



# **BANK OF COMMERCE & DEVELOPMENT**

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

## **ANNUAL REPORT**

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**TWENTY SECOND**

# **2018**





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& DEVELOPMENT**

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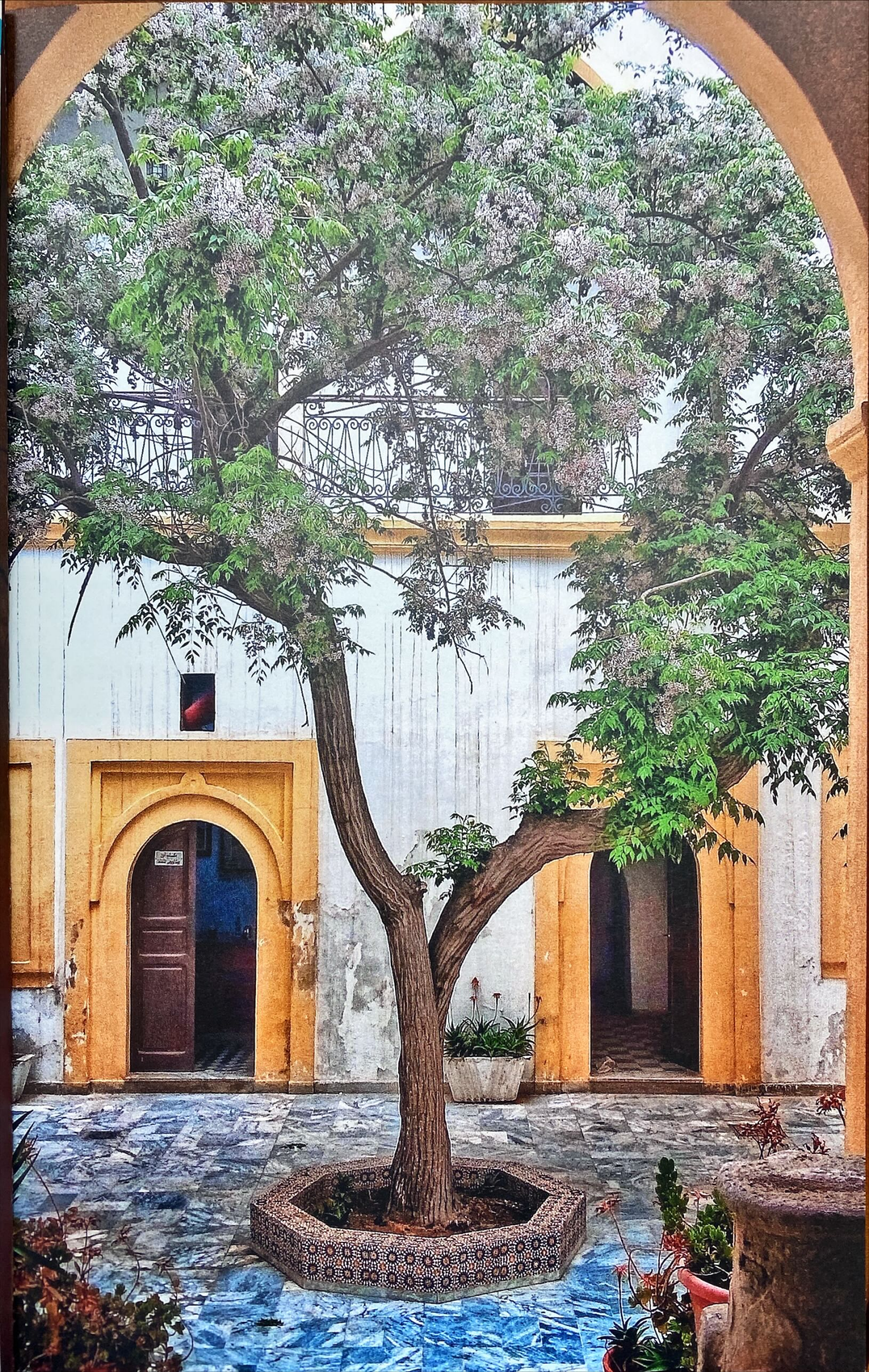
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**TWENTY SECOND**

**2018**

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## About

### Bank of Commerce & Development

## First and Largest Private Bank in Libya

### 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

**250,000,000** LYD

(Two hundred and fifty million Libyan dinars).



