a view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on a variety of external actual and forecast information.

Significant increase in credit risk: The Bank considers financial assets that have experienced a significant increase in credit risk when credit rating falls below investment grade, contractual payment overdue for more than 90 days and current market information.

Collateral and other credit enhancements: To mitigate credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as securities, guarantees and demand promissory notes. The collaterals held against financials assets have been disclosed in their respective notes, where applicable.

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	2024		2023	
	Consolidated	Separate	Consolidated	Separate
Bangladesh	3,587,654,660	3,579,406,555	2,828,228,264	2,819,672,764
Other Asian countries	137,491,537	137,491,537	479,876,115	479,876,115
United States of America	1,181,519,900	1,181,519,900	1,156,918,586	1,156,918,586
Europe	232,150,050	232,150,050	446,888,586	446,888,586
Australia	1,133,411	1,133,411	4,471,667	4,471,667
Others	1,267,952,136	1,267,952,136	768,377,035	768,377,035
Total	6,407,901,694	6,399,653,590	5,684,760,253	5,676,204,753

The Bank's significant end-of-year concentrations of credit exposure, based on industry, were as follows:

Particulars	2024		2023	
	Consolidated	Separate	Consolidated	Separate
Sovereign	2,165,429,548	2,157,181,443	2,412,064,835	2,403,509,335
Supra-national	838,173,069	838,173,069	823,919,131	823,919,131
Banks & Financial Institutions	2,422,793,716	2,422,793,716	2,074,430,952	2,074,430,952
Public Sector Entities	774,494,383	774,494,383	195,770,303	195,770,303
Corporate	16,078,991	16,078,991	16,078,991	16,078,991
Others	190,931,987	190,931,987	162,496,040	162,496,040
Total	6,407,901,694	6,399,653,588	5,684,760,253	5,676,204,753



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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. 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	2024		2023	
		Amount	% of financial assets	Amount	% of financial assets
i) Foreign currency financial assets					
Foreign currency accounts	P-1	80,037,105	1.27%	88,946,844	1.58%
Overnight investment	P-1	551,584,340	8.75%	469,186,507	8.33%
Short term deposits with overseas commercial banks	P-1	254,260,196	4.03%	250,233,646	4.44%
US Dollar treasury bills	P-1	-	0.00%	23,067,946	0.41%
Foreign bonds	Aaa	612,396,945	9.71%	636,077,802	11.30%
Foreign bonds	Aa1, Aa2, Aa3	86,231,371	1.37%	94,485,526	1.68%
Foreign bonds	A1, A2,A3	82,856,787	1.31%	78,239,196	1.39%
Foreign bonds	Baa1, Baa2, Baa3,Ba1, Ba2, Ba3,B1,B2,B3	75,380,574	1.20%	117,009,342	2.08%
US Treasury Notes	Aaa	617,789,461	9.80%	656,339,744	11.66%
Foreign currency loans to banks	A	8,699,165	0.14%	23,106,685	0.41%
Foreign currency loans to banks	Aaa to Aa	319,150,335	5.06%	435,714,329	7.74%
Foreign currency loans to banks	Baa,Ba, B	1,077,869	0.02%	50,008,120	0.89%
Foreign currency loans to banks	Unrated	-	0.00%	2,589,193	0.05%
Claims from Gold transaction	A3	25,507,529	0.40%	37,757,643	0.67%
Assets held with International Monetary Fund	Unrated	446,650,988	7.08%	415,910,328	7.39%
Other foreign currency financial assets	Unrated	14,369,258	0.23%	16,450,320	0.29%
Total		3,175,991,923	50.36%	3,395,123,170	60.30%
ii) Local currency financial assets					
Loans to the Government of Bangladesh	Ba3	567,454,700	9.00%	178,018,700	3.16%
Securities purchased under agreement to resell	A	748,186,830	11.86%	169,462,750	3.01%
Local currency investments	Unrated	756,895,136	12.00%	1,318,131,179	23.41%
Loans to banks, financial institutions	A	218,176,803	3.46%	36,069,319	0.64%
Loans to banks, financial institutions	Aaa to Aa	475,477,827	7.54%	312,098,427	5.54%
Loans to banks, financial institutions	Ba to B	90,634,424	1.44%	11,855,559	0.21%
Loans to banks, financial institutions	Baa	14,592,133	0.23%	1,969,624	0.03%
Loans to banks, financial institutions	Unrated	-	0.00%	64,025,959	1.14%
Loans to employees	-	52,905,885	0.84%	49,350,810	0.88%
Other local currency financial assets	-	204,115,321	3.24%	90,531,418	1.61%
Taka coin and cash balances	-	2,391,082	0.04%	3,582,958	0.06%
Total		3,130,830,141	49.64%	2,235,096,703	39.70%
Total financial assets (i+ii)		6,306,822,064	100.00%	5,630,219,873	100.00%



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Separate

In Thousand Tk.

