

# 17

التقرير السنوي - 2013  
السابع عشر

BANK OF COMMERCE & DEVELOPMENT

The Seventeenth Annual Report

2013

التقرير السنوي السابع عشر

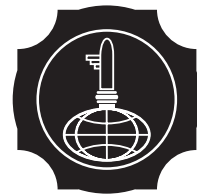
بنك التجارة والتنمية

# 17<sup>th</sup>

Annual Report - 2013  
SEVENTEENTH

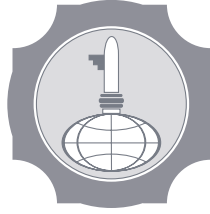


مِصْرُ التِّجَارَةِ وَالتَّمْدِيرِ



BANK OF COMMERCE  
& DEVELOPMENT





## BANK OF COMMERCE & DEVELOPMENT

A Libyan Joint Stock Company  
First and Largest Private Bank in Libya

**Annual Report - 2013**

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**SEVENTEEN**

**17**

**Supervised by**

Mr. Gamal Attaeb Abdelmalik

**Prepared by:**

Mr. Tarek Muftah Alhaddad

Mr. Waseem Abdalla Azwayee

## Contents

The Board of Directors	06
Chairman's Message	09
Bank Assets and Liabilities	12
Banking Operations	14
Human Resources	22
Electronic Payment Cards	23
Credit	24
New Branches	24
Results of the Financial Year ended on 31/ 12/ 2013	25

## Bank of Commerce & Development

### A Joint Stock Libyan Company

The Bank of Commerce and Development was established in accordance with statute number (1) / 1993 and its amendments concerning banks, money and credit as follows:

1. The Secretary of the General People's Committee for Planning and Finance Decree number (234) / 1993.
2. The Secretary of the General Committee for Planning, Economy and Trade Decree number (529) / 1994.
3. Commercial Registration number (9515) dated 9/11/1995

The Bank opened officially for business on 9/6/1996  
Member of the Union of Arab Banks as of 1/5/1996  
Member of the Society of Libyan Banks as of 10/8/1996  
Member of the Union of Magreb Banks as of 30/5/1998

### Capital

105,000,000.00 LYD (One Hundred Five Million Libyan Dinar)

### Stockholders

Natural persons (2667)  
Juridical persons (37)



### Head Office – Benghazi

BOCD Tower - Gamal A / Nasir Str.  
Alberka - Benghazi  
Telex: 40298 BCD HOLY  
P.O.Box: 9045  
Tel: +218 - 61 - 9097300 / 2242111  
Service Number: Ext 1478  
(Admin 1009 - Shareholders 1023)  
Email: info@bcd.ly  
SWIFT: CDBLLYLT

### Branches

#### 1. Benghazi Main Branch

Burj Almukhtar Building - Gamal A /Nasir Str. - Benghazi  
P.O.Box: 9160  
Tel: +218 - 61 - 9080555 / 9097361  
Fax: +218 61 - 9080444

#### 2. Tripoli Main Branch

Annasr Str. - Bumashmasha - Tripoli  
P.O.Box: 91210  
Tel: +218 - 21 - 3335846 / 3335477  
Fax: +218 - 21 - 3335846 / 3335477

#### 3. Misurata Main Branch

The Permanent Industrial Fair - Adjacent to Aljamia Alaali - Misurata  
P.O.Box: 78  
Tel: +218 - 51 - 629550 / 629551  
Fax: +218 - 51 - 629538

#### 4. Tobruk Main Branch

BOCD Bldg - Tobruk  
P.O.Box: 28/86  
Tel: +218 - 087 -76294025  
Fax: +218 - 87 - 621208

#### 5. Azzawia Main Branch

Alamlak Bldg - Oqba Bin Nafee Str. - Azzawia  
P.O.Box: 120  
Tel: +218 - 23 - 620164 / 620057  
Fax: +218 - 23 - 620195

#### 6. Albieda Main Branch

Tel: +218 - 84 - 635694  
Fax: +218 - 84 - 635694

#### 7. Zletin Main Branch

AlQyadat Ashabia Investment Building - Misurata Str. | Zletin  
Tel: +218 - 51 - 4627716  
Fax: +218 - 51 - 4627720

#### 8. Dat Elemad Branch

Dat Elemad Buildings - Tower 1 - Tripoli  
Tel: +218 - 21 - 3350530  
Fax: +218 - 21 - 3350206

#### 9. Sirte Main Branch

Tel: +218 - 545 - 250044 / 250043

#### 10. Derna Main Branch

Tel: +218 - 81 - 5373 263/ 5374 263

#### 11. Al khams Main Branch

Ben Jeha Area - next to Moujamaa almahakem  
Tel: +218 - 53621867 / 53260579  
+218 - 532621780

#### 12. Al Hawari Branch

Al Hawari Road - Benghazi  
P.O.Box: 9054  
Tel: +218 - 61 - 224 0347  
Fax: +218 - 61 - 224 0912

### Agencies

#### 1. Addawa Alislamia Agency

Addawa Alislamia Building - Benghazi  
Tel: +218 - 61 - 9082057  
Fax: +218 - 61 - 9081482

#### 2. Burj Tripoli Agency

Burj Alfateh - 2nd floor - Office no. 1 - Tripoli  
Tel: +218 - 21 - 3351115 / 3351117  
Fax: +218 - 21 - 3351118 / 3351119

#### 3. Gout Ashaal Agency

Zarqaa Alyamama Center - no. 2 - Gout Ashaal - Tripoli  
Tel: +218 - 21 - 4838758 / 4838762  
Fax: +218 - 21 - 4838762

#### 4. Alforosia Agency

Alforosia Investment Complex - Aljazeera Dist. - Benghazi  
Tel: +218 - 61 - 9082057  
Fax: +218 - 61 - 9081482