### Stockholders

**193908630** Natural persons

**77.56%** Contribution percentage

**56091370** Juridical persons

**22.44%** Contribution percentage

## Board of Directors

Mr. Jamal Al-Tayeb Abdul Malik	Chairman of the Board
Mr. Fathi Juma Bosnina Deputy	Deputy Chairman of the Board
Mr. Fadlallah Faraj Fanoush	Board Member
Mr. Idris Ismail Tashani	Board Member
Mr. Ali Mansour Al-Asbali	Board Member
Mr. Abdul Ati Hashim Al Warfali	Board Member
Mr. Hamed Khalifa Bouchnaf	Board Member
Mr. Mohamed Mohamed Huwaidi	Board Member
Mr. Mowaffaq Mohammed Suleiman	Board Member

## Control Committee

Mr. Ayad Mansour Al-Enezi	Control Committee Chairman
Mr. Fawzi Mohammed Talobah	Control Committee Member
Mr. Ibrahim Mohamed Akhlif	Control Committee Member

## Executive Management

Mr. Waseem Abdullah Al Zawi	General Manager
Mr. Abdulsalam Saleh Al-Jadeed	Assistant Director of the General Manager for Banking Operations
Mr. Emad Abdul Hameed Al Oqaili	Human Resources Director
Mr. Ali Rajab Al-Wetb	Director of Administration and Services Department
Mr. Salah Ali Al-Qarari	Director of Accounts Department
Mr. Tariq Moftah Al Haddad	Director of Credit Department
Mr. Wissam Mohammed Al Qatrani	Deputy Director of Banking Operations
Mr. Salah Salem Al-Qamati	Director of Inspection Department
Mr. Sameh Ibrahim Kwaider	Director of E-Payment Cards Department
Mr. Karim Fathi Al Ashhab	Assistant Director of Systems Management
Ms. Ghada Saad Radwan Deputy	Director of Legal Department
Mr. Saleh Ramadan Al Shaeri Assistant	Director of Marketing Department
Ms. Layla Ahmed Al-Feel	Director of Western Region Branches

## Administrative Control

Mr. Bashir Hassan Al Houti	Director of Audit Department
Mr. Fawzi Ahmed Al-Hawaz	Chief of Compliance Unit
Ms. Zainab Ahmed Al Zayani	Director of the sub-units of Financial Information
Mr. Fayez Mohammed Istaitah	Deputy Director of Risk Management
Mr. Mohammed Ali Al-Circassi	Chief of Follow-up Unit

## Branches

Bank of  
Commerce &  
Development

Head Office – Benghazi  
BOCD Tower - Gamal A / Nasir Str. Alberka - Benghazi  
Tel: +218- 61- 9097300  
+218- 61- 9081083  
+218- 61- 2242111  
Email: info@bcd.ly

## Branches

1. Benghazi Main Branch  
Beside Benghazi University  
Tel: +218- 61- 9097361  
+218- 61- 9090745  
+218- 61- 9080444
2. Tripoli Main Branch  
Annasr Str. - Bumashmasha - Tripoli  
Tel: +218- 21- 4445889  
+218- 21- 3341359  
+218- 21- 4447414
3. Misurata Main Branch  
The Permanent Industrial Fair - Adjacent to Aljamia Alaali - Misurata  
Tel: +218- 51- 2620074  
+218- 51- 2629537  
+218- 51- 2620829
4. Alforosia Agency  
Alforosia Investment Complex - Benghazi  
Tel: +218- 61- 9093295  
+218- 61- 9081483  
+218- 61- 9098329
5. Tobruk Main Branch  
BOCD Bldg - Tobruk  
Tel: +218- 62- 7621208  
+218- 62- 7628000  
+218- 62- 7629140
6. Azzawia Main Branch  
Olympic Club - Oqba Bin Nafee Str. - Azzawia  
Tel: +218- 23 - 7627590  
+218- 23 - 7628216  
+218- 23 - 7628217
7. Albieda Main Branch  
Libyan Red Crescent Building, Albieda  
Tel: +218- 69 - 4635694  
+218- 23 - 4636812  
+218- 23 - 4632792
8. Sirte Main Branch  
Omar el Mokhtar street, Sajji Building, Sirte  
Building Misurata Str. | Zletin  
Tel: +218- 54 - 5250044  
+218- 54 - 5250043  
+218- 54 - 5250041
9. Zletin Main Branch  
Al Qiyadah AlShabia former Investment Building, Misurata Str., Zletin  
Tel: +218- 51 - 4627716  
+218- 51 - 4627719  
+218- 51 - 4627720
10. Al khams Main Branch  
Ben Jeha Area - next to Moujamaa almahakem  
Tel: +218- 53 - 2621780  
+218- 53 - 2620579  
+218- 53 - 2620776
11. That Elemad Branch  
Dat Elemad Buildings - Tower 1 - Tripoli  
Tel: +218- 21 - 3350530  
+218- 21 - 3350424  
+218- 21 - 3350422
12. Derna Main Branch  
Ibn Sina Street, Derna  
Tel: +218- 81 - 2635377  
+218- 81 - 2635378  
+218- 81 - 2635379
13. Rass Lanoff Branch  
Industrial area, Rass Lanoff  
Tel: +218- 54 - 3843010  
+218- 54 - 3843011  
+218- 54 - 3843012
14. Al Hawari Branch  
Al Hawari, Benghazi  
Tel: +218- 61 - 2240347  
+218- 61 - 2240912
15. Bin Ashour Branch  
Bin Ashour area, Jaafar bin abi taleb, Tripoli  
Tel: +218- 21 - 3631220  
+218- 21 - 3631238
16. Alberka Branch  
BOCD Tower, Gamal A / Nasir Str. Alberka  
Tel: +218- 61 - 2239210  
+218- 61 - 2239689
17. Alfwaihat Branch  
Alkayrawan street, Alfuwaihat, Benghazi  
Tel: +218- 61 - 2239925  
+218- 61 - 2239924  
+218- 61 - 2239926
18. Shehat Branch  
Main street, facing town council, near Shehat Building  
Tel: +218- 69 - 4163829  
+218- 69 - 4163830
19. Al Qubba Branch  
South Qubba, Beginning road 14
20. Al Marj Branch  
Government Complex

