

National Bank Limited
18, Dilkusha Commercial Area
Dhaka 1000

National Bank Limited

Auditors' report and consolidated financial statements
for the year ended 31 December 2015

S. F. AHMED & CO

Chartered Accountants

House # 51 (3rd Floor), Road # 9, Block # F, Banani, Dhaka 1213, Bangladesh

Telephones (880-2) 9871018, 9870619, 9894258, 58815101 & 58816467

Fax (880-2): 984-5135

E-mails: (i) sfaco@citechco.net (ii) sfaco@sfahmedco.org

Website: www.sfahmedco.org

National Bank Limited

Independent Auditors' Report to the Shareholders
For the year ended 31 December 2015

We have audited the accompanying consolidated financial statements of National Bank Limited and its subsidiaries (the Group) as well as the separate financial statements of National Bank Limited (the Bank) which comprise the consolidated and the separate balance sheet as at 31 December 2015, the consolidated and separate profit and loss statements, consolidated and separate statements of changes in equity, consolidated and separate cash flow statements, liquidity statement for the year then ended, and a summary of significant accounting policies and other explanatory notes and annexures thereto.

Management's responsibility for the financial statements and internal controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in the relevant notes and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Banking Companies Act 1991 (as amended in 2013) and the Bangladesh Bank Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain a reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Bank are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and the separate financial statements of the Bank. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud and error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements of the Group and the separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the consolidated financial statements of the Group and also the separate financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and also the separate financial statements of the Bank referred to above both of which have been prepared in the format prescribed by Bangladesh Bank vide circular no. 14 dated 25 June 2003 and in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards, read in conjunction with notes, give a true and fair view of the financial position of the Group and of the Bank as at 31 December 2015 and financial performance of the Group and the Bank and their cash flows for the year then ended.

