European Journal of Business and Management
ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online)
Vol.6, No.21, 2014

Compliance of IFRS 7: A Study on the State Owned Specialized Banks of Bangladesh

Md. Jobair[1] ,Md. Ismail Hossain[2] ,Md. Kayssar Ahmed[1*]
1.Lecturer, Department of Business Administration, Bangladesh Islami University, 89/12, R.K. Mission Road Maniknagar Biswa Road, Dhaka-1203
2.Assistant Professor, Department of Business Administration, Bangladesh Islami University, 89/12, R.K. Mission Road, Maniknagar Biswa Road, Dhaka-1203
* E-mail of the corresponding author: mdkayssarahmed@gmail.com

Abstract
This study is aimed to scrutinize the existing reporting standard for the Specialized Banks of Bangladesh and find out the extent of compliance by them. To find out the degree of compliance the study has gone through the Financial Reports of the entire sample Banks. Very naturally, it is hoped that all of them are required to comply the standard to uphold the shareholder's interest. Recognizing this aspect some specific IFRSs (International Financial Reporting Standards) have been prescribed for reporting to outsiders. One of which important standard IFRS # 7 (Financial Instruments: Disclosures) which was formulated by IASB in 2005 and obliged to comply from on after 1st January, 2007. The Institute of Chartered Accountants of Bangladesh (ICAB) prescribed to form on or after 1st January, 2010 in Bangladesh. Consider the importance of this standard securitization has been conducted on six Specialized Banks of Bangladesh.. The result of the study shows that all of the Specialized Banks compliance almost 55% of the IFRS # 7 requirements. Finally this study recommend on the degree of compliance for the Specialized Banks financial reporting.
Keywords: Compliance, IFRS, Bank, Specialized Banks,

1. Introduction

The word *bank* was borrowed in Middle English from Middle French *banque*, from Old Italian *banca*, from Old High German *banc, bank* "bench, counter". Benches were used as desks or exchange counters during the Renaissance by Florentine bankers, who used to make their transactions atop desks covered by green tablecloths [1] .One of the oldest items found showing money-changing activity is a silver Greek drachm coin from ancient Hellenic colony Trapezus on the Black Sea, modern Trabzon, C, 350–325 BC, presented in the British Museum in London. The coin shows a banker's table (*trapeza*) laden with coins, a pun on the name of the city. In fact, even today in Modern Greek the word Trapeza (*Τράπεζα*) means both a table and a bank [2]. Banking in the modern sense of the word can be traced to medieval and early Renaissance Italy, to the rich cities in the north like Florence, Lucca, Siena, Venice and Genoa. The Bardi and Peruzzi families dominated banking in 14th century Florence, establishing branches in many other parts of Europe. One of the most famous Italian banks was the Medici Bank, set up by Giovanni di Bicci de' Medici in 1397. The earliest known state deposit bank, Banco di San Giorgio (Bank of St. George), was founded in 1407 at Genoa, Italy. The oldest bank still in existence is Monte dei Paschi di Siena, headquartered in Siena, Italy, which has been operating continuously since 1472. Berenberg Bank of Hamburg (1590) and Sveriges Riksbank of Sweden (1668) followed it. A bank is a financial institution and a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly by loaning or indirectly through capital markets. A bank is the connection between customers that have capital deficits and customers with capital surpluses. Due to their influence within a financial system and the economy, banks are highly regulated in most countries.

1. Albuquerque, Martim (1855). Notes and Queries. London: George Bell. p. 431.
2. Bank – Wikipedia, the free encyclopedia

Banking in its modern sense evolved in the 14th century in the rich cities of Renaissance Italy but in many ways was a continuation of ideas and concepts of credit and lending that had its roots in the ancient world. In the history of banking, a number of banking dynasties have played a central role over many centuries. The oldest existing bank was founded in 1472. Now-a-days, banking industry is the most flourishing as well as the most contributing sector of any economy. Banking is the nerve centre of an economy. Banking can be termed as one of the primitive business though its institutional look is not so old. Banking sector is the driving force of any country for its sustainable development. It is more than truth for a developing country like ours. After the independence, banking industry in Bangladesh started its journey with 6 nationalized commercialized banks, 2 State owned specialized banks and 3 Foreign Banks. In the 1980's banking industry achieved significant expansion with the entrance of private banks. Now, banks in Bangladesh are primarily of two types: Scheduled Banks: The banks, which get license to operate under Bank Company Act, 1991 (Amended in 2003) are termed as Scheduled Banks. Non-Scheduled Banks: The banks, which are established for special and definite objective and operate under the acts that are enacted for meeting up those objectives, are termed as Non-Scheduled Banks.