## AGENCIES

## 1. ADDAWA ALISLAMIA AGENCY

ADDAWA ALISLAMIA BUILDING - BENGHAZI

TEL: +218- 61 - 9081482

+218- 61 - 9082488

+218- 61 - 9080011

## 2. ALHADAIQ AGENCY

ALHADAI ARAE - BENGHAZI

TEL: +218- 61 - 2233516

+218- 61 - 2239823

## 3. CHILD AGENCY

ALHADAI ARAE

TEL: +218- 61 - 2241781

+218- 61 - 2241782

## 4. ALWAHDA ALARABIA AGENCY

ALWAHDA ALARABIA STREET (20), BENGHAZI

TEL: +218- 61 - 2239169

+218- 61 - 2239206

## 5. BENINA INTERNATIONAL AIRPORT AGENCY

BENINA INTERNATIONAL AIRPORT - BENGHAZI

TEL: +218- 61 - 3350060

+218- 61 - 2240051

## 6. ADJEDABIA AGENCY

BENGHAZI STREET - ADJEDABIA

TEL: +218- 64 - 5628671

+218- 64 - 5629935

## 7. GIALO AGENCY

GIALO CITY

TEL: +218- 64 - 6572232

+218- 64 - 6572507

## 8. OJALA AGENCY

MAIN STREET, CULTURAL CENTER BUILDING, OJALA

TEL: +218- 64 - 7354120

+218- 64 - 7354121

## 9. TAJOURAA AGENCY

TAJOURAA - TRIPOLI

TEL: +218- 21 - 3690937

+218- 21 - 3690137

## 10. ALMADAR AGENCY

SPORTS CITY - TRIPOLI

TEL: +218- 91 - 9190539

+218- 91 - 9190540

## 11. SOUK ALJUMA AGENCY

TRIPOLI

TEL: +218- 21 - 3513945

+218- 21 - 3513947

+218- 21 - 3513997

## 12. GOUT ASHAAL AGENCY

ZARQAA ALYAMAMA CENTER - NO. 2 - ANDALUS

DISTRICT - TRIPOLI

TEL: +218- 21 - 4838758

+218- 21 - 4838759

+218- 21 - 4838760

## 13. GASR HAMAD AGENCY

NEAR MISURATA PORT, MISURATA

TEL: +218- 51 - 2743024

+218- 51 - 2743023

## 14. BURJ TRIPOLI AGENCY

BURJ TRIPOLI - 2ND FLOOR - OFFICE NO. 2 - TRIPOLI

TEL: +218- 21 - 3361118

+218- 21 - 3351119

+218- 21 - 3352109

## 15. MUSAAD BORDER AGENCY

MUTAMAR FORMER BUILDING - MUSAAD

TEL: +218- 87 - 7629404

+218- 87 - 8152981

## 16. TRIPOLI INTERNATIONAL AIRPORT AGENCY

BIN GHASHIR AREA

TEL: +218- 22634644

+218- 22634645

## 17. GARGARISH AGENCY

ALANDALUS DIST. - TRIPOLI

TEL: +218- 21 - 4841531

+218- 21 - 4841532