Particulars	Credit Rating	2024		2023	
		Amount	% of financial assets	Amount	% of financial assets
i) Foreign currency financial assets					
Foreign Currency Accounts	P-1	80,037,105	1.27%	88,946,844	1.58%
Overnight investment	P-1	551,584,340	8.76%	469,186,507	8.35%
Short term deposits with overseas commercial banks	P-1	254,260,196	4.04%	250,233,646	4.45%
US Dollar treasury bills	Aaa	-	0.00%	23,067,946	0.41%
Foreign bonds	Aaa	612,396,945	9.72%	636,077,802	11.31%
Foreign bonds	Aa1, Aa2, Aa3	86,231,371	1.37%	94,485,526	1.68%
Foreign bonds	A1, A2,A3	82,856,787	1.32%	78,239,196	1.39%
Foreign bonds	Baa1, Baa2, Baa3, Ba1, Ba2, Ba3, B1, B2, B3	75,380,574	1.20%	117,009,342	2.08%
US Treasury Notes	Aaa	617,789,461	9.81%	656,339,744	11.68%
Foreign currency loans to banks	A	8,699,165	0.14%	23,106,685	0.41%
Foreign currency loans to banks	Aaa to Aa	319,150,335	5.07%	435,714,329	7.75%
Foreign currency loans to banks	Baa, Ba, B	1,077,869	0.02%	50,008,120	0.89%
Foreign currency loans to banks	Unrated	-	0.00%	2,589,193	0.05%
Claims from Gold transaction	A3	25,507,529	0.40%	37,757,643	0.67%
Assets held with International Monetary Fund	Unrated	446,650,988	7.09%	415,910,328	7.40%
Other foreign currency financial assets	Unrated	14,369,258	0.23%	16,450,320	0.29%
Total		3,175,991,923	50.43%	3,395,123,170	60.39%
ii) Local currency financial assets					
Loans to the Government of Bangladesh	Ba3	567,454,700	9.01%	178,018,700	3.17%
Securities purchased under agreement to resell	A	748,186,830	11.88%	169,462,750	3.01%
Local currency investments	Unrated	752,362,565	11.95%	1,313,565,685	23.37%
Loans to banks, financial institutions	A	218,176,803	3.46%	36,069,319	0.64%
Loans to banks, financial institutions	Aaa to Aa	475,477,827	7.55%	312,098,427	5.55%
Loans to banks, financial institutions	Ba to B	90,634,424	1.44%	11,855,559	0.21%
Loans to banks, financial institutions	Baa	14,592,133	0.23%	1,969,624	0.04%
Loans to banks, financial institutions	Unrated	-	0.00%	64,025,959	1.14%
Loans to employees	-	51,132,615	0.81%	47,461,936	0.84%
Other local currency financial assets	-	203,152,295	3.23%	89,667,613	1.60%
Taka coin and cash balances	-	1,271,949	0.02%	2,345,632	0.04%
Total		3,122,442,142	49.57%	2,226,541,205	39.61%
Total financial assets (i+ii)		6,298,434,065	100%	5,621,664,375	100%



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

The Group holds collateral and other credit enhancements against to certain extent 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	2024		2023		Principal type of Collateral
	Amount	% of Exposure subject to collateral requirement	Amount	% of Exposure subject to collateral requirement	
i) Foreign currency financial assets					
Foreign currency loans to banks	328,927,368	100	511,418,327	100	Debit Authorization, Demand Promissory Note
Assets held with International Monetary Fund	446,650,988	100	415,910,328	100	None
ii) Local currency financial assets					
Securities purchased under agreement to resell	748,186,830	100	169,462,750	100	Marketable Government Securities
Loans to the Government of Bangladesh	567,454,700	100	178,018,700	100	Government Guarantee
Local currency loans to banks, financial institutions and employees	850,013,802	100	473,927,804	100	• Government guarantee • Bank guarantee • Demand Promissory Note • Employee retirement benefit and Mortgage of property

The Bank monitors the value of collateral and requests additional collateral in accordance with the underlying agreement if it deems necessary. The Bank reviews the adequacy of the allowance for loan impairment while monitoring the value of collateral.

As described in the table above the Bank receives collateral in the form of financial instruments in respect to the instruments due from financial institutions. Similar arrangements, if considered as master netting arrangements, do not meet the criteria for offsetting in the statement of financial position. This is because the Bank obtains a right of set-off of recognized amounts that is enforceable only following an event of default, insolvency or bankruptcy of the counterparties. The Bank and its counterparties do not intend to settle on a net basis or to realize the assets and settle the liabilities simultaneously.