These banks cannot perform all functions of scheduled banks. There are 52 scheduled banks in Bangladesh who operate under full control and supervision of Bangladesh Bank, which is empowered to do so through Bangladesh Bank Order, 1972 and Bank Company Act, 1991. Scheduled Banks are classified into following types:

- **State Owned Commercial Banks (SOCBs)**: There are four SOCBs, which are fully or majorly owned by the Government of Bangladesh. These nationalized Commercial Banks are Sonali Bank Limited, Agrani Bank Limited, Janata Bank Limited and Rupali Bank Limited. (Source: Bangladesh Bank Online)
- **Specialized Banks (SDBs):** Six State owned specialized banks are now operating which were established for Finance of the Bangladesh Government specific objectives like agricultural or industrial development. The Government of Bangladesh also fully or majorly owns these banks. (Source: Online of Bank and finance Division under Ministry of Finance)
- **Private Commercial Banks (PCBs)**: There are total 30 private commercial banks, which are majorly owned by the private entities. (Source: Bangladesh Bank online)
- PCBs can be categorized into two groups:
- **Conventional PCBs:** 28 conventional PCBs are now operating in the industry. They perform the banking functions in conventional fashion i.e. interest based operations. (Source: Bangladesh Bank online)
- **Islamic Shariah based PCBs:** There are seven Islami Shariah based PCBs in Bangladesh and they execute banking activities according to Islami Shariah based principles i.e. Profit-Loss Sharing (PLS) mode. (Source: Bangladesh Bank online)
- **Foreign Commercial Banks (FCBs):** Nine FCBs are operating in Bangladesh as the branches of the banks which are incorporated in abroad. (Source: Bangladesh Bank online)

Bangladeshi people's participation in the industrial sector is increasing now days. Total work force in Bangladesh is 5 crore forty one lakh. Out of the total workforce, people are engaged in Agriculture 47.30%, Industry 17.64% and in service sector 35.06%. Industry and service business altogether cover 52.70% workforce engagement in working (Source: Bangladesh Economic Survey 2013). For this industrial work accomplishment, there are needs of banking support. Therefore, Banking institutions are increasing day by day. The establishment of Commercial Banking sector in Bangladesh is the true reflection of this inner urge of its people. Therefore, compliance of required laws and regulations are compulsory for them. Here lies the major clue for the compliance of accounting standard. Banks and other similar financial institutions are different from other business entities. To disclose the financial performance and financial position of this type of financial institutions, regulatory watchdogs prescribed different techniques. One of such techniques is to comply with the applicable reporting standard such as IFRS 7 (International Financial Reporting Standard 7). Though not mandatory, compliance of IFRS aims at faithful representation of financial performance and financial position of an entity. In spite of being flourishing and major sector prior, work on compliance with IFRS 7 shows a questionable conclusion as to the degree of compliance. Moreover, prior works were done on commercial banks and with other standards hence comes the scope of scrutinizing compliance of IFRS-7 by the specialized banks of Bangladesh. Again, since people have more reliance on the specialized banks, so it has deep importance to find out the compliance status of these banks.

2. Objectives of the study

1. To find out the degree of compliance of the standard by the banks ;
2. To find out the deviation from the standard.

3. Methodology of the study

To draw the conclusion on the topic only the secondary source of information has been analyzed. This includes two years annual reports, articles on this issue, different relevant acts etc. The analysis is done by content analysis, which is widely being used in a social science research, which involves reading the annual report and pocking up both qualitative and quantitative information. So this technique has been used for this empirical study. Next to, find out the average percentage of compliance weight was given as, for compliance of each requirement 1, for partial compliance 0.5 and for noncompliance 0.