+218- 21 - 4841533

## 18. ZWARA AGENCY

GAMAL A/NASIR STREET

- COASTAL ROAD - ZWARA

TEL: +218- 25 - 2220130

+218- 25 - 2220134

## 12. ALFUNDUK ALKABIR AGENCY

ALFUNDUK ALKABIR - TRIPOLI

TEL: +218- 21 - 4441666

+218- 21 - 3331072

## OFFICES

## 1. LIBYANA REPRESENTATIVE OFFICE

LIBYANA CO. - TRIPOLI

E-MAIL: INFO@BCD.LY



## Our Visions

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



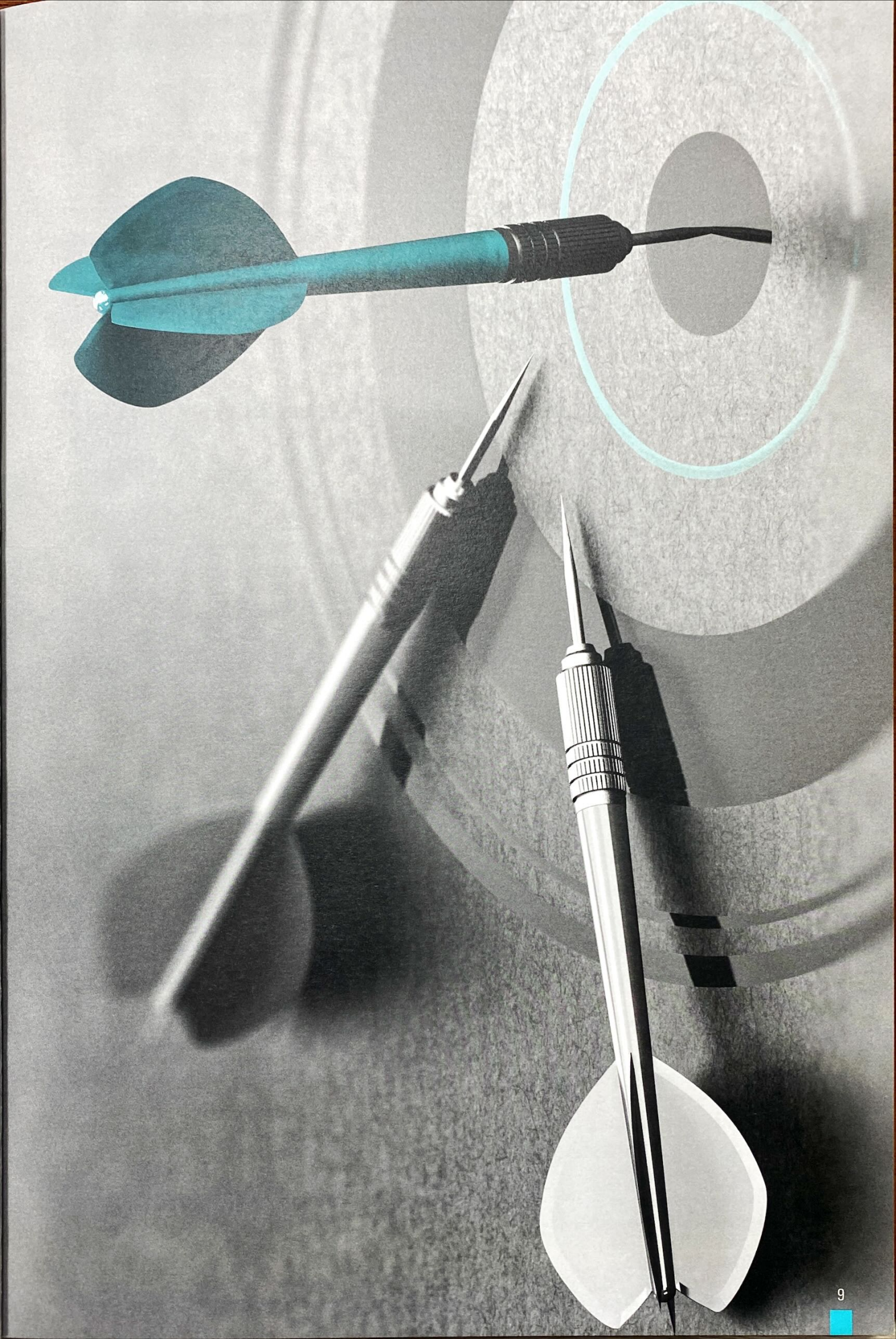
## Our Missions

- 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 the banking act and redouble our financial indicators.
- 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



After greetings, respect and appreciation

With peace and God's mercy and blessings

Ladies and gentlemen

Distinguished Shareholders

Members of the General Assembly of the Bank of Commerce & Development,

It is with pleasure to greet you in personally and on behalf of the members of the Board of Directors of your bank and welcome you and your keenness to attend the meeting of the General Assembly.

Your bank has achieved many results and many achievements in the difficult circumstances experienced by our country and in the absence of state institutions and the division of the Central Bank. It has been a race to introduce many advanced and modern banking services, the most important of which is the linking of BCD's 40 branches and agencies from Zawara west to Masaad east with an international banking system. This has contributed to providing all banking services without interruption in addition to electronic payment services, the most important of which is the **"EDFA'LY - Pay Me"** service, which contributed a lot in solving part of the liquidity problem. That was in addition to the services of purchasing telecommunication cards from companies like Libyana, Al Madar, Telecom and Landline cards.

