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AUDITOR'S REPORT

To: Sudanese Egyptian Bank shareholders

Report on the Financial Statements

We have audited the accompanying financial statements of Sudanese Egyptian Bank (the Bank), which comprise the balance sheet as at 31 December 2008 , and the income statement, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the Bank's management. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Islamic sharia'a rules and regulations, and the standards set forth by the Central Bank of Sudan and its related laws. management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Islamic Banks standards on Auditing and in the light of the prevailing Sudanese laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. 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 financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sudanese Egyptian Bank as of 31 December 2008, and of its financial performance and its cash flows for the year then ended and are in accordance with the Islamic sharia'a rules and regulations, and the standards set forth by the central Bank of Sudan and its related laws.

Abdellatif, Eltayeb, Bushra & Co.
Chartered Certified Accountants

Khartoum ,18 March 2009

Sudanese Egyptian Bank
Balance Sheet as at 31 December 2008

	<u>Note No.</u>	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>Assets</u>		<u>SDG</u>	<u>SDG</u>
Local Currency on Hand & at Banks	(5)	49,498,043	19,800,375
Foreign Currency on Hand & at Banks	(6)	88,828,097	156,988,066
Receivable	(7)	110,364,702	132,744,368
Short Term Investments	(8)	115,360,052	94,288,759
Long Term Investments -shares	(9)	112,200	104,040
Investment In Subsidiaries	(10)	2,049,000	-
Accrued Treasury Bill		30,600,104	5,097,997
Murabaha Finance Assets		270,588	3,145,956
Other Receivables	(11)	17,239,966	8,535,071
Fixed Assets	(12)	<u>8,349,128</u>	<u>5,861,753</u>
Total Assets		<u>422,671,880</u>	<u>426,566,385</u>
<u>Liabilities:</u>			
<u>Deposits(Local Currency):</u>			
Current Accounts		111,984,084	56,631,946
Deposits With Local Correspondents	(13)	98,174,099	109,345,182
Saved Deposits		1,301,913	788,608
Musharaka Deposits		137,089	631,229
L/C Commitments Margins		28,295	101,247
L/G Commitments Margins		<u>137,325</u>	<u>42,680</u>
		<u>211,762,805</u>	<u>167,540,892</u>
<u>Deposits(Foreign Currency)</u>			
Current Accounts		35,814,596	11,198,899
Deposits With Foreign Correspondents	(14)	3,329,174	1,048,560
L/C Commitments Margins		46,065,127	139,552,713
L/G Commitments Margins		<u>5,591,909</u>	<u>2,461,033</u>
		<u>90,800,806</u>	<u>154,261,205</u>
Other Payables	(15)	9,542,229	7,069,149
Other Liabilities	(16)	28,960,920	27,934,766
Total Liabilities		<u>341,066,760</u>	<u>356,806,012</u>
<u>Owners Equity:-</u>			
Paid Up Share Capital	(17)	64,725,062	60,000,000
General Reserve	(18)	2,596,245	1,209,258
Retained Earning	(19)	1,800,934	1,800,934
Net Profit For The Year		<u>12,482,879</u>	<u>6,750,181</u>
Total Owners Equity		<u>81,605,120</u>	<u>69,760,373</u>
Total Owner's equity & Liabilities		<u>422,671,880</u>	<u>426,566,385</u>
<u>Contra Accounts</u>			
L/C Commitment		121,466,542	177,312,817
L/G Commitment		<u>99,942,236</u>	<u>93,755,257</u>
Total Contra Accounts		<u>221,409,778</u>	<u>271,068,074</u>

The attached notes from (5) to (16) form an integral part of these financial statement

Chairman: Eng.Mohamed abdelwahad
Auditor's report's attached''

Deputy Chairman: Mr. Hassan Hussein

General Manager: Dr. Amr Nofal

Sudanese Egyptian Bank
Income & Expenditure Statement
For the Year ended 31 December 2008