4. Scope of the study

- ➢ The analysis of the study has been done on sample basis on the annual reports of the six state owned specialized banks.
- ➢ The study is limited to whether the notes to the financial statements have been prepared according to the IFRS 7 (International Financial Reporting Standard 7) or not.

- The entities whose financial statements are being analyzed are state owned. Therefore, there is a risk of non-compliance of some material requirement.
- Due to local regulatory prescription, compliance of standard is affected.

5. Literature Review

Specialized Banks are banking in the area, which needs to be updated in the banking world and it is an integral part of current and future financial market. Almost every country in the world, Govt. forms specialized banks for special purpose. As the history of this type of bank in the legal format is not much long, research study on the financial reporting disclosures by the specialized banking is not so rich. Hossain Md. S. and Baser M.A (2011 pp- 14) described the compliance of IAS 30 of the Specialized Banks disclosure. In that article they stated about four specialized Banks including Grameen Bank. Generally, GB is not specialized bank in the eye of Bangladesh Bank as well as Finance Ministry. On the contrary, they have shown compliance with IAS 30 in four banks. As now a day, there is no obligation for compliance of IAS 30; there is obligation of IFRS 7 compliance formulated by IASB. This study will show the degree of compliance in six Specialized Banks.

6. Theoretical background

6.1. State owned Specialized Banking

Every Government wants to develop its economy. Therefore, they emphasis on some sectors more. There is a need for financing. Regarding that specialized banks concept was created in the world. Hossain Md. S. and Baser M.A (2011 pp- 14) state that specialized banks are foreign exchange banks, industrial banks, development banks, export-import banks, catering to specific needs of these unique activities. These banks provide financial aid to industries, heavy turnkey projects and foreign trade. These consist of other development banks of the Bangladesh and some NGOs that extend micro credit to the people. Some banks are completely government-owned institutions established mainly to provide medium and long-term credits to the industrial, agricultural, and real estate sectors of the economy and to promote the establishment of private development banks in the country. The focus of these specialized institutions is to promote and accelerate the socio-economic development of the country by performing banking, financing and investment operations and to establish and participate in agricultural, commercial and industrial ventures based on the Islamic concept of banking.

6.2. State owned Specialized Banks in Bangladesh:

In Bangladesh there are six states owned Specialized Banks as per Ministry of Finance. As per Bangladesh bank online-specialized Bank are four in number. Hossain Md. Shamim and Baser M.A (2011 PP-13) stated that Grameen Bank, Somobay Bank, The Dhaka Mercantile Co-operative Bank Limited (DMCBL) are specialized banks. Nevertheless, it is not true as per Bangladesh Bank and Finance Ministry Bank Division. Ministry of Finance information is more appropriate in the functional view of specialized Banks. BDBL is mixed formation of BSB and BSRS, which is specialized in industrialization, BKB and RKUB, are closely specialized for development of Bangladesh Agriculture. BASIC Bank is related to Small Industries development. Ansar VDP Bank is engaged for development of poor community, Ansar of Bangladesh. Moreover, Karmasansthan Bank is engaged for the development of young unemployed. Therefore, six banks have been taken for analysis. Here is the list of State owned Specialized Bank of Bangladesh

S.N	Name of the Bank
1	Bangladesh Development Bank Limited (BDBL)
2	Bangladesh Krishi Bank (BKB)
3	BASIC Bank Limited
4	Rajshahi Krishi Unnayan Bank
5	Ansar VDP Unnayan Bank
6	Karmasangsthan Bank

[Source: Bank and Financial Institutions Division, Ministry of Finance Government of the People's Republic of Bangladesh**]**

6. 3. Focal point of IFRS 7 (Financial Instruments: Disclosures)

6.3.1. Classes of Financial Instrument: Disclose the types of financial Instruments contained in the Balance Sheet [IFRS 7.6]

6.3.2. Disclosure of Balance sheet Significance*:* Disclose the significance of financial instruments for an entity's financial position and performance. [IFRS 7.7]

6.3.3. Balance sheet disclosure: This includes disclosures for each of the following categories: [IFRS 7.8]

i) Financial assets measured at fair value ;
ii) Held-to-maturity investments ;
iii) Loans and receivables ;
iv) Assets available-for-sale;

v) Financial liabilities at fair value
vi) Financial liabilities measured at amortized cost