The bank has introduced the electronic transfer service which has accumulated on 31/12/2018 a transaction volume of about KD 9 billion instead of using Sukuk and transfer is done in minutes by mobile phone.

Your bank has introduced the service of filling the forms of Family cards for the year 2018 electronically by logging in the bank's website and filling out the forms and then transfer all data to the Central Bank of Libya in Tripoli and after their consent, the amount will be deducted from the customer account which will mobilize and activate the Family's card.

This service is the first of its kind in Libya and has saved a lot of time and effort from our customers without the trouble of their personal presence at the branches and agencies and will soon, God willing, introduce electronic wallet services and payment services and barcoding QR.

On 27/03/2018, the Bank's Board of Directors approved the establishment of a Libyan joint stock company to undertake an electronic system to manage passenger private transportation and Taxi services, like "Kareem" and "Uber", with a capital of (5) million dinars.

On 05/08/2018 the Bank's Board of Directors approved the establishment of an airline to transport passengers, with a contribution by the bank of 40% after obtaining the approval of the Central Bank of Libya. The company was founded

under the name Berniq Aviation.

On 01/10/2018 the Bank's Board of Directors agreed to increase the capital of the bank to 250 million dinars instead of 105 million. The General Assembly approved the increase. The buying of shares, through a brokerage company, was remarkable where the purchase and payment of 145 million was done and completed within two weeks of the announcement.

The capital market has become 250 million and the legal reserve is 250 million dinars, which means that the bank's funds exceeded 500 million dinars. This indicates the success of the bank and its management in achieving good results and distributing high dividends to shareholders.

On 05/08/2018, the Board of Directors approved the proposal and initiative of the Chairman of the Board to establish a program to finance medium and small projects for individual activity and to allocate (50) fifty million dinars to finance them with a maximum of 100,000 dinars per project. This will reduce high unemployment.

The year 2018 witnessed many achievements, including the Bank's agreement on some social responsibility projects where it was working to clean and coordinate a number of parks in the city as well as the payment of treatment expenses for some patients in need and other social matters.

Your bank is the first bank in Libya and the only one that held its general assemblies for all the years until 2017. The general assemblies were approved and the dividends were distributed to the shareholders and now your esteemed association will approve the accounts of the financial year ending on 31/2/2018.

Your bank has distributed a profitable dividend for all years despite the unfair siege imposed by the Central Bank of Libya and its governorate article since (11) year 2015, preventing the bank from obtaining foreign currency allocations for all its banking operations (documentary credits - foreign remittances) - Remittances of treatment expenses, international expenses, collection documents and quick transfers, which led to the fleeing of account holders to other banks and the suspension of dealing with our bank and this led to a shortage of deposits by more than 2 billion dinars and a clear shortage of revenues and commissions.

That trade war aimed at stopping the bank's activities, but the help of God and the efforts of your board and its wise decisions and the efforts of the executive management and managers of departments and managers of branches and agencies, your bank was able to achieve rewarding returns that led to cover all expenses and achieve a return as dividends distributed to you as shareholders.

In conclusion, I would like to extend my thanks and gratitude to the Central Bank of Libya - Al Bayda, led by the Governor Mr. Ali Mohamed Salem Al Habri, for his support and the Central Bank's speedy adoption of budgets and the approval of the General Assembly as well as his approval to grant us a cash amount to be distributed to shareholders as their dividend.

I would also like to thank the Director-General, the directors of departments, the directors of branches, agencies and all staff for their fruitful efforts.