#### 5. Gargarish Agency

Alandalus Dist. - Tripoli

Tel: +218 - 21 - 4841531 / 4841532

Fax: +218 - 21 - 4841533

#### 6. Gasr Hamad Agency

Misurata

Tel: +218 - 51 - 2743024

Fax: +218 - 51 - 2743023

#### 7. Benina International Airport Agency

Benina International Airport - Benghazi

Tel: +218 - 61 - 9081483

Fax: +218 - 61 - 9081483

#### 8. Musaad Border Agency

Mutamar Former Building - Musaad

Tel: +218 - 87 - 629404

Fax: +218 - 87 - 629404

#### 9. Tripoli International Airport Agency

Tripoli International Airport - Tripoli

Tel: +218 - 22 - 634644

Fax: +218 - 22 - 634645

#### 10. Alberka Agency

BOCD Tower - Gamal A/Nassir Str- Benghazi

Tel: +218 - 61 - 2239210

Fax: +218 - 61 - 2239210

#### 11. Alhadaiq Agency

Alfwaihat - Benghazi

Tel: +218 - 61 - 2233516

Fax: +218 - 61 - 2239823

#### 12. Alfunduk Alkabir Agency

Alfunduk Alkabir - Tripoli

Tel: +218 - 21 - 3334072

Fax: +218 - 21 - 3334073

#### 13. Gialo Agency

Gialo City

Tel: +218 - 61 - 224581

Fax: +218 - 2507657/ +218 - 6572238

#### 14. Child Agency

Benghazi

Tel: +218 - 61 - 2241782

Fax: 218 - 61 - 2241781

#### 15. Zwara Agency

Gamal A/Nasir Street - Coastal Road -

Zwara

Tel: +218 - 25 - 220130

Fax: +218 - 25 - 220134

#### 16. Rass Lanoff

Industrial Area

Tel: +218 - 54 - 384301 / 3843011

Fax: +218 - 54 - 3843012

#### 17. Adjedabia Agency

Benghazi Street - Adjedabia

Tel: +218 - 64 - 628670

Fax: +218 - 64 - 628671

#### 18. Almadar Agency

Sports City - Tripoli

Tel: +218 - 91 - 90539

Fax: +218 - 91 - 90540

#### 19. Alfwaihat Agency

Benghazi

Tel: +218 - 61 - 2239925

Fax: +218 - 61 - 2239924

#### 20. Alwahda Alarabia Agency

Benghazi

Tel: +218 - 61 - 2239169

Fax: +218 - 61 - 2239206

#### 21. Souk Aljuma Agency

Tripoli

Tel: +218 - 21 - 353946

Fax: +218 - 21 - 3513997

#### 22. Tajouraa Agency

Tajouraa Alwosta - Almouzdawej Str.

Tel: +218 - 21 - 3690937

+218 - 21 - 3690137

#### Business Centers

##### 1. Tripoli Business Center

Datelemal Buildings - Tower 1 - Tripoli

Tel: +218 - 21 - 3350205

Fax: +218 - 21 - 3350200

##### 2. Benghazi Business Center

Addawa Alislamia Building

Tel: +218 - 61 - 9082057

Fax: +218 - 61 - 9081482

## The Board of Directors

Jamal T. Abdelmalek

Chairman of the Board

Ali Ahmad Zayed Al Koura

Deputy Chairman of the Board

Fathi Jomaa Bousnina

Board Member

Fadelalla Faraj Fanoush

Board Member

Khalifa Said Kana

Board Member

Ali Abdallah Ahmad Darwich

Board Member

Youssef Mahmoud Alnehma

Board Member

Ali Rached Ali Almouhanadi

Board Member

## Control Committee

Dr. Mohamad Ramadan Bouzakouk

Control Committee Member

Abou Bakr Elhamid Alfaituri

Control Committee Member

Moussa Abd Alrahman Khamis

Control Committee Member



## Executive Management

1. Khaled Al-Hadi Derbee	General Manager
2. Waseem Abdalla Azwaee	Administration & Personnel Manager
3. Salah Ali Alkarari	Banking Operations Manager
4. Jasser mansour Al-Sanosi	Credit Manager
5. Bashir Hasan Alhouti	Systems Manager
6. Mohamad Abd Elbaset Bou Arkoub	Electronic C Manager
7. Ali Rajab Alrateb	Administration and Services Manager
8. Khalifa Mohammed Al-Naas	Legal Office Manager
7. Ashor Ali Al Warfali	Inspection Manager

## Audit Department

1. Idriss Ismail Altachani	Risk Manager
2. Ali Mohmoud Kalissa	Internal Audit Manager
3. Tarek Mouftah Alhaddad	Head of compliance unit
4. Fawzi Ahmad Alhawwaz	Head of the Sub-Unit of Financial Information

## Bank of commerce and development Vision

### Our Vision

The bank of commerce and development aspires to be the first bank favored by everyone.

### Our Mission

To provide the best, highest quality and fastest modern banking services.

To introduce the most advanced technologies and methods in the banking industry.

To satisfy our customers by providing diversified products and services to meet their varied purposes, needs and activities.

### Our Objectives

To meet our customer's expectations and gain their satisfaction.

To increase profits and reduce costs to increase Stockholders' equity and strengthen the Bank financial position.

To build a sound banking institution focusing on asset quality.

To recruit, train, motivate and reward talented leading banking personnel by providing local and foreign training programs and incentives for the distinguished among them.

To install the single family spirit in all the branches and agencies under the leadership of the Bank's top management.

## Chairman's Message

Honorable, Ladies and Gentlemen

Shareholders of the Bank of Commerce and Development

The Board of Directors is pleased to present to you the Annual Report of the Bank of Commerce and Development for the financial year ended 30/12/2013, which witnessed the election of a new Board of Directors based on the strategic partnership agreement with Qatar National Bank (QNB). The new Board consists of five Libyan members and four Qatari members representing Qatar National Bank and selected by the General Assembly meeting held on 25/5/2013.

Messrs. Shareholders

Your Bank has achieved balanced growth rates and figures that came as a result of the strategy introduced by the Board of Directors based on achieving excellency in all services and banking products and the continuous efforts exerted in the technology and communication driven developments and enhancements. By that, the Bank asserts again its leadership in the Banking Sector in Libya. The year 2013 has witnessed the introduction of Law No. (1), which states the cessation of interest based dealings in commercial transactions with individuals, which was done by canceling interests on credit facilities and social advances granted to natural persons and full cessation of credit granted to natural persons.

The Bank's total assets had a significant rise from (LYD 3,993,267,214.548) in 2012, to (LYD 4,625,329,134.398) in 2013, an increase of (LYD 632,061,920.390), a rate of 16%. Total liabilities also increased from (LYD 3,761,702,904.375) in 2012 to (LYD 4,362,469,387.634) in 2013, a rate of 15%.

Total shareholders' equity amounted to (LYD 262,859,746.764) in 2013, an increase of (LYD 31,295,436.591) over 2012 which was (LYD 231,564,310.173), a rate of 15%, while total profit reached (LYD 31,284,723.393).

The Bank continued offering more banking enhanced services and products to a wider client base by opening more branches, specifically Hawari agency in Benghazi and Ras Lanouf agency.

In the area of credit facilities, the Bank has worked to limit the granting of credit facilities due to the issuance of Law No. (1) of 2013 on the prevention of interest and commercial transactions for natural persons, and for legal persons to be valid until the end of 2014. On the other hand, we continue to invest in our resources So we have given our employees sufficient attention by raising their professional level by holding several intensive and specialized training courses.

