

CARD MYANMAR COMPANY LIMITED

**FINANCIAL STATEMENT
&
AUDIT REPORT**

(April' 2016 to March' 2017)

CARD MYANMAR COMPANY LIMITED

FINANCIAL STATEMENT

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Period..... From April 1st 2016 to March 31st 2017

STATEMENT OF DIRECTORS

We, being the Director of "CARD MYANMAR COMPANY LIMITED" do here by state that, in the opinion of the Directors, the accompanying accounts of the Company and to the Financial Statements and schedules are drawn up so as to give a true and fair view of the state of affairs to the Company and of the results of the company for the Period of the Date this statements.

We believe that the Company will able to pay its debts as and when they fall due.

We support that the facts above mentioned are true and correct according to section 133(1) (2) of Myanmar Companies Act.

On behalf of Board of Directors



REPORT OF AUDITORS



I have audited of the accounts of "CARD MYANMAR COMPANY LIMITED" in accordance with generally accepted auditing principles.

In accordance with section 145 of the Myanmar Companies Act, I report that I have obtained all the information and explanation which the best of my knowledge and belief were necessary for the purpose of my audit.

In my opinion the Business's accounts schedules are properly drawn up in accordance with the provisions of the Act and Generally Accepted Accounting Standards, so as to exhibit a fair view according to the best of information and explanation given to me as shown by the books of Business of:

- (a) The State of Affairs as at March 31, 2017 and of the result of the Business for the period ended on that date and
- (b) The Books and records required by to be kept by the Business has been mentioned in accordance section 130 of the Act.



Kyaw Khine Lin
Certified Public Accountant
Auditor & Financial Consultant

CARD MYANMAR COMPANY LIMITED

INCOME STATEMENT for the year ended 31st March 2017



| Sr No. | | Note | 2016-2017 (MMK) | 2015-2016 (MMK) |
|--------|-------------------------------------|------|-----------------|-----------------|
| 1 | REVENUE | 4 | 134,242,984 | 31,991,159 |
| 2 | DIRECT OPERATING EXPENSES | 5 | (28,650,708) | (5,737,827) |
| | GROSS PROFIT / (LOSS) | | 105,592,276 | 26,253,333 |
| 3 | OPERATING EXPENSES | - | | |
| | Personnel Expenses | 6 | (46,101,781) | (25,194,725) |
| | Administrative Expenses | 7 | (51,457,041) | (66,444,975) |
| | OPERATING PROFIT / (LOSS) | | 8,033,454 | (65,386,367) |
| 4 | NON-OPERATING ITEMS | | | |
| | NET PROFIT / (LOSS) BEFORE TAXATION | | 8,033,454 | (65,386,367) |
| 5 | TAXATION | | (2,008,364) | - |
| | NET PROFIT / (LOSS) FOR THE YEAR | | 6,025,091 | (65,386,367) |

CARD MYANMAR COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION as at 31st March 2017



| Sr No. | Note | 2016-2017 (MMK) | | 2015-2016 (MMK) | |
|------------|------|---------------------------------------|----------------------|--------------------|--------------------|
| 1 | | ASSETS | | | |
| 1.1 | | NON-CURRENT ASSETS | | | |
| | 8 | Property, plant and equipment | 4,839,694 | 5,241,861 | |
| | | | 4,839,694 | | 5,241,861 |
| 1.2 | | CURRENT ASSETS | | | |
| | 9 | Cash and Cash Equivalents | 941,602,055 | 190,083,045 | |
| | 10 | Business Loan Portfolio | 644,753,128 | 228,842,950 | |
| | 11 | Receivable and Others | 73,943,554 | 41,244,623 | |
| | | | 1,660,298,737 | | 460,170,618 |
| | | TOTAL ASSETS | 1,665,138,432 | | 465,412,479 |
| 2 | | EQUITY AND LIABILITIES | | | |
| | | SHAREHOLDERS' EQUITY | | | |
| | | Paid Up Capital | 224,550,000 | 166,350,000 | |
| | | Grant Capital | 478,401,507 | 312,940,922 | |
| | | Retain Earning | (120,404,009) | (55,017,642) | |
| | | Profit / (Loss) for the year | 6,025,091 | (65,386,367) | |
| | | | 588,572,588 | | 358,886,913 |
| 3 | | LIABILITIES | | | |
| 3.1 | | NON-CURRENT LIABILITIES | | | |
| | | Borrowings | 709,425,000 | - | |
| | | | 709,425,000 | | |
| 3.2 | | CURRENT LIABILITIES | | | |
| | | Customer Saving Interest | 186,498,030 | 44,602,552 | |
| | 12 | Payables and Others | 180,642,814 | 61,923,014 | |
| | | | 367,140,843 | | 106,525,566 |
| | | TOTAL EQUITY & LIABILITIES | 1,665,138,432 | | 465,412,479 |