	<u>Note</u>	<u>Year ended</u> <u>31/12/2008</u>	<u>Year ended</u> <u>31/12/2007</u>
<u>Income:</u>	<u>No.</u>	<u>SDG</u>	<u>SDG</u>
Income from financing operations	(20)	29.141.821	15.638.524
Less: Depositors Income		<u>11.496.574</u>	<u>6.607.207</u>
<u>Net Income from financing operations</u>		<u>17.645.247</u>	<u>9.031.317</u>
Commission fees	(21)	16.687.590	9.673.017
Fixed Assets disposal Income		-	14.155
Foreign currency trading income	(22)	5.128.247	3.233.384
Other income	(23)	1.203.960	2.147.577
Revenues From Investment in Subsidiaries Company	(24)	<u>397.268</u>	-
Total operating income		<u>41.062.312</u>	<u>24.099.450</u>
<u>Expenses:</u>			
Staff cost	(25)	8.807.328	4.472.711
General & Administrative expenses	(26)	12.321.367	8.020.672
Depreciation		1.631.326	1.133.834
Provision for doubtful debts		<u>777.425</u>	<u>1.381.080</u>
Total Operating expenses		<u>23.537.446</u>	<u>15.008.297</u>
Net Profit before Tax & Zakat		<u>17.524.866</u>	<u>9.091.153</u>
Provision for Tax	(27)	2.510.000	1.363.673
Provision for Zakat	(28)	<u>1.145.000</u>	<u>227.279</u>
Net Profit after Tax & Zakat		<u>13.869.866</u>	<u>7.500.201</u>
Provision for General Reserve (10%)		<u>1.386.987</u>	<u>750.020</u>
Net profit for the year		<u>12.482.879</u>	<u>6.750.181</u>

The attached notes from (5) to (16) form an integral part of these financial statement

Chairman:

Deputy Chairman :

General Manager:

Sudanese Egyptian Bank
Statement of changes in equity
For the Year ended 31 December 2008

	<u>Paid up</u> <u>share capital</u> <u>SDG</u>	<u>Carnal</u> <u>Reserve</u> <u>SDG</u>	<u>Retained</u> <u>Earning</u> <u>SDG</u>	<u>Net Profit</u> <u>for the Year</u> <u>SDG</u>	<u>Total</u> <u>SDG</u>
Total Owners equity as at 1\1\2007	39.000.000	459.238	1.800.934	-	41.260.172
Paid up share capital	21.000.000	-	-	-	21.000.000
Income for the year	-	-	-	7.500.201	7.500.201
General Reserve	-	<u>750.020</u>	-	<u>(750.020)</u>	-
Total Owners equity as at 31\12\2007	<u>60.000.000</u>	<u>1.209.258</u>	<u>1.800.934</u>	<u>6.750.181</u>	<u>69.760.373</u>
Total Owners equity as at 1\1\2008	60.000.000	1.209.258	1.800.934	6.750.181	69.760.373
Paid up share capital	4.725.062	-	-	-	4.725.062
Income for the year	-	-	-	13.869.866	13.869.866
General Reserve	-	1.386.987	-	<u>(1.386.987)</u>	-
Profit Distribution	-	-	-	<u>(6.750.181)</u>	<u>(6.750.181)</u>
Total Owners equity as at 31\12\2008	<u>64.725.062</u>	<u>2.596.245</u>	<u>1.800.934</u>	<u>12.482.879</u>	<u>81.605.120</u>

The attached notes from (5) to (16) form an integral part of these financial statement

Sudanese Egyptian Bank

Statement of Cash flows for the Year ended 31 December 2008

	<u>Year ended</u>	<u>Year ended</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>SDG</u>	<u>SDG</u>
<u>Reconciliation of Operating Profit to net cash flow from operating activities</u>		
Net Profit Before tax & Zakat	17.524.866	9.091.153
Increase in accrued income & prepayments	188.871	505.654
Increase in other accruals	169.344	(1.191.566)
Depreciation & Amortisation	1.631.326	1.133.834
Provision for Doubtful Debts	777.425	1.381.080
Provision for tax & zakat & reserve	<u>(5.002.260)</u>	<u>(2.340.972)</u>
Net cash flow from operating activities	<u>15.289.572</u>	<u>8.579.183</u>
<u>Return on investments & servicing of finance</u>		
Increase in collection transaction	2.473.080	5.771.385
Net increase in advances to customers	21.714.441	(94.263.499)
Net increase in deposits	(19.238.486)	186.048.725
Net increase in other assets	(30.367.754)	(8.135.454)
Net Increase in other liabilities	<u>1.215.025</u>	<u>22.863.596</u>
Net cash flow (used in) from operating activities	<u>(24.203.694)</u>	<u>112.284.753</u>
Capital expenditure & financial investment	(28.910.047)	(5.546.434)
<u>Financing Activities:</u>		
General reserve	1.386.987	750.020
Profit distributions	(6.750.181)	-
New issue of share capital	<u>4.725.062</u>	<u>21.000.000</u>
Net cash flow (used in) from financing activities	<u>(638.132)</u>	<u>21.750.020</u>
Increase in cash	(38.462.301)	137.067.522
Cash balance at the beginning of the year	<u>176.788.441</u>	<u>39.720.918</u>
Cash balance at the end of the year	<u>138.326.140</u>	<u>176.788.441</u>