Finally, the Board of Directors extends its thanks and gratitude to the customers of the Bank, thanking them for the confidence they have given to the Bank and we would like to thank all the Bank of Commerce and Development employees for their efforts during the financial year ending 31/12/2013, and we look forward to more success and prosperity in the years to come in God's will.

May peace and God's mercy and blessings be upon you

**JAMAL ATTAEB ABDELMALIK**  
Board Chairman

## General Assembly

The General Assembly yearly meeting was held on 25/05/2013 and issued the following:

1. Approval on the report of the Board of Directors concerning the activities of the Bank during the financial year ended 31/12/2012.
2. Approval on the report of the board of Inspection for the year ended 31/12/2012.
3. Approval on the auditors's reports for the financial year ended 31/12/2012.
4. Certification of the balance sheet and statement of income for the financial year ended 31/12/2012.
5. Designation of:
  - a. Mr. Omar Mohamad Alcheikh, certified accountant & auditor
  - b. Abdel Salam Kashadah & Partners, certified accountant & auditor

To review the bank accounts for the financial year ended 31/12/2012.

6. Designation of the Bank's new Board of Directors' members:

Ali Ahmad Zayed Alkouri	Qatari side
Youssef Mahmoud Neemah	Qatari side
Ali Rached Ali Almouhanadi	Qatari side
Ali Abdallah Ahmad Darwish	Qatari side
Jamal Altayib Abdel Malak	Libyan side
Fathi Jomaa Bousanina	Libyan side
Khaled AlHadi Darbi	Libyan side
Khalifah Saiid Kanah	Libyan side
Fadlallah Faraj Fanouch	Libyan side

7. Designation of the Bank's Inspection Committee members:

Dr. Mohamad Ramadan Bouzaakouk	Inspection Manager
Abou Bakr AbdelHamid Alfaituri	Inspection Member
Moussa Abdel Rahman Khamis	Inspection Member
Ibrahim Abdel Salam Khalif	Reserve Member
Mohamad Abdel Hakim Alchawich	Reserve Member

## Board of Directors

On 25/05/2013, the Bank's General Assembly selected a new board of Directors consisting of:

A. Jamal Altayib Abdel Malak	Libyan side
Fathi Jomaa Bousanina	Libyan side
Khaled AlHadi Darbi	Libyan side
Khalifah Saiid Kanah	Libyan side



Fadlallah Faraj Fanouch	Libyan side
Ali Ahmad Zayed Alkouri	Qatari side
Ali Rached Ali Almouhanadi	Qatari side
Youssef Mahmoud Neemah	Qatari side
Ali Abdallah Ahmad Darwish	Qatari side

In accordance with the decision to amend the Article (35) of the the Bank's Articles of Association, according to the General Assembly Meeting held on 25/03/2013, which stipulates that "the Bank shall be managed by a Board consisting of nine members, five of them are Libyan and four Qatari. On 07/07/2013, the first meeting of the Board of Directors was held. Mr. Jamal Al Tayeb Abdulmalik was elected Chairman of the Board of Directors and Mr. Ali Rashid the Deputy Chairman of the Board of Directors.

## Committees of the Board of Directors

The Bank of Commerce and Development adopts the Governance in the Banking Sector Guide issued by decision No. 20 of 2010, and accordingly restructured the Committees as follow:

### a. The Audit Committee

Youssef Mahmoud Neemah	Chairman
Fadlallah Faraj Fanouch	Member
Khaled AlHadi Darbi	Member
Ali Abdallah Ahmad Darwish	Member

### b. The Risk Management Committee

Jamal Altayib Abdel Malak	Chairman
Ali Rached Ali Almouhanadi	Member
Youssef Mahmoud Neemah	Member
Khalifah Saiid Kanah	Member

### c. The Appointment and Remuneration Committee

Ali Rached Ali Almouhanadi	Chairman
Fathi Jomaa Bousanina	Member
Ali Abdallah Ahmad Darwish	Member

### d. The Governance Committee

Jamal Altayib Abdel Malak	Chairman
Youssef Mahmoud Neemah	Member
Ali Abdallah Ahmad Darwish	Member

### e. The Credit Facilities Committee

Fadlallah Faraj Fanouch	
Fathi Jomaa Bousanina	
The Chairman	
Director of Credit Management	

## Meeting of the Board

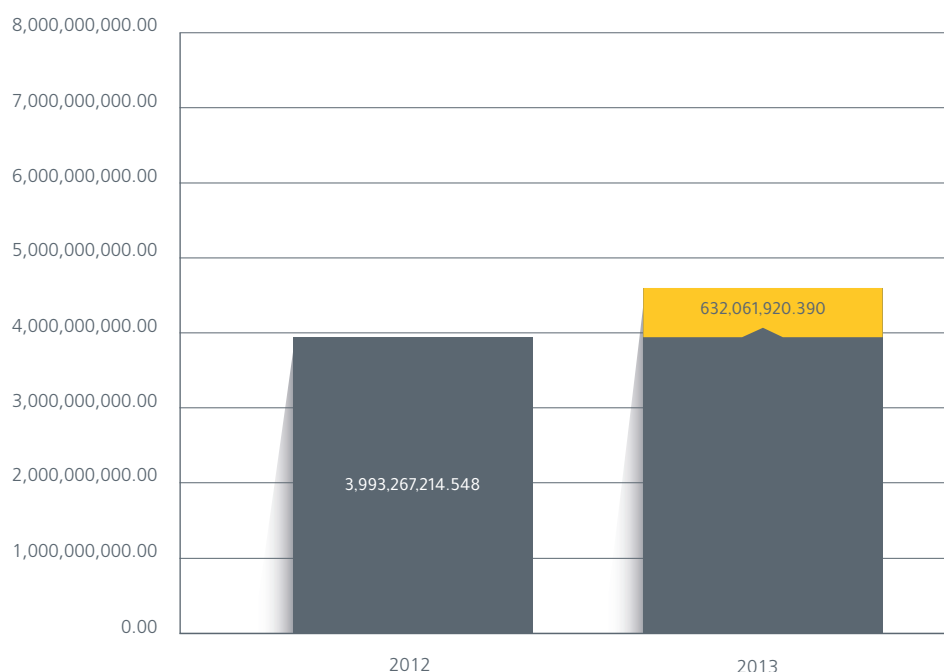
In 2013, The Board of Directors held 3 meetings in the presence of the entire members.

## Financial Indicators in 31/12/2013

### 1. Assets

The Bank's assets have seen a significant rise on 31 /12 /2013, with a balance of (LYD 4,625,329,134.398), an increase of (LYD 632,061,920.390) over the financial year ended on 31 /12 /2012, with total assets of (LYD 3,993,267,214.548).