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II. Liquidity risk

Liquidity risk is the risk that arises when the Group 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 sufficient liquidity (as far as possible) to meet its liabilities when they are due, under both normal and stressed conditions, without unacceptable losses or 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 2024					
<i>In Thousand Tk.</i>					
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	80,037,105	-	-	-	-
Foreign investments	683,956,333	166,487,205	549,660,996	880,395,141	-
Assets held with International Monetary Fund	293,537,977	2,115,288	24,695	-	150,973,028
Gold and silver	-	-	-	-	101,195,822
Claims from Gold transaction	-	-	25,507,529	-	-
Foreign currency loans to banks	62,866,916	114,684,023	128,930,783	15,225,460	8,843,730
Other foreign currency financial assets	-	9,145,034	-	5,224,144	80
Total	1,120,398,332	292,431,549	704,124,003	900,844,745	261,012,660
Local currency financial assets					
Taka coin and cash balances	2,391,082	-	-	-	-
Securities purchased under agreement to resell	748,186,830	-	-	-	-
Loans to the Government of Bangladesh	567,454,700	-	-	-	-
Local currency investments	29,473,938	-	133,988,489	279,477,439	313,955,815
Local currency loans to Banks, FIs and employees	458,749,625	212,919,514	606,492,347	2,591,393,040	(3,017,767,455)
Other local currency financial assets	204,115,321	-	-	-	-
Total	2,010,371,497	212,919,514	740,480,836	2,870,870,479	(2,703,811,639)
Total financial assets	3,130,769,829	505,351,063	1,444,604,839	3,771,715,224	(2,442,798,979)
Foreign currency financial liabilities					
Deposits from banks and financial institutions	311,018,502	-	-	-	-
Liabilities with International Monetary Fund	1,997,314	1,619,173	5,675,706	8,306,515	475,496,389
Other foreign currency financial liabilities	106,814,242	-	-	-	-
Total	419,830,058	1,619,173	5,675,706	8,306,515	475,496,389
Local currency financial liabilities					
Notes in circulation	3,184,097,642	-	-	-	-
Deposits from banks and financial institutions	932,764,069	-	-	-	-
Other local currency financial liabilities	5,046	-	13,251,510	36,222,105	56,095,672
Total	4,116,866,757	-	13,251,510	36,222,105	56,095,672
Total financial liabilities	4,536,696,815	1,619,173	18,927,216	44,528,620	531,592,061
Maturity Gap	(1,405,926,986)	503,731,890	1,425,677,623	3,727,186,604	(2,974,391,040)

30 June 2023

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	88,946,844	-	-	-	-
Foreign investments	623,412,895	122,931,773	255,515,115	1,322,779,926	-
Assets held with International Monetary Fund	278,149,209	1,882,351	47,699	-	135,831,068
Gold and silver	-	-	-	-	54,093,399
Claims from Gold Transactions	-	-	37,757,643	-	-
Foreign currency loans to banks	38,988,432	97,628,924	346,173,640	16,200,659	12,426,671
Other foreign currency financial assets	-	11,226,096	-	5,224,144	80
Total	1,029,497,381	233,669,143	639,494,098	1,344,204,729	202,351,218
Local currency financial assets					
Taka coin and cash balances	3,582,958	-	-	-	-
Securities purchased under agreement to resell	169,462,750	-	-	-	-
Loans to the Government of Bangladesh	178,018,700	-	-	-	-
Local currency investments	101,367,263	119,309,563	367,852,689	341,248,753	388,352,910
Local currency loans to Banks, FIs and employees	37,154,503	100,866,438	165,497,995	124,284,481	48,013,260
Other local currency financial assets	90,531,418	-	-	-	-
Total	580,117,591	220,176,002	533,350,684	465,533,234	436,366,170
Total financial assets	1,609,614,972	453,845,145	1,172,844,782	1,809,737,963	638,717,388



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Foreign currency financial liabilities					
Deposits from banks and financial institutions	248,898,292	-	-	-	-
Liabilities with International Monetary Fund	1,917,565	1,379,126	9,022,820	7,733,828	380,272,867
Other Foreign currency Financial Liabilities	-	-	56,260,118	-	-
Total	250,815,857	1,379,126	65,282,939	7,733,828	380,272,867
Local currency financial liabilities					
Notes in circulation	3,101,560,298	-	-	-	-
Deposits from banks and financial institutions	714,863,215	-	-	-	-
Other local currency financial liabilities	5,043	1,527	11,772,365	43,186,216	83,850,900
Total	3,816,428,556	1,527	11,772,365	43,186,216	83,850,900
Total financial liabilities	4,067,244,413	1,380,653	77,055,304	50,920,044	464,123,767
Maturity gap	(2,457,629,440)	452,464,492	1,095,789,478	1,758,817,919	174,593,621
Separate					

In Thousand Tk.