6.3.4. Collateral [IFRS 7.14-IFRS 7.15]: Disclose any pledged Asset for Liability.
6.3.5. Income Statement and Equity*:* Items of income, expense, gains, and losses, with separate disclosure of gains and losses [IFRS 7.20(a)]
6.3.6. Accounting policies for financial instruments [IFRS 7.21]
6.3.7 Information about hedge accounting [IFRS 7.22]

- description of each hedge, hedging instrument, and fair values of those instruments, and nature of risks being hedged
- for cash flow hedges, the periods in which the cash flows are expected to occur, when they are expected to enter into the determination of profit or loss, and a description of any forecast transaction for which hedge accounting had previously been used but which is no longer expected to occur
- if a gain or loss on a hedging instrument in a cash flow hedge has been recognised in other comprehensive income, an entity should disclose the following: [IAS 7.23]
- the amount that was so recognized in other comprehensive income during the period
- the amount that was removed from equity and included in profit or loss for the period
- the amount that was removed from equity during the period and included in the initial measurement of the acquisition cost or other carrying amount of a non-financial asset or non- financial liability in a hedged highly probable forecast transaction
- for fair value hedges, information about the fair value changes of the hedging instrument and the hedged item [IFRS 7.24(a)]
- hedge ineffectiveness recognized in profit and loss (separately for cash flow hedges and hedges of a net investment in a foreign operation) [IFRS 7.24(b-c)]
- information about the fair values of each class of financial asset and financial liability, along with: [IFRS 7.25-30]

6.3.8. Qualitative Disclosures of Risk [IFRS 7.33]: The qualitative disclosures describe:

- Risk exposures for each type of financial instrument
- Management's objectives, policies, and processes for managing those risks
- Changes from the prior period

6.3.9. Quantitative Disclosures of Risk*:* The quantitative disclosures provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel. These disclosures include: [IFRS 7.34]

- Credit Risk
- Liquidity Risk
- Market Risk [IFRS 7.40-42]

6.3.10. Transfers of Financial Assets [IFRS 7.42 A-H]: An entity shall disclose information that enables users of its financial statement:
i) To understand the relationship between transferred financial assets that are not derecognized in their entirety and the associated liabilities; and
ii) To evaluate the nature of, and risks associated with, the entity's continuing involvement in derecognized financial assets. [IFRS 7 42B] (Source: www.ifrs.org)

7. Analysis & Findings

7.1. Compliance of IFRS by the institutions

The business entities design their accounting system as per the requirements of the Income Tax Law. Above all in order to provide a standardized report all types of banks try to follow the IFRS 7 (BFRS 7) which is the requirement of the modern competitive business world. An investigation is conducted to observe the compliance status of the specialized banks of Bangladesh whether they follow this underlying standard regarding the preparation of their financial statements. The result can be derived as follows:

Table-2: Schedule of compliance status:

S.N	**Requirement/ Disclosures**	**BDBL**	**BKB**	**BASIC**	**RKUB**	**ANSAR VDP**	**KARMASANGSTHAN**
1	Classes of Financial Instrument [Para 6]	√	√	√	√	√	√
2	Balance Sheet Presentation [Para 7]	√	√	√	√	√	√
3	Balance Sheet Disclosures [Fair value of Assets and Liabilities and Loans] [Para 8]	Partial	Partial	Partial	Partial	Partial	Partial
4	Collateral [Para 14-15]	×	×	√	×	×	×
5	Income Statement & Equity (Income, Expense Gains Losses) [Para 20]	√	√	√	√	√	√
6	Accounting Policies [Para 21]	√	√	√	√	√	√
7	Disclosure about Hedge [Para21-30]	×	×	×	×	×	×l
8	Qualitative Risk Disclosure [Para 33]	√	Partial	√	×	×	×
9.	Quantitative Risk Disclosure [Para 34-42]	√	Partial	√	×	×	×
10.	The Nature of the Transferred Assets [Para 42 D]	×	×	×	×	×	×

The empirical findings of the study from table1are shown below—

No. of companies	6
No. of requirements as per IFRS-7	10
Maximum number of requirement complied by the company	8
Minimum number of requirement complied by the company	4
Average number of compliance by the companies	6