#### Assets



The following is a statement of the most important assets' items:

#### A. Balances with Local and Foreign Banks:

The balance of this item at the end of the year on 31 /12 /2013 amounted to (LYD 1,383,313,388.194), compared to the amount of (LYD 1,390,278,491.754) at the end of the year 2012, a decrease of (LYD 6,965,103) a rate of (0.5%).

#### B. Certificates of Deposit with the Central Bank of Libya:

The balance of certificates of deposit on 31 /12 /2013 amounted to (LYD 1,945,147,176.297), against the amount of (LYD 1,645,894,896.311) for the financial year ended on 31/ 12/ 2012, an increase of (LYD 299,252,279.980).

The returns on the certificates of deposit on 31 /12 /2013 amounted to (LYD 20,003,418.008), compared to the amount of (LYD 13,238,638.574) on 31 /12 /2012, an increase of (LYD 6,764,779.434).

**C. Deposits with Foreign Banks:**

The balance of deposits with foreign banks on 31 /12 /2013 amounted to (LYD 157,467,518.196), against the amount of (LYD 104,343,507.518) for the year ended 31 /12 /2012, an increase of (LYD 53,124,010.678), a rate of (51%).

**D. Domestic Investments:**

The domestic investments after deduction of provisions total on 31 /12 /2013 amounted to (LYD 6,658,458.000), against the amount of (LYD 6,658,458.000) for the year ended 31 /12 /2012.

**E. Loans and Facilities After Deducting Provisions:**

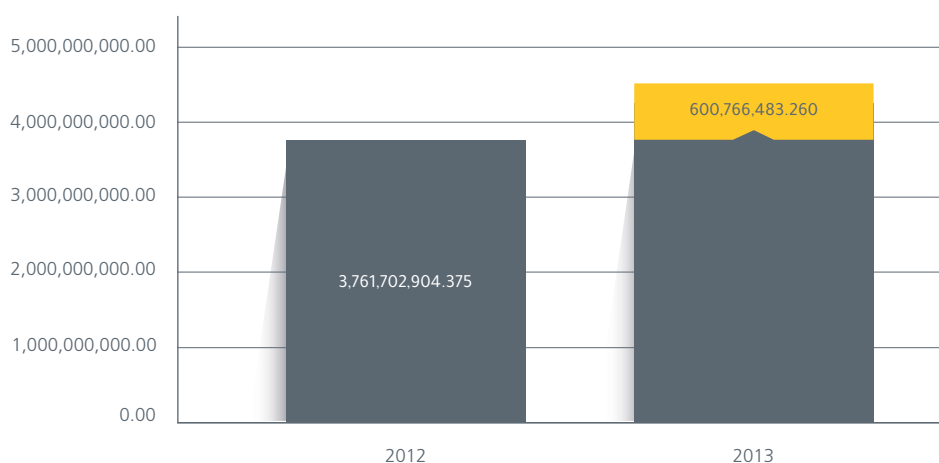
The total balance of credit facilities on 31 /12 /2013 amounted to (LYD 450,800,881.332), against (LYD 390,471,543.498) on 31 /12 /2012, an increase of (LYD 60,329,337.834), a rate of (17%).

**F. Accounts Receivable and other Debit Balances:**

The total balance of accounts receivable and other debit balances on 31 /12 /2013 amounted to (LYD 27,991,770.878), compared to the amount of (LYD 12,981,961.644) on 31 /12 /2012, an increase of (LYD 15,009,809.234), a rate of (18%).

**G. Fixed Assets:**

The total of Fixed Assets after depreciation on 31 /12 /2013 amounted to (LYD 59,058,311.074), compared to the amount of (LYD 53,085,338.362) at 31 /12 /2012 an increase of (LYD 5,972,972.712) a rate of (10%).

**2. Liabilities**

Liabilities rose to reach a remarkable increase on 31 /12 /2013 amounted to (LYD 4,362,469,387.634), an increase of (LYD 600,766,483.260), over the financial year ended on 31 /12 /2012 with a total amount of liabilities of (LYD 3,761,702,904.375 ), a rate of (13%).

The following is a statement of the most important liabilities' items

#### A. Customer deposits:

The balance of customer deposits on 31 /12 /2013 amounted to (LYD 3,576,537,108.364), an increase of (LYD 569,561,620.340) over the financial year ended on 31 /12 /2012, with a total of (LYD 3,006,975,488.024), a rate of (19%).

#### B. Customer Time Deposits:

Time deposits balances on 31 /12 /2013 amounted to (LYD 438,723,750), against the amount of (LYD 435,073,750) for the financial year ended on 31 /12 /2012, an increase of (LYD 3,650,000).

#### C. Savings Deposits:

This item represents the total savings accounts of the young and old, which on 31 /12 /2013 amounted to (LYD 32,864,677.643) compared to the amount of (LYD 35,671,708.656), for the financial year ended on 31 /12 /2012, a decrease of (LYD 2,825,031.013), a rate of (9%).

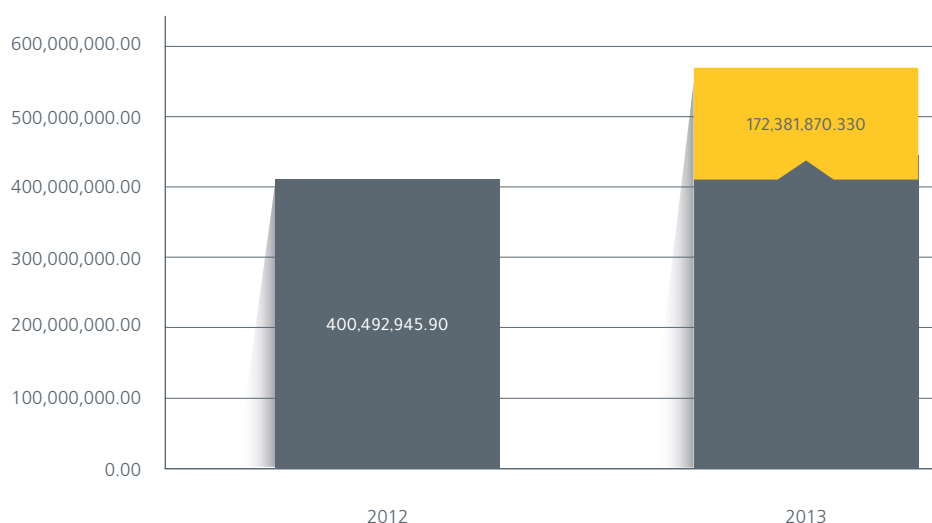
#### E. Cash Margins:

The balance of this item on 31 /12 /2013 amounted to (LYD 79,074,499.843), against the amount of (LYD 88,526,763.967), for the financial year ended on 31 /12 /2012, a decrease of (9,452,264.124) a rate of (12%).