30 June 2024					
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	80,037,105	-	-	-	-
Foreign investments	683,956,333	166,487,205	549,660,996	880,395,141	-
Assets held with International Monetary Fund	293,537,977	2,115,288	24,695	-	150,973,028
Gold and silver	-	-	-	-	101,195,822
Claims from Gold transaction	-	-	25,507,529	-	-
Foreign currency loans to banks	62,866,916	114,684,023	128,930,783	15,225,460	8,843,730
Other foreign currency financial assets	-	9,145,034	-	5,224,144	80
Total	1,120,398,332	292,431,549	704,124,003	900,844,745	261,012,660
Local currency financial assets					
Taka coin and cash balances	1,271,949	-	-	-	-
Securities purchased under agreement to resell	748,186,830	-	-	-	-
Loans to the Government of Bangladesh	567,454,700	-	-	-	-
Local currency investments	29,473,938	-	117,463,371	279,477,439	325,948,363
Local currency loans to Banks, FIs and employees	458,749,625	212,919,514	606,492,347	2,591,393,040	(3,019,540,725)
Other local currency financial assets	-	203,152,295	-	-	-
Total	1,805,137,042	416,071,809	723,955,718	2,870,870,479	(2,693,592,361)
Total financial assets	2,925,535,374	708,503,358	1,428,079,721	3,771,715,224	(2,432,579,701)
Foreign currency financial liabilities					
Deposits from banks and financial institutions	311,018,502	-	-	-	-
Liabilities with International Monetary Fund	1,997,314	1,619,173	5,675,706	8,306,515	475,496,389
Other foreign currency financial liabilities	106,814,242	-	-	-	-
Total	419,830,058	1,619,173	5,675,706	8,306,515	475,496,389
Local currency financial liabilities					
Notes in circulation	3,184,097,642	-	-	-	-
Deposits from banks and financial institutions	932,764,069	-	-	-	-
Other local currency financial liabilities	5,046	-	12,813,657	35,380,543	55,884,729
Total	4,116,866,757	-	12,813,657	35,380,543	55,884,729
Total financial liabilities	4,536,696,815	1,619,173	18,489,363	43,687,058	531,381,117
Maturity gap	(1,611,161,441)	706,884,185	1,409,590,358	3,728,028,166	(2,963,960,818)

30 June 2023					
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	88,946,844	-	-	-	-
Foreign investments	623,412,895	122,931,773	255,515,115	1,322,779,926	-
Assets held with International Monetary Fund	278,149,209	1,882,351	47,699	-	135,831,068
Gold and silver	-	-	-	-	54,093,399
Claims from Gold Transactions	-	-	37,757,643	-	-
Foreign currency loans to banks	38,988,432	97,628,924	346,173,640	16,200,659	12,426,671
Other foreign currency financial assets	-	11,226,096	-	5,224,144	80
Total	1,029,497,381	233,669,143	639,494,098	1,344,204,729	202,351,218



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Local currency financial assets					
Taka coin and cash balances	2,345,632	-	-	-	-
Securities purchased under agreement to resell	169,462,750	-	-	-	-
Loans to the Government of Bangladesh	178,018,700	-	-	-	-
Local currency investments	101,367,263	119,309,563	351,294,647	341,248,753	400,345,458
Local currency loans to Banks, FIs and employees	37,154,503	100,866,438	165,497,995	124,284,481	46,124,386
Other local currency financial assets	-	25,247,613	-	-	-
Total	488,348,848	245,423,615	516,792,642	465,533,234	446,469,844
Total financial assets	1,517,846,229	479,092,758	1,156,286,740	1,809,737,963	648,821,062
Foreign currency financial liabilities					
Deposits from banks and financial institutions	248,898,292	-	-	-	-
Liabilities with International Monetary Fund	1,917,565	1,379,126	9,022,820	7,733,828	380,272,867
Other foreign currency financial assets	-	-	56,260,118	-	-
Total	250,815,857	1,379,126	65,282,939	7,733,828	380,272,867
Local currency financial liabilities					
Notes in circulation	3,101,560,298	-	-	-	-
Deposits from banks and financial institutions	714,863,215	-	-	-	-
Other local currency financial liabilities	5,043	1,527	11,619,875	42,271,371	83,620,469
Total	3,816,428,556	1,527	11,619,875	42,271,371	83,620,469
Total financial liabilities	4,067,244,413	1,380,653	76,902,814	50,005,199	463,893,335
Maturity gap	(2,549,398,184)	477,712,105	1,079,383,926	1,759,732,764	184,927,727