Table-3: Summary of compliance by Individual Commercial bank:

Complying Banks	**Total compliance requirement**	**No. of requirement fulfilled**	**(%) compliances fulfilled**	**Deviation from the industry average (%)**
BDBL	10	6.5	65%	(10%)
BKB	10	5.5	55%	0
BASIC	10	7.5	75%	(20%)
RKUB	10	4.5	45%	10%
ANSAR VDP	10	4.5	45%	10%
KARMASANGSTHAN	10	4.5	45%	10%

(%) of compliance = Requirement complied/ Total requirement.

The analysis shows that of the six banks and of the total 10 requirements, only one bank BASIC bank complied with 7 requirements fully and one requirement partially , total is 7.5 requirements (75%), and, BDBL complied 6 requirements fully and one is partially, total 6.5 (65%). BKB complied 4 requirements fully and 3 requirements partially, total is 5.5 (55%) and other three banks like RKUB, ANSAR BANK and KARMASANGSTHAN Bank complied 4 requirements fully and one requirement partially, then total 4.5 (45%) requirements .

Another important finding is that some requirements were completely ignored where some were partially followed and others were fully complied. Besides, four requirements were fully complied with by all the six banks, 2 requirements are very not complied by any of them and four are partially complied.

Table-4: Average no. of compliance:

Status of compliance	No. of requirement	Weight	Weighted score
Fully complied	4	1	4
Partially complied	4	0.5	2
Not complied	2	0	0
Total			6

For full compliance weight = 1
For non-compliance weight = 0
For partially complied weight = 0.5
Weighted score= 6/10 = 60%

It is also worth mentioning that the average compliance of the standard by the companies is 55%. Of the six banks, BASIC and BDBL have higher positive deviation and other three banks have large negative deviation. Average deviation from the industry is almost same for all the banks (5%).

Table-5: (%) compliance of the individual requirement:

S.N	Requirement/ Disclosures	No. of complied companies	(%) of compliance
1	Classes of Financial Instrument [Para 6]	6	100%
2	Balance Sheet Significance [Para 7]	6	100%
3	Balance Sheet Disclosures [Para 8-19]	6 partial=3	50%
4.	Collateral [Para 14-15]	1	16.67%
5	Income Statement & Equity (Income, Expense Gains Losses) [Para 20]	6	100%
6	Accounting polices [Para 21]	6	100%
7.	Disclosure of Hedge Accounting [Para 22-30]	0	---
8.	Qualitative Disclosure [Para 33]	2 full and one partial =2.5	41.17%
9.	Quantitative Disclosure [Para 34-42]	2 full and one partial =2.5	41.17%
10.	The nature of the transferred assets [Para 42 D]	0	--
	Total		550
	Average		55%

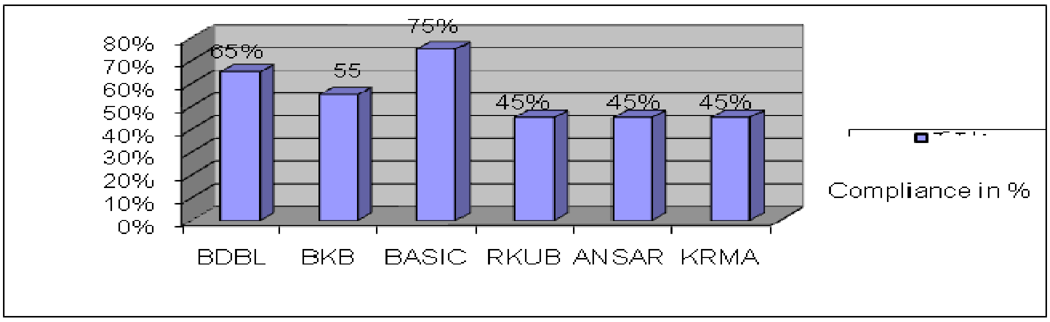

Figure: Compliance of IFRS 7 requirements by all specialized Banks in Bangladesh

Apart from above numerical analysis the detailed version of compliance findings are described as follows:

1. Classes of Financial Instrument

All the six banks fully comply with this requirement by showing classes of financial instrument. Therefore, compliance status for this requirement is 100%

2. Balance sheet Significant Disclosure

All the six banks fully comply with this requirement by showing classes of Assets, Liabilities and Equity in Balance sheet. The compliance status for this requirement is 100%

3. Balance sheet Disclosure

All six Banks present disclosures partially showing loans, advances, and others asset disclosures. However, these banks are failed to assess fair value of Assets and liabilities as there is a rule BPRD of Bangladesh Banks. Therefore, the compliance is 50%.