CARD MYANMAR COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITIES as at 31st March 2017

| | Paid Up Capital | Grant Capital | Accumulated Profit/(Loss) | Total |
|------------------------------------|------------------------|----------------------|----------------------------------|--------------------|
| Balance at 1, April 2017 | 166,350,000 | 312,940,922 | (120,404,009) | 358,886,912 |
| Adjustment-Previous Year | - | - | - | - |
| Adjustment-Current Year | - | - | - | - |
| | 166,350,000 | 312,940,922 | (120,404,009) | 358,886,912 |
| Addition/(Adjust) | 58,200,000 | 165,460,585 | - | 223,660,585 |
| Net Profit / (Loss) for the Period | | | 6,025,091 | 6,025,091 |
| Balance at 31, March 2017 | 224,550,000 | 478,401,507 | (114,378,919) | 588,572,588 |



CARD MYANMAR COMPANY LIMITED

NOTES TO ACCOUNTS for the year ended 31st March 2017

1 CORPORATE INFORMATION

1.1 Capital Equity

Card Myanmar Company Limited, as a Foreign Company Limited, was formed under the Company Act, 1950.

1.2 Company Incorporation Certificate

Certificate of Incorporation No.691FC of 2013-2014 dated 04 December 2013 was issued by the Director General, Companies Registration Office, Directorate of Investment and Company Administration, Ministry of National Planning & Economic Development.

2 PRINCIPAL ACTIVITIES

The principal activities of the company consist of Microfinance.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) **Accounting Period**

Accounts are prepared for the year ended March 31, 2017 as Statutory Accounting Year in Myanmar mandates.

(b) **Basis of Accounting**

The Financial Statements are prepared in accordance with the historical cost convention and Myanmar Financial Reporting Standards for MFIs.

(c) **Property, Plant & Equipment**

Property, Plant & Equipment is stated at cost less depreciation. Rates of depreciation are shown in Annexure (A).
No revaluation was made in the Accounts.



CARD MYANMAR COMPANY LIMITED

NOTES TO ACCOUNTS for the year ended 31st March 2016

7 ADMINISTRATIVE EXPENSES

| | <u>2016-2017</u> |
|---|-------------------------------|
| | <i>(Kyat Total)</i> |
| Stationery and Supplies | 7,675,856 |
| Transportation and Travel | 18,092,844 |
| Repair and Maintenance | 692,950 |
| Utilities | 1,441,730 |
| Communication and Postage | 319,715 |
| Business Meals and Entertainment | 197,800 |
| Office Rental | 32,933,650 |
| Taxes & Licenses | 626,100 |
| Employee Training-Work Related | 1,475,343 |
| Professional Services | 3,055,500 |
| Miscellaneous Expenses | 152,066 |
| Depreciation Expense-Furniture and Fixtures | 1,849,583 |
| Depreciation Expense-Office Equipment | 202,583 |
| Depreciation Expense-Office Computer | 463,000 |
| Loss/(Gain) on Foreign Exchange | (17,721,679) |
| | <hr/> 51,457,041 <hr/> |

8 PROPERTIES, PLANT AND EQUIPMENT

| | <u>2016-2017</u> <i>(Kyat Total)</i> |
|---|---|
| Office Furniture & Fixtures | 6,456,000 |
| Office Equipment | 818,000 |
| Office Computers | 1,389,000 |
| Accumulated Depreciation-Furniture and Fixtures | (2,727,056) |
| Accumulated Depreciation-Office Equipment | (243,750) |
| Accumulated Depreciation-Office Computer | (852,500) |
| | <u><u>4,839,694</u></u> |

9 CASH AND CASH EQUIVALENTS

| | <u>2016-2017</u> <i>(Kyat Total)</i> |
|--------------|---|
| Cash at bank | 941,254,175 |
| Cash in hand | 347,880 |
| | <u><u>941,602,055</u></u> |

10 BUSINESS LOAN PORTFOLIO

| | <u>2016-2017</u> <i>(Kyat Total)</i> |
|-----------------------------------|---|
| Business Loan - 6 months | 651,265,786 |
| Less: Allowance for Probable Loss | (6,512,658) |
| | <u><u>644,753,128</u></u> |



CARD MYANMAR COMPANY LIMITED

NOTES TO ACCOUNTS for the year ended 31st March 2016

11 RECEIVABLE AND OTHERS

| | <u>2016-2017</u> |
|---------------------------------------|---------------------|
| | (Kyat Total) |
| Office Rental Cost | 24,513,650 |
| Internet Installation & Annual Fees | 93,333 |
| Prepaid Income Tax | 491,636 |
| Interest Receivable on Loans-6 months | 48,844,934 |
| | <hr/> |
| | 73,943,554 |

12 PAYABLE AND OTHERS

| | <u>2016-2017</u> |
|------------------------------------|---------------------|
| | (Kyat Total) |
| Accounts Payable-Others | 110,588,905 |
| Accrued Expense | 21,208,975 |
| Un-Earned Interest Income-6 months | 48,844,934 |
| | <hr/> |
| | 180,642,814 |

END OF REPORT