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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 limits, while optimizing 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 offer best effort 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 2024										
Particulars	USD equivalent	Gold and Silver equivalent	EURO equivalent	GBP equivalent	JPY equivalent	CAD equivalent	AUD equivalent	CNY/ Renminbi equivalent	SDR equivalent	Others equivalent
Assets										
Held in other Central Banks and Foreign Commercial Banks	14,971,682	-	37,176,311	8,940,526	15,935,318	730,715	1,134,449	844,964	-	303,139
Overnight investment	548,759,000	-	2,825,339	-	-	-	-	-	-	-
Short term deposits in overseas commercial banks	95,931,744	-	81,279,839	31,294,147	-	6,989,120	12,587,296	26,178,051	-	-
US Dollar treasury bills	-	-	-	-	-	-	-	-	-	-
Foreign bonds	599,221,360	-	95,680,612	75,323,221	3,380,350	28,972,570	48,870,598	-	-	5,300,775
US Treasury Notes	617,789,461	-	-	-	-	-	-	-	-	-
Loan to Banks	322,560,618	-	6,366,751	-	-	-	-	-	-	-
Claims from gold transaction	-	126,703,351	-	-	-	-	-	-	-	-
Interest receivable	6,962,114	6,780	1,176,414	449,011	3,306	158,680	354,040	5,014	-	29,676
Asset held with IMF	-	-	-	-	-	-	-	-	446,650,988	-
Total	2,206,195,978	126,710,131	224,505,266	116,006,904	19,318,974	36,851,086	62,946,382	27,028,030	446,650,988	5,633,590
Liabilities										
Deposits from other banks, financial institutions and ACU	294,454,846	-	5,700,604	10,433,441	13,898	389	-	415,323.22	-	-
Liabilities to IMF	-	-	-	-	-	-	-	-	493,095,097	-
Swap liability to CBSL	-	-	-	-	-	-	-	-	-	-
ESCROW account	69,297,810	-	-	-	-	-	-	-	-	-
Total	363,752,657	-	5,700,604	10,433,441	13,898	389	-	415,323	493,095,097	-
Net	1,842,443,321	126,710,131	218,804,662	105,573,463	19,305,076	36,850,697	62,946,382	26,612,707	(46,444,109)	5,633,590



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30 June 2023										
Particulars	USD equivalent	Gold and Silver equivalent	EURO equivalent	GBP equivalent	JPY equivalent	CAD equivalent	AUD equivalent	CNY/ Renminbi equivalent	SDR equivalent	Others equivalent
Assets										
Held in other Central Banks and Foreign Commercial Banks	15,934,114	-	23,956,964	6,213,724	28,950,262	3,992,213	4,472,599	5,253,222	-	173,745
Overnight investment	461,577,000	-	7,609,507	-	-	-	-	-	-	-
Short term deposits in overseas commercial banks	88,627,941	-	49,640,112	62,417,191	-	17,587,416	4,669,540	27,291,446	-	-
US Dollar treasury bills	23,067,946	-	-	-	-	-	-	-	-	-
Foreign bonds	643,381,823	-	108,024,158	80,121,451	4,270,810	30,523,297	54,679,513	-	-	4,810,815
US Treasury Notes	656,339,744	-	-	-	-	-	-	-	-	-
Loan to Banks	504,078,387	-	7,339,940	-	-	-	-	-	-	-
Claims from gold transaction	-	91,851,042	-	-	-	-	-	-	-	-
Interest receivable	8,700,489	11,873	1,288,608	523,437	3,579	187,352	470,049	13,034	-	27,677
Asset held with IMF	-	-	-	-	-	-	-	-	415,910,328	-
Total	2,401,707,444	91,862,915	197,859,287	149,275,802	33,224,651	52,290,279	64,291,701	32,557,703	415,910,328	5,012,237
Liabilities										
Deposits from other banks, financial institutions and ACU	244,874,398	-	3,467,117	541,471	14,794	319	-	191.44	-	-
Liabilities to IMF	-	-	-	-	-	-	-	-	400,326,205	-
Swap liability to CBSL	-	-	-	-	-	-	-	-	-	21,291,694
ESCROW account	34,968,423.93	-	-	-	-	-	-	-	-	-
Total	279,842,822	-	3,467,117	541,471	14,794	319	-	191	400,326,205	21,291,694
Net	2,121,864,622	91,862,915	194,392,170	148,734,331	33,209,857	52,289,960	64,291,701	32,557,512	15,584,123	(16,279,458)

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. 243,987.22 million higher, (2023: Tk. 363,973.53 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. 243,987.22 million (2023: Tk. 363,973.53 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.



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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 the monetary policy at its own discretion so that the policy instruments are used in order to achieve and maintain price stability. Bank's interest sensitivity position based on contractual re-pricing arrangements as on 30 June 2024 is presented below. It includes the Bank's financial assets and liabilities at carrying amounts, categorized by the earlier of contractual re-pricing at maturity dates. The table below summarizes all financial instruments in their re-pricing period, which is equivalent to the remaining term of maturity:

Consolidated

In Thousand Tk.