4. Collateral

Only BASIC Bank complied this requirement. They showed the Collateral in the disclosure. Other bank did not do that. The compliance is 16.67%

5. Income Statement & Equity (Income, Expense Gains Losses)
All the banks show this just after the balance sheet. It has been presented classifying Income expenses Gains and Losses. This requirement is complied by 100%.

6. Accounting Policies [Para 21]
All the banks show Accounting policies such as valuation of Assets and their own depreciation policy. Apart from this, the impairment of Assets has been also shown in the Reports. It is complied by 100%.

7. Disclosures of Hedge Accounting
No one did disclose about Hedging. Therefore, compliance is 0.

8. Qualitative Disclosure [Para 33]
Only BDBL and BASIC disclose the qualitative disclosures of Risk. Other bank did not do that. Therefore, the compliance is 41.67%

9. Quantitative Disclosure [Para 34-42] [Credit Risk, Liquidity Risk, Market Risk]
Only BDBL and BASIC disclose the quantitative disclosures of Risk. Other bank did not do that. Therefore, the compliance is 41.67%

10. The nature of the transferred assets [Para 42 D]
Nothing is mentioned in the long annual reports of six specialized banks as to the nature of the transferred assets. Therefore, the compliance is 0.

7.2. Effect of Compliance
The objective of IFRS 7 is to prescribe appropriate presentation and disclosure standards for disclosures of financial instrument of an entity especially for banks, which supplement the requirement of other standards. The intention is to provide users with appropriate information to assist them in evaluating the financial position and performance of banks and to enable them to obtain a better understanding of the special characteristics of the operations of banks. The compliance with the standard will face the following scenario:

- Obviously, the major objective of any IFRS is to provide true and fair view of the entity to the stakeholders. Consequently, the compliance of IFRS will enhance the credibility of the information provided.
- The compliance will also important for the compliance of requirements by the regulatory watchdogs
- The legal framework of the state also requires the full compliance of IFRS.
- The third pillar of BASEL-2 deals with market discipline through effective disclosure to encourage safe and sound banking practices. This disclosure pillar is closely related with the International Financial Reporting Standard (IFRS)
- This compliance will be helpful for credit rating purpose and can collect investment from outsider.
- The compliance will make the management more accountable and thus go a long a way to fulfill the intended objectives of specialization.
- These banks can meet up their fund problem by issuing shares in the capital market, but before that compliance with required standard is must.
- These compliances will convince the public about the transparency of specialized bank.

7.3. Effect of Non-compliance
IFRS are the guidelines to present a true and fair view of the financial performance and financial position of an entity to its users. Obviously if not complied with the standards it poses to some negative results. So it is very clear that the noncompliance will act as a hindrance in fulfilling the core objective of financial reporting. The non-compliance will fetch the following problem.

- Noncompliance will enhance the scope of corruption by the management.
- It will not be justifiable to be list in the capital market without perfectly complying the accounting standard.
- Simply speaking noncompliance of IFRS is the violation of laws as according to the Companies Act 1994 and is subject to punishment according to section# 211-218 of the said act.
- Principally it reduces the degree and scope of usefulness of financial information.
- Consolidation with other entity becomes difficult due to improper valuation.
- Earnings management happens continuously and it has severe impact on our resource mobilization.
- Corporate governance requires compliance with all rules and regulation to uphold the interest of the stakeholders. This is also a part of the corporate social responsibility. So this can't be maintained without full compliance of the required standard.

8. Recommendations
After a careful scrutiny of the annual reports of six specialized banks, it has been found that the companies are presenting their information on the financial statements in line with the IFRS-7. Although the degree of compliance of the banks is high, following recommendation should consider by all the parties concerned;

- ✓ To have a fair picture of the organization as the specialized banks play a significant role in the development of our country, they should comply with all the requirements guided by the nationally and internationally recognized standards.