The attached notes from (5) to (16) form an integral part of these financial statement

Sudanese Egyptian Bank

Notes to the Financial Statements

For the Year ended 31 December 2008

1/Legal Form & Activities:

- Credit Sudanese Egyptian Bank was established as an Egyptian Joint Stock Company on 11\11\2004 accordance with the provisions of the investment law.

-The Objective of the bank is to carry out all banking operations in local & foreign currencies.

2/Basis of preparations of the financial statements:

1-2 The financial statements are prepared according to the Islamic Shariaa' rules and regulations and the standards set forth by the Central Bank of Sudan and its amendments and related laws.

2-2 The financial statements have been prepared using the historical cost the basis

The financial statements were authorized for issue by the Bank board of directors

2-3 Functional and Presentation Currency:

The financial statements are present ell in SDG

2-4 Use and estimates and adjustments:

The Preparation of financial statements according to the Islamic Shariaa' requires management to make affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

3/ Signification Accounting Policies:

3-1 Foreign currencies transactions:

The Bank maintains is accounts in Sudanese Pounds. Transactions in foreign currencies during the year are translated to Sudanese pounds using the prevailing exchanges rates at the date the transaction. At the balance sheet date , monetary assets and liabilities denominated in foreign currencies are translated to suddenness pound. Any gains or losses resulting from the translation are taken to the statement of the income under gain \ loss on foreign currency transactions.

3-2 Revenue recognition:

Revenue is recognized on accrual basis except for Murabaha and Mudharaba' revenues which are recognized on cash basis, and the interest income on non-performing loans and advances which ceases to be recognized as revenue when the recovery of interest or principle is in doubt. Dividends income from shares and investment units are recognized when such dividends are declared.

3-3 Valuation of trading investment:

-Trading investments including investment portfolios managed by others and trading mutual fund certificates not issued by banks or insurance companies are to be value, which represents the market price. The valuation differences are charged to the statement of income.

-Trading investment that lost any of its classification terms are valued at its book value less any decline according to a comprehensive study for financial statement of the investee. Change in fair value is charged to the statement of income.

3-4 Valuation Available-for-sale financial investments:

These investments are valued at lower of cost with consideration to foreign exchange differences or fair value. Valuation differences are charged to the statement of income under “other investments valuation differences”. Subsequent increase are added to the same item up to the limit previously charged to the statement of income of previous financial years.

3-5 Valuation of held to maturity investment:

-Bonds purchases through public underwriting are valued using the amended cost which is the nominal value plus the issuing premium or less the issuing discount as applicable. Issuing premium \discount is amortized using the straight line bases, and is charged to the statement income in the treasury bills and bonds income.

-Bonds purchases from the stock exchange with a price more or less than the nominal value are to be valued using the same basis, the cost is to be reduced with any interest accrued during the period preceding the purchases date.

-If held to maturity investments are impaired, book value is reduced and the impairments is charged to the statement of income in the “other investment valuation differences “ item. Subsequent increase in fair value is credited to the same item in the statement of income up to the limit previously charged.

3-6 Investment in Subsidiaries:

These investments are valued at cost. In case of impairment in an investment fair value, its book value is reduced by the impaired value and such decrease is charged to statement of income under “other investments valuation differences”. In case of increase in the fair value, such increase shall be credited to the same item in the statement of income within the limits of amounts previously charged.