30 June, 2024						
Particulars	Balance as at 30 June 2024	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	80,037,105	80,037,105	-	-	-	2.82%
Foreign investments	2,280,383,483	850,443,538	549,660,996	880,395,141	-	1.26%
Assets held with International Monetary Fund	446,650,988	295,653,265	24,695	-	150,973,028	4.01%
Foreign currency loans to banks	328,927,368	177,550,939	128,930,783	15,225,460	8,843,730	2.95%
Other foreign currency financial assets	14,369,258	9,145,034	-	5,224,144	80	4.37%
Total Foreign currency financial assets	3,150,368,202	1,412,829,880	678,616,474	900,844,745	159,816,838	
Local currency financial assets						
Loans to the Government of Bangladesh	567,454,700	567,454,700	-	-	-	8.00%
Local currency investments	756,895,136	29,473,938	133,988,489	279,477,439	313,955,815	12.00%
Local currency loans to banks, financial institutions and employees	851,787,072	671,669,140	606,492,347	2,591,393,040	(3,017,767,455)	1.27%
Total Local currency financial assets	2,176,136,908	1,268,597,777	740,480,836	2,870,870,479	(2,703,811,639)	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	311,018,502	311,018,502	-	-	-	2.47%
Liabilities with International Monetary Fund	493,095,097	3,616,487	5,675,706	8,306,515	475,496,389	3.71%
Total foreign currency financial liabilities	804,113,599	314,634,989	5,675,706	8,306,515	475,496,389	
Local currency financial liabilities						
Deposits from banks and financial institutions	932,764,069	932,764,069	-	-	-	0.00%
Total local currency financial liabilities	932,764,069	932,764,069	-	-	-	



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In Thousand Tk.

30 June, 2023						
Particulars	Balance as at 30 June 2023	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	88,946,844	88,946,844	-	-	-	2.91%
Foreign investments	2,324,639,709	746,344,667	255,515,115	1,322,779,926	-	1.44%
Assets held with International Monetary Fund	415,910,328	280,031,560	47,699	-	135,831,068	3.98%
Foreign currency loans to banks	511,418,327	136,617,356	346,173,640	16,200,659	12,426,671	2.61%
Other foreign currency financial assets	16,450,320	11,226,096	-	5,224,144	80	0.00%
Total Foreign currency financial assets	3,357,365,528	1,263,166,523	601,736,455	1,344,204,729	148,257,819	
Local currency financial assets						
Loans to the Government of Bangladesh	178,018,700	178,018,700	-	-	-	5.05%
Local currency investments	1,318,131,179	220,676,826	367,852,689	341,248,753	388,352,910	6.67%
Local currency loans to banks, financial institutions and employees	475,816,678	138,020,941	165,497,995	124,284,481	48,013,260	1.69%
Total Local currency financial assets	1,971,966,557	536,716,467	533,350,684	465,533,234	436,366,170	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	248,898,292	248,898,292	-	-	-	1.02%
Liabilities with International Monetary Fund	400,326,205	3,296,691	9,022,820	7,733,828	380,272,867	3.98%
Total foreign currency financial liabilities	649,224,497	252,194,983	9,022,820	7,733,828	380,272,867	
Local currency financial liabilities						
Deposits from banks and financial institutions	714,863,215	714,863,215	-	-	-	0.00%
Total local currency financial liabilities	714,863,215	714,863,215	-	-	-	



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Separate		In Thousand Tk.				
30 June, 2024						
Particulars	Balance as at 30 June 2024	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	80,037,105	80,037,105	-	-	-	2.82%
Foreign investments	2,280,383,483	850,443,538	549,660,996	880,395,141	-	1.26%
Assets held with International Monetary Fund	446,650,988	295,653,265	24,695	-	150,973,028	4.01%
Foreign currency loans to banks	328,927,368	177,550,939	128,930,783	15,225,460	8,843,730	2.95%
Other foreign currency financial assets	14,369,258	9,145,034	-	5,224,144	80	4.37%
Total Foreign currency financial assets	3,150,368,202	1,412,829,880	678,616,474	900,844,745	159,816,839	
Local currency financial assets						
Loans to the Government of Bangladesh	567,454,700	567,454,700	-	-	-	8.00%
Local currency investments	752,362,565	29,473,938	117,463,371	279,477,439	325,948,363	12.00%
Local currency loans to banks, financial institutions and employees	850,013,802	671,669,140	606,492,347	2,591,393,040	(3,019,540,725)	1.27%
Total Local currency financial assets	2,169,831,067	1,268,597,777	723,955,717	2,870,870,479	(2,693,592,362)	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	311,018,502	311,018,502	-	-	-	2.47%
Liabilities with International Monetary Fund	493,095,097	3,616,487	5,675,706	8,306,515	475,496,389	3.71%
Total foreign currency financial liabilities	804,113,599	314,634,989	5,675,706	8,306,515	475,496,389	
Local currency financial liabilities						
Deposits from banks and financial institutions	932,764,069	932,764,069	-	-	-	0.00%
Total local currency financial liabilities	932,764,069	932,764,069	-	-	-	



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In Thousand Tk.