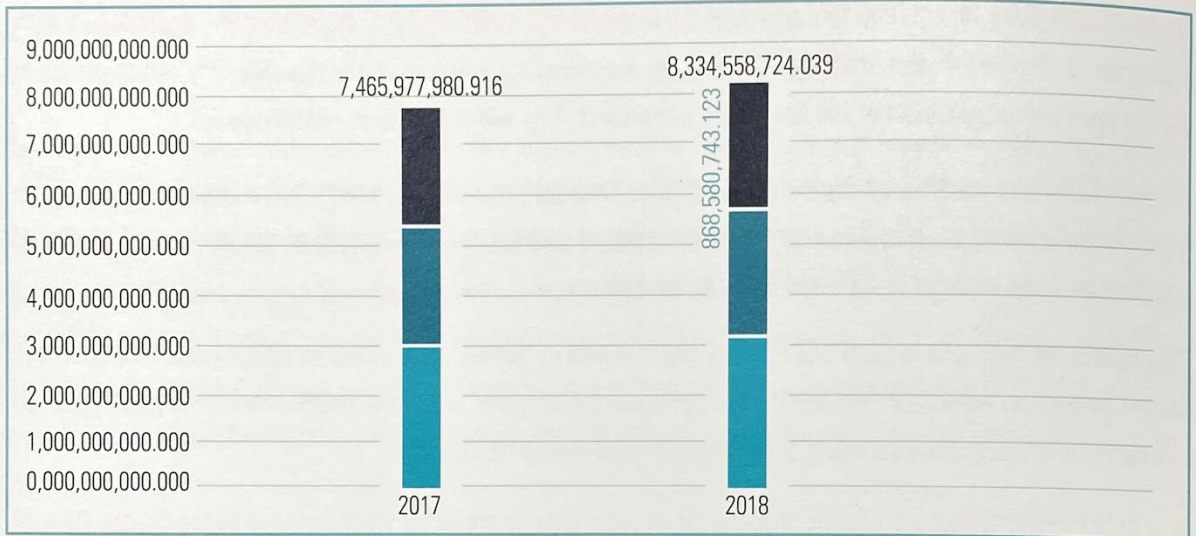
*Peace be upon you*

**Jamal Tayeb Abdul Malik**  
**Chairman of Board of Directors**

## Bank Assets and Liabilities

### 1. Assets

The Bank's assets amounted to LYD 8,334,558,724.039 on 31/12/2018 compared to the amount of LYD 7,465,977,980.916 for the year ended on 31/12/2017, an increase of LYD 868,580,743.123 (11.6%).



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 /2018 amounted to (LYD4,935,964,873.048), compared to the amount of (LYD 5,982,861,804.436) at the end of the year 2017, a decrease of (LYD1,046,896,931.388 ), a rate of (17.4%).

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

The balance of certificates of deposit on 31 /12 /2018 amounted to (LYD 1,965,601,965.602), against the amount of (LYD 399,005,219.863) for the financial year ended on 31/ 12/ 2017, a rate of (392%)

#### C. Deposits with Foreign Banks

The balance of deposits with foreign banks on 31/12 /2018 amounted to (LYD 126,491,715.248), against the amount of (LYD 5,670,005.670 ) for the year ended 31 /12 /2017, an increase of (LYD120,821,709.578), a rate of (213%).

#### D. Local Investments

The local investments after deduction of provisions total on 31/12 /2018 amounted to (LYD 66,258,458.000) against the amount of (LYD 5,758,458.000) on 31/12/2017, an increase of (LYD 60,500,000,000), a rate of (105%)

#### E. Loans and Facilities After Deducting Provisions

The balance of credit facilities on 31/12/2018 amounted to (LYD 481,451,831,979) against (LYD 488,472,060,975) on 31/12/2017, a decrease of (LYD 7,020,228,996), a rate of (1.4%).

#### F. Accounts Receivable and other Debit Balances

The total balance of Accounts Receivable and other Debit Balances on 31/12/2018 amounted to (LYD 112,924,078,292), against (LYD 216,529,688.431) on 31 /12/ 2017, a decrease of (LYD 103,605,610.139), a rate of (47.8%).