## II. Banking Operations

The Bank witnessed a significant growth in its external operations in 2013, which resulted in an increase in the Bank's revenues.

### 1. Letters of Credit





## Letters of Credit (Import)

The number of letters of credit (import) opened during the fiscal year ended on 31 /12 /2013 was (1088) documents with a total value of (LYD 572,874,818.233), against the value of the documentary credits opened during the year ended on 31 /12 /2012 valued at (LYD 400,492,945.903), an increase of (LYD 172,381,870.330) a rate of (43%). The following table shows the total open credits and their value according to the currencies issued:

### USD

LYD Equivalent	Total	Number of Credits
430,760,732.434	342,798,609.29	638

### EUR

LYD Equivalent	Total	Number of Credits
137,576,395.139	79,372,523.59	435

### GBP

LYD Equivalent	Total	Number of Credits
137,576,395.139	79,372,523.59	11

### TND

LYD Equivalent	Total	Number of Credits
63,547.360	82,960.00	3

### CHF

LYD Equivalent	Total	Number of Credits
1,985,927.000	1,403,382.80	3

### Letters of Credit (export)

The value of the letters of credit (export) on 31/12/2013 amount to (LYD 57,833,357.860), while on 31 /12/ 2012 they amounted to (LYD 25,143,236.980), an increase of (LYD 32,690,120.880).

#### USD

Number of credits	Total	LYD Equivalent
25	18,554,612.880	18,554,612.880

#### EUR

Number of credits	Total	LYD Equivalent
10	30,787,672.29	38,493,826.66

#### TND

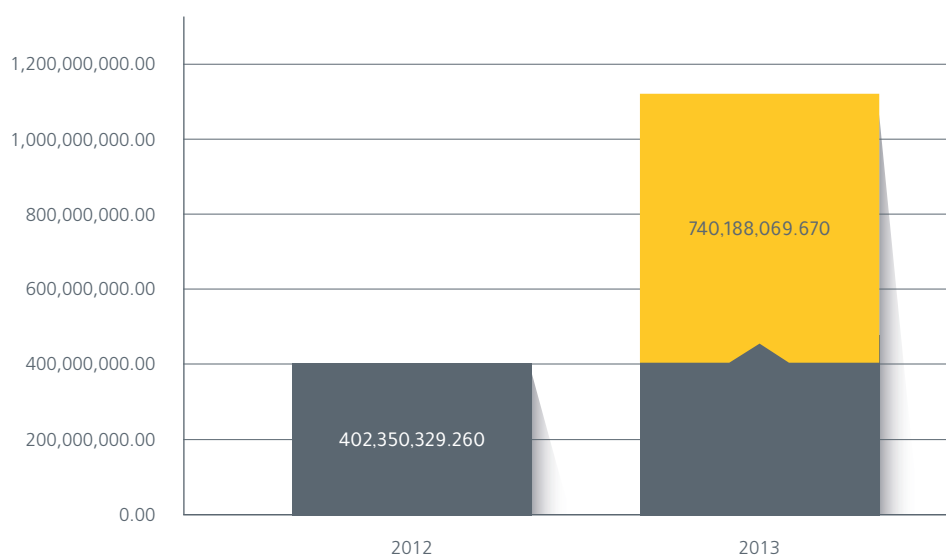
Number of credits	Total	LYD Equivalent
3	455,104.26	784,918.320

### Local Letters of Credit:

The value of local letters of credit on 31 /12 /2013 amounted to (LYD 1,888,349,491.027), an increase of (LYD 11,625,822.090), a rate of (1%), for the fiscal year ended on 31 /12/ 2012 where it reached (LYD 1,876,723,668.937).

### 2. External Bills for Collection

The value of external bills for collection transacted during the financial year ended on 31 /12 /2013 amounted to (LYD 1,142,538,398.934), while on 31 /12 /2012 they amounted (LYD 402,350,329.260), an increase of (LYD 740,188,069.670), a rate of (184%).



The following is a statement showing the total number of documents received in the collection and execution drawings and their value according to the currencies stated in them and equivalent in LYD:

#### USD

Number of credits	Total	LYD Equivalent
1848	772,904,200.73	971,231,418.637

#### EUR

Number of credits	Total	LYD Equivalent
678	98,573,064.27	170,857,732.279

#### GBP

Number of credits	Total	LYD Equivalent
7	200,944.41	416,175.968

**TND**

Number of credits	Total	LYD Equivalent
2	43,175.00	33,072.050

**3. Letters of Guarantee**

The total value of local and foreign letters of guarantee for the financial year ended on 31/12/2013 was (LYD 137,735,805,250) with a decrease of (7,162,506.63) for the fiscal year ended on 31/12/2012, reaching (LYD 144,898,311,886), a rate of (5%).

**4. Foreign Transfers****A. Foreign transfers (Outward)**

By the end of the year 2013 a number of (4900) outward transfers were issued, valued at (LYD279,153,143.261), a decrease of (LYD 20,055,604.694), rated (7%) when the year ended on 31/12/2012 where it reached (LYD 299,208,747.955).

The following table shows the total foreign remittances issued and their value according to the currencies issued and equivalent in LYD:

**USD**

Number of credits	Total	LYD Equivalent
3015	128,537,782.39	161,520,577.351

**EUR**

Number of credits	Total	LYD Equivalent
1557	63,608,072.52	110,251,872.099

**GBP**

Number of credits	Total	LYD Equivalent
302	3,400,150.66	7,042,052.032



**CHF**

Number of credits	Total	LYD Equivalent
12	58,297.71	82,497.089

**AED**

Number of credits	Total	LYD Equivalent
3	2,600	889.460

**CAD**

Number of credits	Total	LYD Equivalent
11	216,226.37	255,255.230

**B. Foreign transfers (Inward)**

The number of foreign transfers received by 31/12/2013 numbered (9919) transfer, amounted to (LYD568,709,802.170), an increase of (LYD346,409,148.420) rated (64%) while the value on 31 /12 /2012 was (LYD 346,409,148.420).