3-7 Provision for loans and contingent liabilities

-A provision is made for specific loans and contingent liabilities, in addition to a provision for general risk computed as a percentage of total loans and contingent liabilities after excluding balance secured by cash deposits and guarantees from creditable banks. These provisions are calculated in the light of the management experience and regular detailed studies of loans and contingent liabilities.

-Loans are written off using the provision in case all efforts to recover them are unsuccessful. Conversely, collections of loans previously written off are added up to the provision.

3-8 Contingent Liabilities& Commitments:

contingent liabilities, commitments and foreign currency forward contracts and currency and interest rate swap contracts, and others in which the bank is a party are presented off balance sheet under “Contingent Liabilities& Commitments” since they do not represent actual assets or liabilities at the balance sheet date.

3-9 Cash & cash equivalents:

For the purpose of preparing the statement of cash flows, Cash & cash equivalents include cash and balances due from the Central Bank of Sudan, current account with banks, treasury bills and certificate of deposits due within 3 month from date of placement.

3-10 Depreciation & Amortization:

Fixed Assets are depreciated on a straight-line method over the estimated useful lives of these assets. Depreciation is calculated from the date the usage. Fixed Assets are stated in the balance sheet net of depreciation:-

Electronic Equipments	20%
Computers	25%
Vehicles	16.66%
Furniture	20%
Building Fittings	Period of rent contract
Computer System	25%

Leasehold improvements and renovations on leased premises are amortized over their estimated useful lives or the lease contract period whichever is shorter.

3-11 Provision for Investment Risks

Provision for investment risks computed for each item separate according to basis set forth by Central Bank of Sudan.

3-12 Receivable

Receivable should be recorded at the time of occurrence with its real cost.

3-13 Tax and Zakat:

The current due tax and zakat are calculated according to the prevailing rules and regulations in Sudan.

3-14 Employees Benefits:

The Bank is obligated to pay the end services benefit for employees.

3-15 Report of Fatwa and Shariaa Supervisory Board

All the Bank's contracts and transactions presented to it by the bank management to insure their conformity with the principles of Islamic Shariaa.

(4) Financial instruments and risk Management:

4-1 Financial instrument

(A) The Bank's financial instruments are represented in the financial assets and liabilities. The financial assets include cash, due from banks, investments and loans to customers, customer's deposits, long term loans, rights and obligations stated under "contingent liabilities and commitments.

The financial statements include the accounting policies applied to measure and recognize significant financial instruments and related revenues and expenses.

(B) Fair value financial instrument:

In accordance with the applied of valuation the bank's assets and liabilities included in the notes of the financial statement, the financial statements' fair value do not substantially differ from their book value at the balance sheet date.

(c) Forward contract:

The bank does not carry out forward contracts except to the limit to cover its needs of foreign currencies or customers' need to meet their foreign currencies obligations that may result from their transactions through the bank to meet their liabilities in foreign currencies resulting from their dealings through the bank. All forward contracts are characterized that they are short-time contracts.

4-2 Risk Management:

A-Interest rate risk:

The value of some financial statements fluctuated due to the fluctuation in interest rates related thereto. The bank adopts some procedures to minimize this risk such as:

- Correlating between interest rates on borrowing and lending.
- Determining interest rates in consideration with the prevailing discount rates on various currencies.

B - Credit Risk:

Loans to customers and banks, investment in bonds, current account balances, deposits due from banks and reights from others are financial assets exposed to credit risk which expressed in the inability of these parties to settle part or all of due amount in due date.

- Preparing credit studies about potential customers before dealing with them and determining credit risk rated related thereto.
- Obtaining adequate guarantees to reduce the risks resulting from defaulting of customers of bank.
- Monitoring and preparing periodic studies on customers in order to evaluate their financial and credit positions and estimate the required provision for non-performing loans.
- Distribute the loans portfolio over the various sectors.

C-Foreign Currencies Risk:

The nature of Bank's activity requires the bank to deal in many foreign currencies, which exposes the bank to the risk of fluctuation in exchange, rates. To minimize this risk, the Bank monitors balancing of foreign currencies positions according to the central Bank of Sudan instructions in that respect.