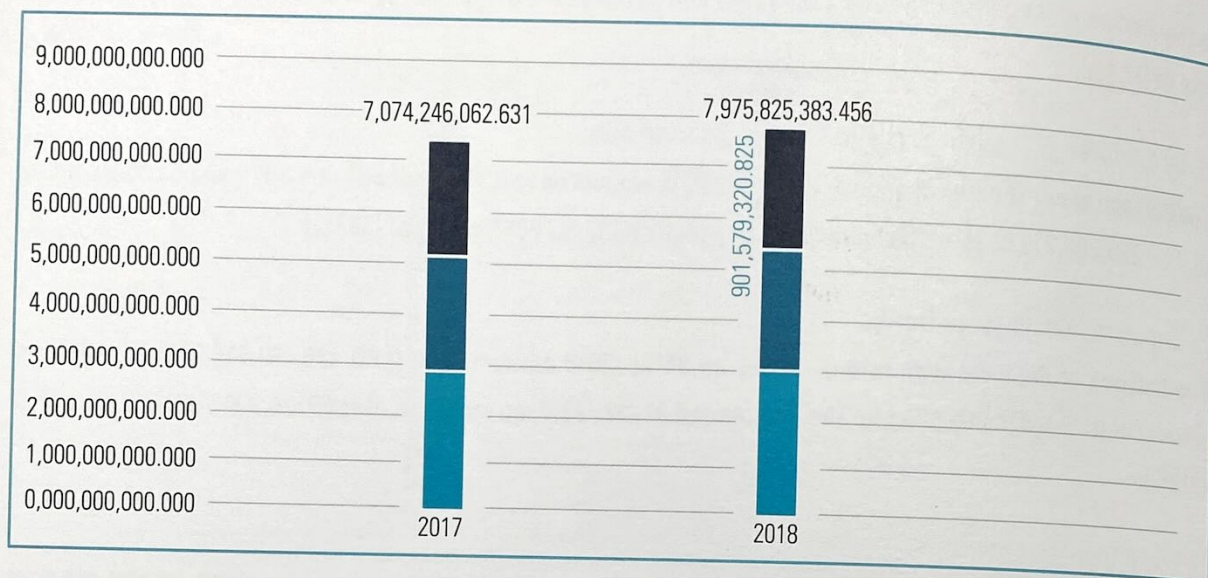
#### G. Fixed Assets

The total of fixed assets after depreciation on 31/12 /2018 amounted to (LYD 84,014,894,143), against (LYD 52,032,121,527) on 31 /12/ 2017, an increase of (LYD 31,982,772,616), a rate of (61%).

## Bank Assets and Liabilities

### 2. Liabilities

The total liabilities on 31/12/2018 amounted to (LYD 7,975,825,383.456) compared to the amount of (LYD 7,074,246,062.631) on 31/12/2017, an increase of (LYD 901,579,320.825), a rate of (12.7%).



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

#### A. Customer Deposits

The balance of customer deposits on 31/12/2018 amounted to (LYD 7,125,556,037,982), an increase of (LYD 871,863,986,439) over the financial year ended on 31/12/2017, with a total of (LYD 6,253,692,051.543), a rate of (13.9%).

#### B.time Deposits For Customers

The Time deposits balance on 31/12/2018 amounted to (LYD 15,673,750,000), against the amount of (LYD 19,853,750,000) on 31/12/2017, a decrease of (LYD 4,150,000,000), a rate of (20.9%).

#### C. Savings Deposits

This item represents the total savings account of the young and old, which amounted to (LYD29,560,734.802) for the year ended 31/12/2018, compared to the amount of (LYD31,821,430.297) on 31/12/2017, a decrease of (LYD2,260,695.495), a rate of (7.1%).

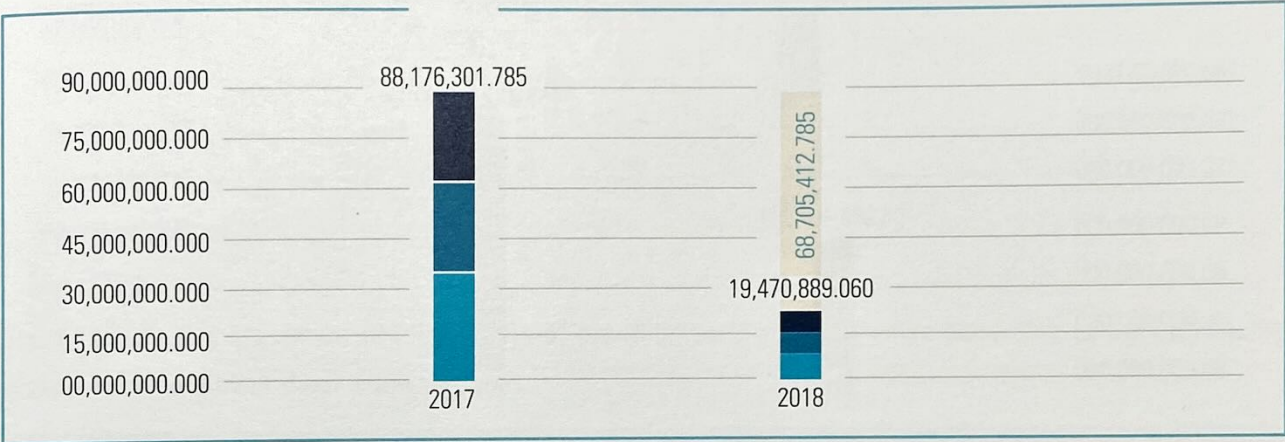
#### D. Cash Margins

The balance of this item for the year ended on 31/12/2018 amounted to (LYD135,302,144,894), compared to the amount of (LYD 115,766,210.193), on 31/12/2017, an increase of (LYD 19,535,934.701), a rate of (16.8%).

The following is a summary of the foreign operations carried out during 2018:

1. Letters of Credit

The number of letters of credit in various currencies on 31/12/2018 was (28) documents with a total value of (LYD 19,470,889,060), against (60) documents with a total value of (LYD 88,176,301.785)on 31/12/2017 a decrease of (LYD68,705,412.785), a rate of (77.9%).



