

As at 31st December,

All amounts in Sri Lankan Rupees

Classification of financial assets and financial liabilities on the date of initial application of SLFRS 9

The following table reconciles the carrying amounts under LKAS 39 to the carrying amounts under SLFRS 9 on transition to SLFRS 9 on 1 January 2018.

	Original classification Under LKAS 39	New classification Under SLFRS 9	Original carrying amount Under LKAS 39	Remeasurement	New carrying amount Under SLFRS 9
ASSETS					
Cash and Cash Equivalents	Loans and receivables	Amortised cost	197,471,794	-	197,471,794
Balances with Central Banks	Loans and receivables	Amortised cost	2,112,481,798	-	2,112,481,798
Placement with Banks	Loans and receivables	Amortised cost	873,777,231	-	873,777,231
Derivative Financial Instruments	FVTPL	FVTPL	1,503,642	-	1,503,642
Financial assets at amortised cost					
Loans and Advances to customers	Loans and receivables	Amortised cost	20,239,109,921	(29,851,175)	20,209,258,746
Debt and other financial instruments	Held to maturity	Amortised cost	1,746,095,812	(2,993,465)	1,743,102,347
Investment securities - Measured at fair value	Available for sale	FVOCI	3,251,973,694	-	3,251,973,694
Total Financial Assets			28,422,413,892	(32,844,640)	28,389,569,252
LIABILITIES					
Due to Banks	Amortised cost	Amortised cost	3,337,142,730	-	3,337,142,730
Derivative Financial Instruments	FVTPL	FVTPL	87,163,711	-	87,163,711
Deposits from customers	Amortised cost	Amortised cost	18,670,299,972	-	18,670,299,972
Provisions	Amortised cost	Amortised cost	-	10,884,310	10,884,310
Other Borrowings	Amortised cost	Amortised cost	99,175,221	-	99,175,221
Deferred tax Liabilities	N/A	N/A	37,360,954	(1,294,229)	36,066,725
Total Financial Liabilities			22,193,781,634	9,590,081	22,204,665,944
TOTAL				(42,434,721)	

MCB BANK LIMITED - SRI LANKA BRANCH
ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

As at 31st December,

All amounts in Sri Lankan Rupees

Financial Assets and Liabilities
Classification of Financial Assets and Liabilities by Measurement Basis

The following table provides a reconciliation between line items in the statement of financial position and categories of financial instruments.

Classification of Financial Assets and Liabilities by Measurement Basis as per SLFRS 9 - Financial Instruments

As at 31 December 2018

ASSETS	Note	FVTPL	FVOCI	Amortised cost	Total
Cash and Cash Equivalents	14	-	-	221,411,580	221,411,580
Balances with Central Banks	15	-	-	2,021,412,235	2,021,412,235
Placement with Banks	16	-	-	752,542,104	752,542,104
Derivative Financial Instruments	17	284,487,963	-	-	284,487,963
Financial assets at amortised cost					-
Loans and Advances to customers	18		-	21,134,247,864	21,134,247,864
Debt and other financial instrument	19		-	2,227,310,758	2,227,310,758
Investment securities - Measured at FVOCI*	20		3,146,982,276	-	3,146,982,276
Total Financial Assets		284,487,963	3,146,982,276	26,356,924,541	29,788,394,780
			FVTPL	Amortised cost	Total
LIABILITIES					
Due to Banks	24		-	734,417,926	734,417,926
Derivative Financial Instruments	17		2,426,947	-	2,426,947
Deposits from customers	25		-	21,925,420,544	21,925,420,544
Other Borrowings	26		-	83,532,380	83,532,380
Total Financial Liabilities			2,426,947	22,743,370,850	22,745,797,797

Classification of Financial Assets and Liabilities by Measurement Basis as per LKAS 32 and 39 - Financial Instruments Recognition and Measurement

As at 31 December 2017

ASSETS	Note	Available for sale	Fair Value through profit or loss	Held to Maturity	Loans and Receivable	Total
Cash and Cash Equivalents	14	-	-	-	197,471,794	197,471,794
Balances with Central Banks	15	-	-	-	2,112,481,798	2,112,481,798
Placement with Banks	16	-	-	-	873,777,231	873,777,231
Derivative Financial Instruments	17	-	1,503,642	-	-	1,503,642
Loans and Advances to customers	18	-	-	-	20,239,109,921	20,239,109,921
Investments Held to maturity	19	-	-	1,746,095,812	-	1,746,095,812
Investments Available for sale *	20	3,251,973,694	-	-	-	3,249,943,694
Total Financial Assets		3,251,973,694	1,503,642	1,746,095,812	23,422,840,744	28,420,383,892
				Fair Value through profit or loss	Other Financial liabilities	Total
LIABILITIES						
Due to Banks	24			-	3,337,142,730	3,337,142,730
Derivative Financial Instruments	17			87,163,711	-	87,163,711
Deposits from customers	25			-	18,670,299,972	18,670,299,972
Other Borrowings	26			-	99,175,221	99,175,221
Total Financial Liabilities				87,163,711	22,106,617,923	22,193,781,634