The following table shows the total foreign remittances issued and their value according to the currencies issued and equivalent in LYD:

**USD**

Number of credits	Total	LYD Equivalent
7292	324,095,522.42	405,216,631.68

**EUR**

Number of credits	Total	LYD Equivalent
2210	85,350,298.40	147,203,659.65

**GBP**

Number of credits	Total	LYD Equivalent
225	6,938,868.51	14,299,620.23

**CHF**

Number of credits	Total	LYD Equivalent
33	886,118.78	1,247,655.24

**TND**

Number of credits	Total	LYD Equivalent
6	355,588.89	355,588.89

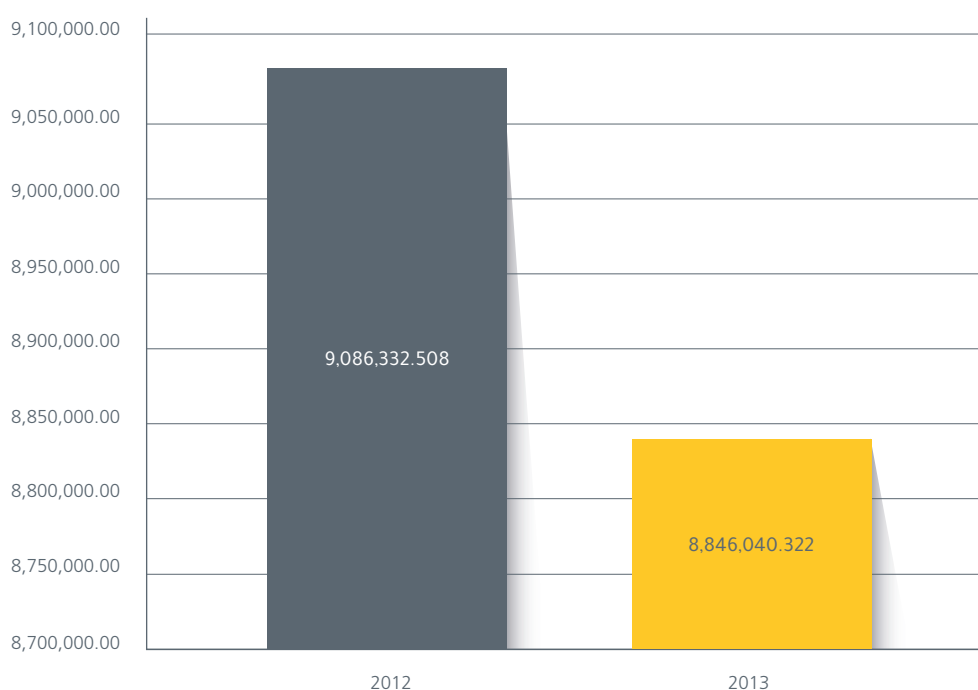
**CAD**

Number of credits	Total	LYD Equivalent
53	329,172.89	386,646.48

### C. Fast Transfers (Western Union)

The Commerce and Development Bank is the first Libyan bank to introduce the Western Union transfer service to Libya, knowing that it holds the largest share of the Libyan market. This year witnessed a significant increase in the number of financial operations and an unprecedented large turnout by customers in all the Bank's branches and agencies all day long.

The money transfer services achieved a return that amounted to (LYD 8,846,040.322) in 31/12/2013, compared to (LYD 9,086,332.508) in 31/12/2012, with a decrease of (LYD 240,292.186) a rate of (3%).



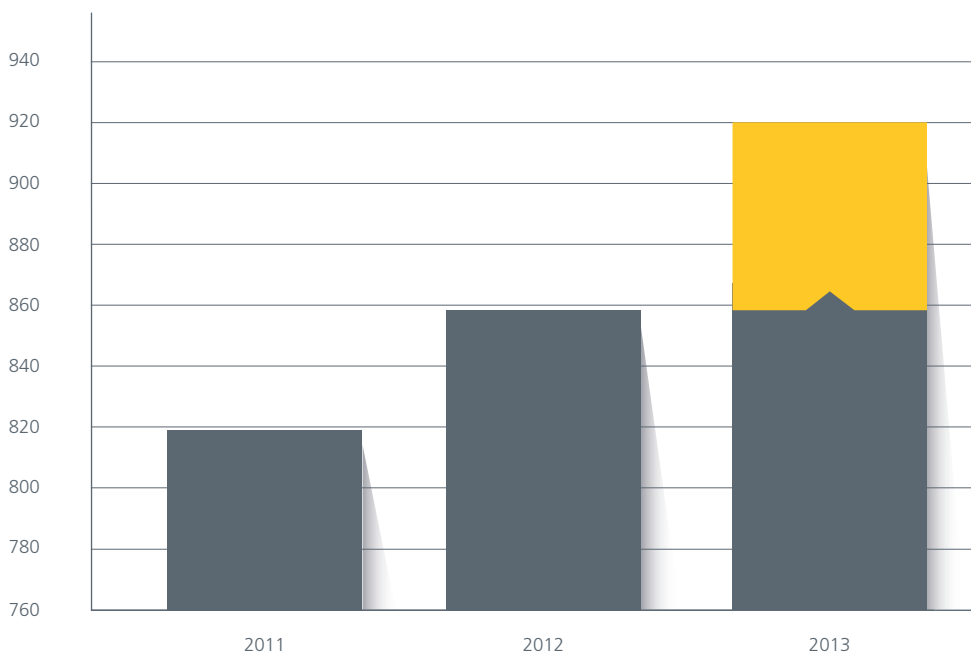
Statements	Number of transfers	LYD Equivalent
Outward transfers	609550	491,301,067.730
Inward transfers	29804	21,621,515.300

### III. Human Resources

The Bank Management continued implementing the policies of the Board of Directors in terms of care for human resources through practical and theoretical training in order to develop an exemplary bank employee.

The Board of Directors implemented this year, a new decision (24/6) dated 17/12/2013 AD, concerning the increase in salaries of employees at different rates. This decision shall be applied as of the beginning of 2014 AD and thus the salaries of employees of the Bank of Commerce and Development are considered today the highest salaries in the banking sector.

2011	2012	2013
820	858	920



The Bank has carried out several training courses for the Bank's employees in the Bank's rooms in the form of public administration for the purpose of qualifying employees. The number of employees of the bank as at 31/12/2013 was 920 compared with 858 in the year ended 31/12/2012 with an increase of (7%).



## Training courses during 2013 compared to the year 2012 AD

Area of Training	2012	2013
English	26	--
Human Development	39	28
Banking	89	97
Administrative courses	20	42
D-Payment Systems	--	33
SWIFT	--	1
Computer Courses	14	17
<b>Total</b>	<b>188</b>	<b>218</b>

The bank also sponsored many meetings and seminars and welcomed different related parties in the banking business, like the Union of Arab Banks and by hosting the organized courses through the training room at the bank.

## IV. Electronic Payment Cards

The year 2013 AD, has known a large turnout in the prepaid cards issued by the Bank of Commerce and Development. This year saw the launch of a new service for the holders of these cards through the official website of the bank including:

- Know the balance of the card.
- Transfer credit from card to card.
- Stop the card in case of theft or loss.
- Know the latest purchases and withdrawals.