	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>5/ Local Currency on Hand & Off other Banks</u>	<u>SDG</u>	<u>SDG</u>
Cash on Hand	4,004,694	8,546,442
Deposit with Bank Of Sudan	31,588,983	3,057,722
Statutory Reserve with Bank Of Sudan	13,904,366	8,196,211
	<u>49,498,043</u>	<u>19,800,375</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>6/ Foreign Currency on Hand & At other Banks</u>	<u>SDG</u>	<u>SDG</u>
Cash on Hand	622,300	218,442
Deposit with Bank of Sudan	36,113,634	5,624,706
Statutory Reserve With Bank Of Sudan	4,255,975	1,447,935
Deposits with Foreign Correspondents	8,658,669	149,696,983
Cash Cover for Corresponds (LC)	39,177,519	-
	<u>88,828,097</u>	<u>156,988,066</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>7/ Receivables</u>	<u>SDG</u>	<u>SDG</u>
Short Term Murabaha -Local	40,063,699	60,646,320
Medium Term Murabaha - Local	68,822,713	74,361,255
Long Term Murabaha – Local	8,868,824	4,349,902
	<u>117,755,236</u>	<u>139,357,477</u>
Less: Provision For Doubtfull Debts -	(5,522,734)	(5,232,029)
Less: Provision For Doubtfull Debts - 1%	(1,867,800)	(1,381,080)
	<u>110,364,702</u>	<u>132,744,368</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>8/Short Term Investment</u>	<u>SDG</u>	<u>SDG</u>
Musharaka	78,857,488	19,385,696
Shahama Certifications	12,267,500	14,843,000
Shahab Certifications	1,000,000	35,000,000
Investments Portfolio	20,985,007	9,010,007
Local Investment Deposits	50,057	16,050,056
Foreign Investment Deposits	2,200,000	-
	<u>115,360,052</u>	<u>94,288,759</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>9/Long Term Investments</u>	<u>SDG</u>	<u>SDG</u>
Long Term Investments-Stocks	<u>112,200</u>	<u>104,040</u>

	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>10/ Investment In Subsidiaries</u>	<u>SDG</u>	<u>SDG</u>
AL Takamol for Financial Services Co. Ltd.	1,000,000	-
AL Takamol for Trading Co. Ltd.	1,049,000	-
	<u>2,049,000</u>	<u>-</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>11/ Other Receivables</u>	<u>SDG</u>	<u>SDG</u>
AL Takamol for Trading Co. Ltd.	110,000	-
Due From Murabaha	4,475,460	1,579,206
Prepaid Expenses	4,272,733	848,632
Due From Shahama	3,376,266	2,466,089
Due From Deposits	1,763,449	1,870,152
ATM	-	3,570
Subsidiaries Formation	-	337,941
Branches Establishing Expenses	-	785,410
Prepayments - Staff	981,320	216,465
Cash on Hand Deficient	468,216	-
Accrued Revenues	165,746	-
Accrued investment Revenues from Associate Compan's	397,268	-
Advance at Court	600,000	-
Perios Bank Stock Register Fees	451,143	418,333
Other Debit Balances	178,365	9,273
	<u>17,239,966</u>	<u>8,535,071</u>

12/ Schedule of Fixed Assets and Depreciation as at 31st December 2008

<u>Description</u>	<u>C o s t</u>			<u>Rate</u> <u>%</u>	<u>D e p r e c i a t i o n</u>			<u>Net Book Value</u>	<u>Net Book Value</u>
	<u>Balance In</u>	<u>Additions</u>	<u>Balance In</u>		<u>Balance In</u>	<u>For The Year</u>	<u>Balance In</u>	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>1/1/2008</u> <u>SDG</u>	<u>SDG</u>	<u>31/12/2008</u> <u>SDG</u>		<u>1/1/2008</u> <u>SDG</u>	<u>SDG</u>	<u>31/12/2008</u> <u>SDG</u>	<u>SDG</u>	<u>SDG</u>
Electronic equipments	2,016,087	748,489	2,764,576	20%	496,594	490,162	986,756	1,777,820	1,519,493
Computers	364,499	103,221	467,720	25%	120,726	107,215	227,941	293,779	243,773
Vehicles	734,922	179,681	914,603	16,66%	68,242	127,095	195,337	719,266	666,680
Furniture's	360,847	163,541	524,388	20%	85,648	80,473	166,121	358,267	275,199
Building fitting	3,305,041	2,856,730	6,161,771	rent contract	597,940	655,336	1,253,276	4,908,495	2,707,101
Computer System	<u>649,118</u>	<u>67,039</u>	<u>716,157</u>	25%	<u>199,611</u>	<u>171,045</u>	<u>370,656</u>	<u>345,501</u>	<u>449,507</u>
	<u>7,430,514</u>	<u>4,118,701</u>	<u>11,549,215</u>		<u>1,568,761</u>	<u>1,631,326</u>	<u>3,200,087</u>	<u>8,349,128</u>	<u>5,861,753</u>