* Unquoted equity investments of Rs. 2,030,000 are stated at cost as it was impractical to compute the market value due to unavailability of market information. However, Management has determined the impact as immaterial as it was less than 0.01 % of the total assets.

MCB BANK LIMITED - SRI LANKA BRANCH
ANALYSIS OF LOANS AND ADVANCES, COMMIMENTS, CONTINGENCIES AND IMPAIRMENT
As at 31 December
All amounts in Sri Lankan Rupees

	2018	2017
Loans and advances to customers		
Gross loans and advances	21,632,472,017	20,668,741,355
Less: Accumilated impairment	498,224,153	429,631,434
Total loans and advances	<u>21,134,247,864</u>	<u>20,239,109,921</u>
Concentration by Product		
Overdrafts	5,444,717,223	6,080,806,211
Trade finance	4,289,708,700	4,126,477,446
Lease rentals receivable	95,819,085	134,208,570
Staff loans	110,320,396	104,336,336
Term loans	2,317,524,578	1,537,137,341
Short-term	9,374,382,035	8,685,775,451
	<u>21,632,472,017</u>	<u>20,668,741,355</u>
Concentration by Currency		
Sri Lankan Rupee	18,832,690,188	16,016,446,042
United States Dollar	2,799,781,829	4,314,077,554
European Euro	-	338,217,759
	<u>21,632,472,017</u>	<u>20,668,741,355</u>
Concentration by Industry		
Agriculture and fishing	2,336,814,066	2,087,403,651
Manufacturing	3,240,493,634	1,504,102,897
Tourism	163,496,629	190,833,160
Transport	61,971,687	3,624,363
Construction	541,981,677	197,798,325
Traders	8,925,515,309	9,321,867,521
Others	261,574,580	1,954,134,576
Services	6,100,624,435	5,408,976,862
	<u>21,632,472,017</u>	<u>20,668,741,355</u>
Commitments		
Commitment for unutilised credit facilities	4,458,597,957	4,071,550,471
Lease commitments	167,322,770	161,216,749
Other commitments on forwards and swaps	5,296,329,828	2,875,217,433
	<u>9,922,250,555</u>	<u>7,107,984,653</u>
Contingencies		
Acceptance	2,449,879,082	2,494,849,255
Documentary credits	2,110,008,395	3,475,585,405
Guarantees	918,607,937	1,584,043,891
Bills sent for collection	1,962,455,440	1,434,250,379
	<u>7,440,950,854</u>	<u>8,988,728,930</u>
	<u>7,608,273,624</u>	<u>9,149,945,679</u>

MCB BANK LIMITED - SRI LANKA BRANCH

ANALYSIS OF LOANS AND ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT (CONTINUED..)

As at 31 December

All amounts in Sri Lankan Rupees

Movement in provision for impairment during the year (Under SLFRS 9)

Loans and Advances	Stage 1	Stage 2	Stage 3	Total
As at 1st January 2018	84,010,578	-	375,472,031	459,482,609
Charge/(Write back) to statement of Profit / loss write-off/(Recoveries) during the year	16,648,399	51,301,300	89,836,491	157,786,190
Reversal of Interest in suspense	-	-	-	-
Exchange movement	1,663,423	-	27,141	1,690,564
As at 31st December 2018	102,322,400	51,301,300	344,600,453	498,224,153
Commitment and contingencies				
As at 1st January 2018	10,884,310	-	-	10,884,310
Charge/(Write back) to statement of Profit / loss write-off/(Recoveries) during the year	(519,861)	2,788,812	-	2,268,951
Exchange movement	-	-	-	-
As at 31st December 2018	10,364,449	2,788,812	-	13,153,261
Total				
As at 1st January 2018	94,894,888	-	375,472,031	470,366,919
Charge/(Write back) to statement of Profit / loss write-off/(Recoveries) during the year	16,128,538	54,090,112	89,836,491	160,055,141
Reversal of Interest in suspense	-	-	-	-
Exchange movement	1,663,423	-	27,141	1,690,564
As at 31st December 2018	112,686,849	54,090,112	344,600,453	511,377,414