30 June, 2023						
Particulars	Balance as at 30 June 2023	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	88,946,844	88,946,844	-	-	-	2.91%
Foreign investments	2,324,639,709	746,344,667	255,515,115	1,322,779,926	-	1.44%
Assets held with International Monetary Fund	415,910,328	280,031,560	47,699	-	135,831,068	3.98%
Foreign currency loans to banks	511,418,327	136,617,356	346,173,640	16,200,659	12,426,671	2.61%
Other foreign currency financial assets	16,450,320	11,226,096	-	5,224,144	80	0.00%
Total Foreign currency financial assets	3,357,365,528	1,263,166,523	601,736,455	1,344,204,729	148,257,820	
Local currency financial assets						
Loans to the Government of Bangladesh	178,018,700	178,018,700	-	-	-	5.05%
Local currency investments	1,313,565,685	-	-	341,248,753	400,345,458	6.67%
Local currency loans to banks, financial institutions and employees	473,927,804	138,020,941	165,497,995	124,284,481	46,124,386	1.69%
Total Local currency financial assets	1,965,512,189	316,039,641	165,497,995	465,533,234	446,469,845	
Liabilities						
Foreign currency financial liabilities						
Deposits from banks and financial institutions	248,898,292	248,898,292	-	-	-	1.02%
Liabilities with International Monetary Fund	400,326,205	3,296,691	9,022,820	7,733,828	380,272,867	3.98%
Total foreign currency financial liabilities	649,224,497	252,194,983	9,022,820	7,733,828	380,272,867	
Local currency financial liabilities						
Deposits from banks and financial institutions	714,863,215	714,863,215	-	-	-	0.00%
Total local currency financial liabilities	714,863,215	714,863,215	-	-	-	

Interest rate risk sensitivity analysis

During the year, if interest rates had been 100 basis points higher holding other variables constant, profit for the year would have been Tk.64,338.00 million higher (2023: Tk. 56,811.90 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. 64,011.59 million lower (2023: Tk. 56,811.90 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.



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43 Contingent liabilities

Contingent liabilities are possible obligations that could result from uncertain future events outside the bank's control. The Bank has contingent liabilities for guarantees outstanding as at 30 June 2024 amounting to Taka 60,107.33 million in favor of International Islamic Trade Finance Corporation & others which are secured by counter guarantees from the Government of Bangladesh. The Bank had contingent liabilities for guarantees outstanding as at 30 June 2023 to Taka 84,555.35.

In addition to the liabilities stated above, the Bank is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material effect on the financial position or the results of operations of the Bank. Management is of the opinion that no material losses will be incurred and for this no provision has been made in these financial statements.

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

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 the gratuity fund it was Taka 1,217,791 thousands. For subsequent years, the obligations are calculated based on the recommendations made by the actuarial firm.

As at 30 June 2024 the obligation for pension fund and gratuity fund was calculated to Taka 28,662.08 million and Taka 2242.78 million respectively. The balances of the funds are as under:

Particulars	Pension plans		Gratuity plans	
	2024	2023	2024	2023
Amounts recognized in the reporting date				
Balance at the beginning of the year	26,570,883	24,625,583	2,086,594	1,939,387
Paid during the year	(2,120,105)	(2,194,683)	(45,766)	(51,790)
Current year's contribution/transfer	4,211,302	4,139,982	201,953	198,997
Balance of the fund	28,662,080	26,570,883	2,242,780	2,086,594

Actuarial assumptions

Particulars	Pension plans		Gratuity plans	
	2024	2023	2024	2023
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 Taka 1,532.86 million and Taka 152.79 million lower 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 2,162.53 million and Taka 162.93 million higher respectively, arising mainly as a result of higher discount income.

46 Capital and material commitments

Capital commitment is the projected capital expenditure that the Bank commits to spend. As at 30 June 2024, the Bank had outstanding capital commitments of Taka. 474.23 million with respect to different civil, mechanical and electrical engineering tools with computer purchases. (2023: 636.47 million). Moreover, Under the different refinance scheme undertaken by the Bank, there is a commitment of BDT 504.32 million. (2023: BDT 773.57 million)

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.

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



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The outstanding amount 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:

Particulars	2024		2023	
	Outstanding	Average	Outstanding	Average
Outstanding balances with the government of Bangladesh				
Ways and means advance	80,000,000	80,000,000	80,000,000	43,634,250
Overdraft*	487,454,700	292,736,700	98,018,700	49,009,350
Treasury bills	4,048,668	254,519,297	504,989,926	346,370,639
Treasury bonds	732,369,443	762,500,101	792,630,759	567,951,805
Other assets (interest receivable)	15,898,642	20,488,206	25,077,770	14,541,796
	1,319,771,452	1,410,244,303	1,500,717,154	1,021,507,839

In Thousand Tk.