The following table shows the number of electronic cards issued up to 31/ 12/ 2013 compared to the previous year:

Card type	Number		Rate of Change
	2012	2013	
Visa Gold	4033	9398	133 %
Visa electron	1994	4096	105 %
Visa Net	4333	7303	68 %
Kanze	57856	78242	35 %
American Express	48	368	666 %

## V. Credit

The issuance of the National Congress of Law No. (1) of 2013 on the prevention of interest transactions in all civil and commercial transactions has had the effect of limiting the expansion of the granting of credit and suspending the interest on all transactions made with natural persons, whether due to social advances or credit facilities Granted to natural persons in addition to limiting the granting of credit to legal entities only at the minimum, because the law provided that the provisions of the above-mentioned law shall apply to transactions carried out through legal entities as of the end of 2014 and The Bank's management seeks to establish controls regulating the granting of credit through Islamic Murabaha.

The value of received current accounts at the end of 31/ 12/ 2013 was (LYD 140,999,512.074). while the value on 31/12/2012 was (LYD 134,221,330.119).

## VI. New Branches

### 1. Rass Lanoff Agency

The Rass Lanoff Agency was inaugurated on 24/09/2013. Located within Ras Lanuf Oil & Gas Company, this branch provides all the conventional and integrated banking services, in addition to the benefits the people of the region and the employees of the complex get from linking the branch with the other branches and agencies of the bank in Libya.

## 2. Al Hawari Agency

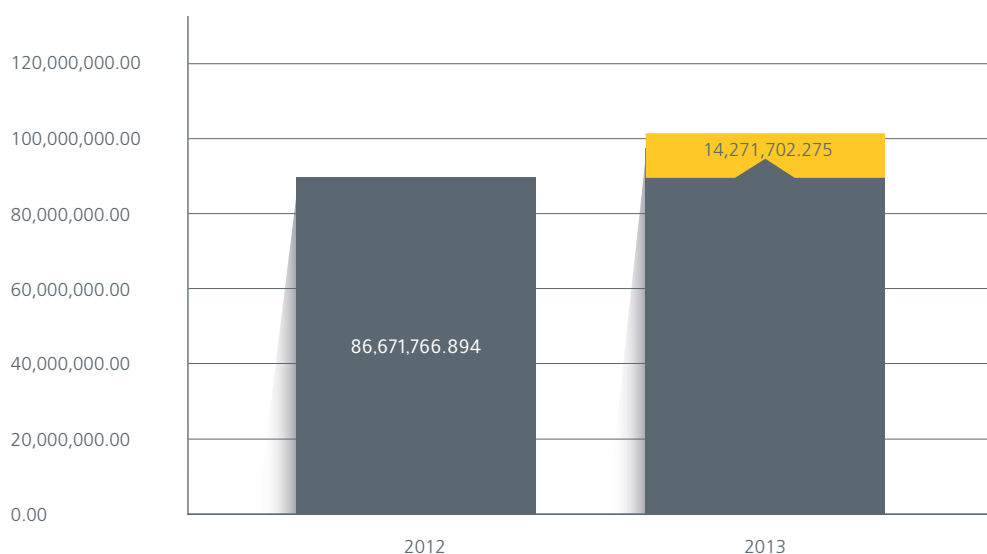
As usual in the development and modernization, the Bank of Commerce and Development jumps above the small details to serve the business segment in Al Hawari branch. The branch was opened on 10/10/2013 to provide the business segment with excellent services only at the Bank of Commerce and Development. Trade and development, increasing the number of branches to increase the number of customers, which amounted to more than 200 thousand customers, with the expected opening of a similar branch of business services and companies in the city of Tripoli in 2014 AD.

## VII. Results Of The Financial Year Ended on 31 /12 /2013

In 2013, the Bank achieved a total pre-tax profit of (LYD 31,284,723,393). These profits were achieved through efforts to implement Board policies and plans to diversify and multiply profit centers, diversify income-generating banking services and attract new accounts, despite the suspension of interest on facilities and social loans granted to natural persons.

### 1. Total Revenues

Total revenue on 31 /12 /2013 amounted to (LYD 100,943,469.169), compared to the amount of (LYD 86,671,766.894) on 31 /12 /2012, an increase of (LYD 14,271,702.275), a rate of (17%).



## A. Interest Income

Revenue	2012	2013
Over draughts	1,993,152.093	3,097,360.547
Interest on advances and loans	2,405,664.213	2,335,863.772
Interest on time deposits in foreign currencies	4,008,182.669	5,873,273.167
Interest on certificates of deposit	13,238,638.574	20,003,418.008
Interest on accounts in foreign currencies	25,864.380	46,220.196
Interest on documented credit	255,252.839	--
Branch and agency interest	25,003,303.741	18,274,830.211
<b>Total interest income</b>	<b>46,930,058.509</b>	<b>49,630,965.901</b>

## B. Commissions and other Income

Revenues	2012	2013
Banking operations	2,835,283.532	3,582,435.584
Profit (valuation-sale-purchase) foreign currency	--	14,321,666.422
Foreign transfers commission	--	1,941,162.057
Post - fax - telephone	392,936.119	622,862.402
Other miscellaneous revenues	1,813,125.696	3,440,027.616
E-bank revenue	186,374.000	61,080.000
Mobile bank revenue	1,686,843.50	2,381,481.910
Rental revenue	14,292.000	35,147.250
Inward foreign transfer commission	972,687.193	1,300,060.724
Kanze Card issue commission	458,976.500	388,683.045
Letter of guarantee commission	1,081,433.096	1,144,818.085
Letters of credit commission income	4,953,406.878	11,877,805.008
Dividends of the Bank	52,871.290	46,006.600
Revenue from sale of assets	65,053.288	25,924.784
Visa card revenues	1,223,081.147	3,978,651.836
123 service and transfers revenues	23,510.842	27,834.814
e-Voucher revenues	131,162.929	27,834.814
Discounted bills commission	16,800.210	8,400.105
POS machines revenue	271.707	352.898
Western Union revenue	8,975,709.260	8,846,040.322
<b>Total Revenues</b>	<b>39,741,708.385</b>	<b>51,312,503.268</b>

## 2. Expenses

### A- General administrative expenses

The value of General administrative expenses during the financial year ended on 31 /12 /2013 amounted to (LYD 43,610,174.263), while on 31 /12 / 2012 they amounted to (LYD 34,604,925.533), a decrease of (LYD 9,005,248.730) a rate of (5%).

### B- Interest paid

The value of Interest paid on 31 /12 /2013 amounted to (LYD 20,577,510.374), while on 31 /12 / 2012 they amounted (LYD 27,097,217.567), a decrease of (LYD 6,59,707.190) a rate of (24%).

### C- Fixed asset depreciation expenses

The value of Fixed asset depreciation expenses on 31 /12 /2013 amounted to (LYD 5,471,061.139), while on 31 /12 / 2012 they amounted (LYD 473,823.597), an increase of (LYD 4,997,237.542), a rate of (10%).