	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>13- Deposits with local Correspondents</u>	<u>SDG</u>	<u>SDG</u>
Time Deposits	11,213,014	28,547,502
Deposits of Silver Certifications	86,961,085	80,797,680
	<u>98,174,099</u>	<u>109,345,182</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>14/ Deposits with Foreign Correspondents</u>	<u>SDG</u>	<u>SDG</u>
Time Deposits	3,246,894	968,529
Deposits Of Silver Certifications	82,280	79,968
	<u>3,329,174</u>	<u>1,048,560</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>15/ Other Payables</u>	<u>SDG</u>	<u>SDG</u>
Transfers to others	79,119	3,876
Draft Cheques	9,463,110	7,065,273
	<u>9,542,229</u>	<u>7,069,149</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>16/Other Credit Balances</u>	<u>SDG</u>	<u>SDG</u>
Stamp Duties	589	161,633
Profit on Murabaha	13,146,325	16,609,643
Profits on Time Deposits	259,767	278,175
Profit on Silver Certificate	3,946,077	3,496,154
Tax Provision	2,450,000	1,363,673
Zakat provision	1,372,279	227,279
Provision Of Deposit Guarantee	755,160	425,000
End Of Services provision	222,250	87,250
Provision For Bonus	2,147,156	1,604,321
Other Accruals	980,623	88,484
Over Subscription Of new Capital Income	3,537,352	3,588,589
Electronic Banking Clearance	65,002	4,565
Outstanding amounts – distributing 2007	78,331	-
	<u>28,960,920</u>	<u>27,934,766</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>17/ Share Capital</u>	<u>SDG</u>	<u>SDG</u>
Issued & Paid up Share Capital		
64,725,062 Share – Share Value 1SDG as in Note (19)	<u>64,725,062</u>	<u>60,000,000</u>

	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>18/ General Reserve</u>	<u>SDG</u>	<u>SDG</u>
Balance in 1/1/2008	1,209,258	459,238
Additions For the Year	<u>1,386,987</u>	<u>750,020</u>
Balance in 31/12/2008	<u>2,596,245</u>	<u>1,209,258</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>19/Retained Earning</u>	<u>SDG</u>	<u>SDG</u>
Balance in 31/12/2007	1,800,934	1,800,934
Additions 2007	<u>6,750,181</u>	-
Additions 2008	8,551,115	-
Balance in 31/12/2008	<u>(6,750,181)</u>	-
	<u>1,800,934</u>	<u>1,800,934</u>
The board of directors decided on 27/2/2008 to distribute 30% cash and 70% shares from the net profit of 2007		
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>20/Return From Investments</u>	<u>SDG</u>	<u>SDG</u>
Return From Shahama Certificates	4,202,940	1,955,081
Return From Shahab Certificates	2,519,839	1,197,500
Return From Investment Portfolio	3,868,015	1,022,902
Return From Murabaha & Musharaka	<u>18,551,027</u>	<u>11,463,041</u>
	<u>29,141,821</u>	<u>15,638,524</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>21/ Commissions Fees</u>	<u>SDG</u>	<u>SDG</u>
Documentary Bills	1,156,979	638,690
Telegraphic Transfer Swift	1,394,594	1,283,699
Draft Commission	149,860	85,016
Letter Of Credit Commission	10,852,351	6,014,196
Letter Of Guarantee Commission	952,286	894,502
Service Commission	202,072	189,680
Murabaha & Musharaka Commission	1,221,066	125,212
Customer Accounts related Fees	647,875	441,771
ATM Commission	6,080	251
Treasury Cheques	96,029	-
Insurance Commission	<u>8,398</u>	-
	<u>16,687,590</u>	<u>9,673,017</u>