Particulars	2024		2023	
	Outstanding	Average	Outstanding	Average
Other liabilities				
Deposits	5,046	5,045	5,043	5,049
Loan from Government of Bangladesh	21,782,466	22,853,749	23,925,031	23,953,719
	21,787,512	22,858,793	23,930,074	23,958,767
Balances related to subsidiary (SPCBL)				
Other assets (Prepayments and advances)	335,635	335,635	335,635	177,349
Other liabilities (Sundry creditors)	1,489,935	1,469,161	1,448,387	1,250,520

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

	2024	2023
Income and expenses related to government		
Interest income	102,531,258	72,112,806
Commission received	4,926,874	8,931
	107,458,132	72,121,737
Expenses		
Agency charges	4,963,500	5,518,000
Underwriting commission on treasury bills and bonds	809,800	481,300
	5,773,300	5,999,300
Income and expenses related to subsidiary (The Security Printing Corporation)		
Dividend income	840,000	720,000
Note printing expenses	3,372,948	3,740,385
Key management personnel		
*Salaries, wages and other benefits (refer note 47.06)	10,803	7,787

* Reference period's figure has been updated

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 the Government controlled enterprises/entities. All transactions are carried out with reference to market rates. Transactions entered into include:

- 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;
- 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;
- The Bank does not ordinarily collect any commission, fees, or other charges for services which it renders to the Government and related entities;
- 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
- As the agent of the Government manages public debt and foreign reserves.

During the year, the Bank received an amount of Taka 9,299,847.40 million (in 2023: Tk. 8,064,877.30 million) and paid Taka 9,689,283.80 million (in 2023: 8,235,627.51 million) on behalf of the Government. As at 30 June 2023, total outstanding balance was Taka 567,454.70 million (2023: 178,018.70 million).



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(f) Assets under management:

	2024	2023
Japan Debt Relief Grant	110,178	110,297

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 is included in the interest income.

47.03 Transactions with controlled entities

During the year, the Bank incurred expenses of Taka 3,372.29 million (2023: Taka 3,740.38 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. These transactions are eliminated in preparing consolidated financial statements. During the year, The Security Printing Corporation (Bangladesh) Ltd. paid dividend amounting to Taka 840 million (2023: 720 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 2024 -

Name	Chairman/Members of the Board of Directors	Executive Committee members	Audit committee members
Mr. Abdur Rouf Talukder - appointed as the Chairman of the Board of Directors for a period of four years from July 12, 2022 for contract service up to 11 July, 2026. He also holds the post of Governor of the Bangladesh Bank.	Chairman	Chairman	-
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, 2024 as contract service which is subject to being in current position which is the post of Senior Secretary, Internal Resources Division & Chairman, National Board of Revenue, Govt. of the Peoples Republic of Bangladesh but not more than 02 (two) years.	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	Member
Mr. Mahbub Ahmed - First appointed on September 03, 2019 as a Director of the Board of Bangladesh Bank. Subsequently, reappointed on September 03 2022 for a period of 03 years.	Member	Member	Convener
Mr. A. K. M. Aftab ul Islam FCA - first appointed on 01 March 2017 and reappointed on 01 March 2023 as a Director of the Board of Bangladesh Bank for a period of 03 years.	Member	-	Member



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Name	Chairman/Members of the Board of Directors	Executive Committee members	Audit committee members
Mr. Md. Nazrul Huda - First appointed on 05 January 2020 and reappointed on 05 January 2023 as a Director of the Board of Bangladesh Bank for a period of 03 years.	Member	-	Member
Mr. Dr. Md. Khairuzzaman Mozumder -appointed on August 31, 2023 as a Director of the Board of Bangladesh Bank until further order. He holds the position of Secretary, Finance Division, Ministry of Finance, Govt. of the People's Republic of Bangladesh.	Member		
Mr. Md. Abdur Rahman Khan FCMA - appointed on May 21, 2024 as a Director of the Board of Bangladesh Bank until further order. He holds the position of Secretary, Financial Institution Division, Ministry of Finance, Govt. of the People's Republic of Bangladesh.	Member	Member	Member
Mr. Kazi Sayedur Rahman - appointed on July 21, 2023 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	6	5	4

Mr. Dr. Ahsan H. Mansur has been appointed as Governor of Bangladesh Bank on 14 August 2024.

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

Members of the Board of Directors received remuneration totaling to Tk.506,550.00 (2023: Tk.607,890.00) and the Governor received in total Tk. 1,705,008.21 (2023: Tk. 1,278,077.41). 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 an amount totaling to Tk.9,098,221.05 (2023: Tk. 6,508,950.00) 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 28 August 2024.