## 3. Total income before tax

The value of Total income before tax on 31 /12 /2013 amounted to (LYD 31,284,723.393) while on 31 /12 / 2012 they amounted (LYD 19,972,386.252), a decrease of (LYD 11,312,337.141) a rate of (109%).



## Income Statment for the year ended 31/12/2013

Revenue	LYD Equivalent
Interest Income	49,630,965.901
Commissions & Other Revenue	51,312,503.268
<b>Total Revenue</b>	<b>100,943,469.169</b>
Expenses	
Administrative & General Expenses	43,610,174.263
Fixed Assets Depreciation Expenses	5,471,061.139
Paid Interest	20,577,510.374
Total Expenses	69,658,745.776
Total Income before Tax	31,284,723.393
Taxes due	7,545,875.613
<b>Net Income After Taxes</b>	<b>23,738,847.780</b>

## Income Statment for the year ended 31/12/2013

Assets	LYD Equivalent
Cash in Local & Foreign Currencies	478,115,356.306
Balances in Local & Foreign Banks	1,383,313,388.194
Deposit Certificates with CPL	1,945,147,176.297
Deposits with Foreign Banks	157,467,518.196
Clearance Cheques	39,141,082.467
Real Estate Investment	23,308,809.265
Local Investments	6,658,458.000
Loans & Facilities after Deducting Provisions	450,800,881.332
Debtors & other Debtor Balances	27,991,770.878
Net Fixed Assets	59,058,311.074
Head Office & Branch Accounts	49,583,351.939
Buildings under construction	4,743,030.450
<b>Total Assets</b>	<b>4,625,329,134.398</b>
Liabilities & Shareholders Equity	
Liabilities	
Customers Deposits (Current Accounts)	3,576,537,108.364
Customers Time Deposits	438,723,750.000
Savings Deposits	32,846,677.643
Cash Securities	79,074,499.843
Certified Cheques	135,795,486.858
Creditors & Other Liabilities	81,158,875.902
Other Provisions	18,332,989.024
<b>Total Liabilities</b>	<b>4,362,469,387.634</b>
Shareholders Equity	
Capital	105,000,000.000
Share Issue Premium (2010) - Income before Taxe (2011)	31,284,723.393
Legal Reserve	105,000,000.000
General Reserve	1,530,296.106
Retained Earnings	72,341.013
Previous years profits	19,972,386.252
<b>Total Shareholders Equity</b>	<b>262,859,746.764</b>
<b>Total Liabilities &amp; Shareholders Equity</b>	<b>4,625,329,134.398</b>
Contingent Accounts & Other Liabilities	
Letters of Credit (Export)	-
Letters of Credit (Import)	159,101,793.840
Inward Local Letters of Credit	1,888,349,491.027
Outward Local Letters of Credit	3,083,838.000
Inward Bills for Collection	270,878,901.600
Local letters of guarantee	137,532,655.250
Outward Foreign Letters of Guarantee	203,150.000
Inward Foreign Letters of Guarantee	-
<b>Total Contingent Accounts &amp; Other Liabilities</b>	<b>2,459,149,829.717</b>
<b>Grand Total</b>	<b>7,084,478,964.115</b>

## External Auditor's Report

Messrs:

Chairman & members of General Assembly of the Bank of Commerce & Development.

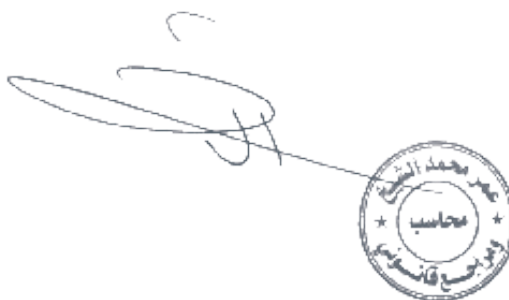
We have audited the budget of the Bank of Commerce & Development as of 31/12/2013. As well as the final accounts for the year ended on the same date. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have performed the audit process in accordance with generally accepted auditing standards that require reasonable assurance whether the financial statements are free of material misstatement.

The audit also included a test of evidence supporting the amounts presented in the financial statements. They also include an assessment of the accounting principles used and significant estimates made by the management, and we believe that our audit provides a reasonable basis for expressing an opinion.

In our opinion, the balance sheet and final accounts represent the fairness of the financial position of the Bank of Commerce & Development on 31/12/2013. And the results of its operations during the financial year ended on the same date in accordance with generally accepted accounting principles.

Omar Mohamed El Sheikh  
Certified Accountant & Auditor

The image shows a handwritten signature in black ink, which appears to be 'Omar Mohamed El Sheikh'. To the right of the signature is a circular professional stamp. The stamp contains Arabic text: 'مركز المحاسبة والتدقيق' (Center of Accounting and Auditing) around the top edge, 'محاسب' (Accountant) in the center, and 'رقم ١٢٣٤٥٦٧٨٩' (Number 123456789) around the bottom edge. There are also two small stars on either side of the word 'محاسب'.

## External Auditor's Report

**Date: 15/06/2017**

Messrs:

Chairman & members of General Assembly of the Bank of Commerce and Development.

We have audited the Financial Position of the Bank of Commerce & Development; (Bank of Commerce & Development, a Libyan Joint Stock Company) as of 31 /12 /2013 and the Income Statement, Shareholders' equity and cash flow for the year ended on that date.

These financial statements are the responsibility of the Bank Management in accordance with the 226 statement of the Commerce law No. 23 of the year 2010; our responsibility is to express opinion on these statements on the basis of our audit. The audit process also includes examining - on a test basis - evidence supporting amounts and disclosures in the financial statements.

The audit also includes assessing the accounting principles and significant estimates made by management, as well as, evaluating the overall presentation of the financial statements.

We have performed the audit process in accordance with the accepted and recognized auditing standards (outlined by the Accountants International Federation (2009 /20 10). These standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free of material errors and misstatement.

It also included evaluation of the extent of compliance by the Bank to the application of the laws by the Central Bank. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and the notes thereon fairly represent the Financial Position of the Bank of Commerce & Development as at 31 /12 /2013, and the results of operations for the year ended on that date, and the cash flow in accordance with the recognized accepted accounting principles and the requirements of applied bank laws.

Our report was amended in accordance with Libyan Central Bank's requirement on provisions.

On 07 September 2013 Law No. 1 of the 2013 year was issued on the prevention of interests on transactions and published in the Official Gazette on 21 March 2013.

### Report Results

- The Bank holds regular records and documentation, and the declarations in the Board's report comply with those found in the Bank's records.
- The audit was done in accordance with recognized and accepted regulations and principles.
- As far as gathered information, We have found no trace of any breach of rules that can affect the activity of the Bank or its financial status.

Accountant & Auditor



KASHADAH & PARTNERS