- ✓ The accounting personnel of the concerned entities should be trained as to the update of the new accounting pronouncement identifying the non compliances.
- ✓ These banks should make available Annual reports in the market so that users and stakeholders can know the information.
- ✓ They can come to the market by the proper formalities maintained by Finance ministry and Bangladesh Bank and SEC.
- ✓ As these specialized banks are the large part of banking in the country and large contributory, the special supervising and incentives under Bank Division of Finance Ministry should be set up for flourishing foreign aid and banks in our country

9. Conclusion

Presentation of financial reporting complying IFRS is of immense importance to the users of those because it enhances the degree and scope of usefulness of accounting information. It is now becoming increasingly evident that existence of properly functioning banking system facilitates the development process in many important ways. Proper accounting and reporting contribute positively on proper functioning of banks. That is why the International Financial Reporting Standards 7 (IFRS 7) is developed to give standardized reporting aspects for banking sector. It is evident from the above analysis that specialized banks are good at complying with the required compliance by the standard prescribed for them. It is hoped that due to the globalization, multinational specialized banking can easily capture the essence of the international requirements, which make them competitive in providing the services. Based on the analysis, it has been found that there is no significant difference in terms of compliance of IFRS 7, among the six specialized banks in Bangladesh. That means all of the banks try to follow similar items needed to comply with the international standard in order to provide accountability and transparency in financial reporting, which ensure maximum disclosure of the relevant, reliable and useful information to the interested user groups. In fine, it can be culminated that preparations of financial reports of the Specialized Bank's have been presented in line with the IFRS-7 completely.

References

Jucca, Lisa; Emilio Parodi; Gavin Jones; Sophie Sassard (March 9, 2013). "Special Report: Downfall of the world's oldest bank".

Ahmed M. uddin, S.K. Bala and A. Chowdhury (2004) "Financial reporting in compliance with IAS: A study in Bangladesh" The journal of Business studies,Vol. XXV, No.2.

Hossain M.Sh. and Baser A.A. "Compliance of IFRS # 7: A Case Study on the Specialized Banks of Bangladesh" Research Journal of Finance and Accounting Vol. 2 No. 4, 2011 PP 13-21.

Hossain. M. Mohabbat (2010) "A Review of Corporate Financial Reporting Regulations in Bangladesh", BUBT Journal, Vol. 3, pp. 175-187.

Hossain. M. Mohabbat (2012) "Impact of BFRS 7 in the Financial Statements of Banks: A Case from Bangladesh", the Cost and Management, Vol. XL, No. 2, pp. 13-17.

Hossain. M. Mohabbat (2012) "International Financial Reporting Standard (IFRS) 7: Issues and Challenges for Banks", Paper Presented in Research Workshop, November 11, BIBM, Dhaka.

Hossain. M. Mohabbat (2012) "International Financial Reporting Standard 7 and Financial Statements of Banks", BIBM Bulletin, A Quarterly Publication of BIBM, Vol. 15, No. 1 & 2, pp 3-10.

Haque T. and Islam M.A (2005), Compliance of IAS 30 by Bank Companies of Bangladesh" The cost and Management

Annual report from 2011 to 2012 of Bangladesh Development bank Limited, [Online] available: http://www.bdbl.com.bd

Annual report from 2011 to 2012 of Bangladesh Krishi bank [online] available: http://www.krishibank.org.bd

Annual report from 2011 to 2012 of Basic Bank Limited [online] available: http://www.basicbanklimited.com/

Annual report from 2011 to 2012 of Rajshahi Krishi Unnayan Bank [online] available: http://www.rkub.org.bd

Annual report from 2011 to 2012 of Ansar Vdp Unnayan Bank [online] available: www. ansarvdpbank.com.bd

Annual report from 2011 to 2012 of Karmasangthann Bank [online] available http://www.karmasangsthanbank.gov.bd/

GOB (Government of Bangladesh), The Bank companies Act 1991.

GOB, The companies Act 1994.

www. ifrs.org.

www.bb.gov.org/

http://www.mof.gov.bd