	<u>Year ended</u>	<u>Year ended</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>SDG</u>	<u>SDG</u>
<u>22/Treasury Income – Foreign Currency</u>		
Treasury Income – Foreign Currency	<u>5,128,247</u>	<u>3,233,384</u>
	<u>Year ended</u>	<u>Year ended</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>SDG</u>	<u>SDG</u>
<u>23/ Other Income</u>		
Other Banks Deposits Income	<u>1,203,960</u>	<u>2,147,577</u>
	<u>Year ended</u>	<u>Year ended</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>SDG</u>	<u>SDG</u>
<u>24/ Investment in Subsidiaries’ Revenues</u>		
AL Takamol Financial Services Co.	217,354	-
AL Takamol multi activities Co.	<u>179,914</u>	-
	<u>397,268</u>	<u>-</u>
	<u>Year ended</u>	<u>Year ended</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
	<u>SDG</u>	<u>SDG</u>
<u>25/ Staff Cost</u>		
Salaries & Wages	4,807,938	2,322,187
Food Allowance	121,090	72,200
Clothing Allowance	135,225	84,997
Inflation Allowance	361,040	234,920
Monthly Donation	270,540	176,630
Bonus	1,539,370	315,191
Social Insurance	892,596	466,701
Training Expenses	160,248	174,729
Medial Insurance	224,421	128,959
Over Time	42,383	49,261
End Services Provision	135,000	429,750
Mileage Allowance	<u>117,477</u>	<u>7,186</u>
	<u>8,807,328</u>	<u>4,472,711</u>

	<u>Year ended</u>	<u>Year ended</u>
	<u>31/12/2008</u>	<u>31/12/2007</u>
<u>26/ General & Administrative Expenses</u>	<u>SDG</u>	<u>SDG</u>
Building Rentals	1,730,174	980,715
Vehicles Rentals	90,235	196,718
Insurance Expenses	518,614	214,043
Electricity & Water Telecommunications	366,607	352,261
Transport Expenses	59,783	126,904
Repairs & Maintenance	525,169	312,532
Printing & Stationary	327,689	437,666
Computer expenses	338,230	121,522
Advertising Expenses	213,473	486,914
Legal Fees	262,832	207,924
Internal Auditor Fees	292,357	27,650
Security Services Fees	325,977	177,134
Other Professional Fees	810,326	463,018
Travel Tickets	392,582	255,997
Subscription & Publications	7,052	4,099
Local Clearing House Fees- Bank Of sudan	87,650	27,100
Postages	34,042	19,060
Board members Expenses	1,446,429	400,038
Fuel Expenses	122,578	116,976
Office Refreshments	203,403	130,791
subscriptions	227,684	235,939
Correspondents Bank Charges	122,824	67,713
Tax & Duties - Building	53,900	39,776
Technical Fees	230,198	48,430
Computer System Fees	619,582	486,506
Donation	71,218	3,925
Audit Fees	75,000	50,000
Deposits Guarantee Provision	680,160	425,000
Bonus Provision	2,013,000	1,604,321
Others	<u>72,599</u>	<u>-</u>
	<u>12,321,367</u>	<u>8,020,672</u>

27/ Tax Provision

Tax Provision 2008

Less: Paid Tax

Year ended

31/12/2008

SDG

2,510,000

(60,000)

2,450,000

Year ended

31/12/2007

SDG

3,143,673

(1,780,000)

1,363,673

28/ Zakat Provision

Zakat Provision 2008

Less: Paid Zakat

Year ended

31/12/2008

SDG

1,145,000

-

1,145,000

Year ended

31/12/2007

SDG

599,306

(372,027)

227,279

Sudanese Egyptian Bank
Financial Statements for the Year Ended 31st December 2008
And Auditor's Report

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ARABIAN BULK TERMINAL COMPANY LIMITED

AUDITED ACCOUNTS FOR THE YEAR

ENDED 31st December 2008

Chartered Certified Accountants

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