The following table shows the total open credits and their value according to the currencies issued:

Currency	Number Of Credits	Total Letters Of Credit	LYD Equivalent
USD	19	35,513,399.085	49,523,435.024
EUR	6	4,944,093.191	7,879,401.318
LYD	3	10,563,041.013	--

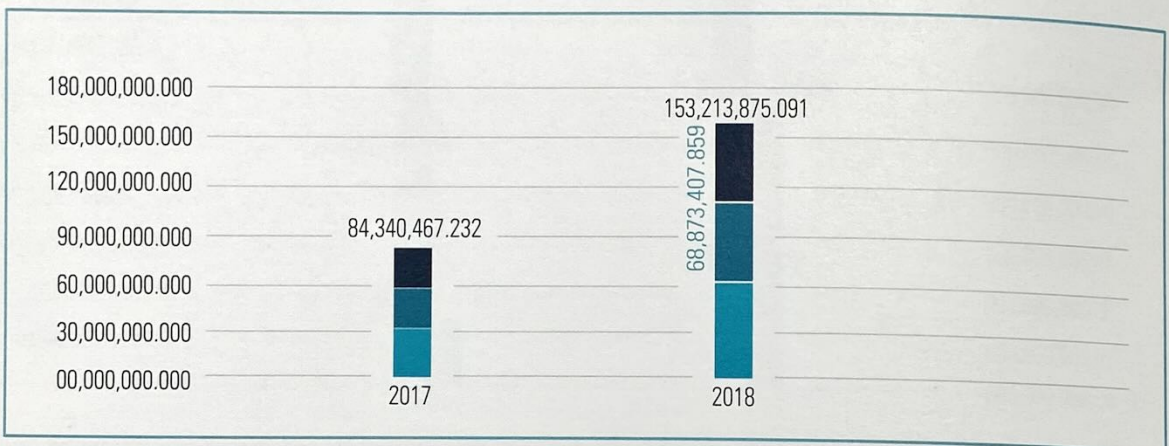
2. Letters of Guarantee

The value of the letters of guarantee on 31/12/2018 was (LYD 181,378,414,719),against (LYD 171,114,371,310) on 31/12/2017,an increase of (LYD 10,264,043.409),a rate of (5.9%).

### 3. Foreign Remittances

#### A. Letters of Credit (Export)

During the year 2018, the number of the letters of credits (export) was (4108) transactions were carried out in different currencies, with a total value of (LYD 153,213,875.091), compared to a value of (LYD 84,340,467.232) on 31/12/2017, with an increase of (68,873,407.859 LYD), a rate of (81.6%).

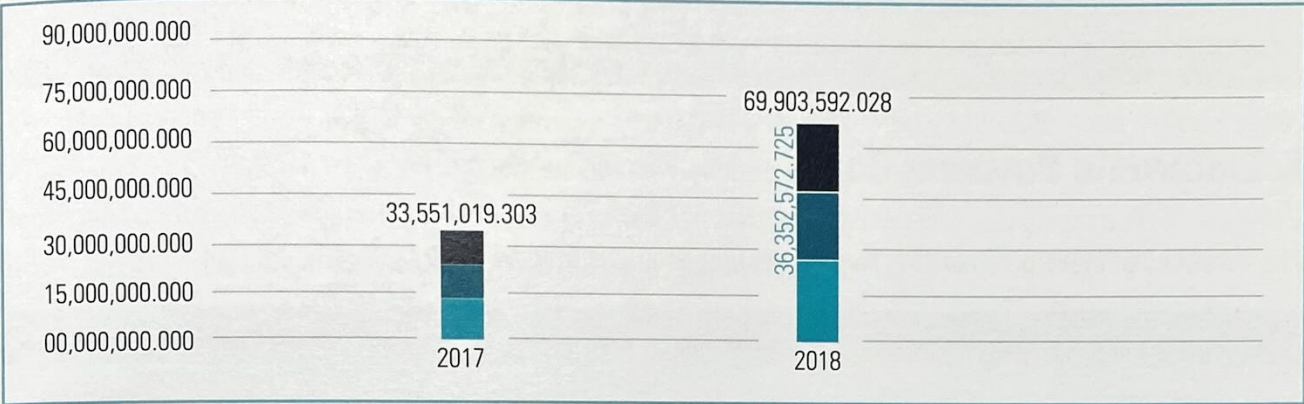


The following is a statement of total letters of credit (export) and their value according to the currencies issued and the Libyan dinar equivalent:

Currency	Number Of Credits	Total Letters Of Credit	LYD Equivalent
USD	3763	81,562,950.11	113,739,533.928
EUR	328	22,183,060.69	35,353,143.822
AED	13	10,837,289.40	4,028,220.470
GBP	4	52,559.00	92,976.871

B. Letters of Credit (Import)

During the year 2018, the number of the letters of credits (import) was (978) transactions were carried out in different currencies, with a total value of (LYD (69,903,592,028), compared to a value of (LYD 33,551,019.303) on 31/12/2017,with an increase of (36,352,572.725), a rate of (108%).



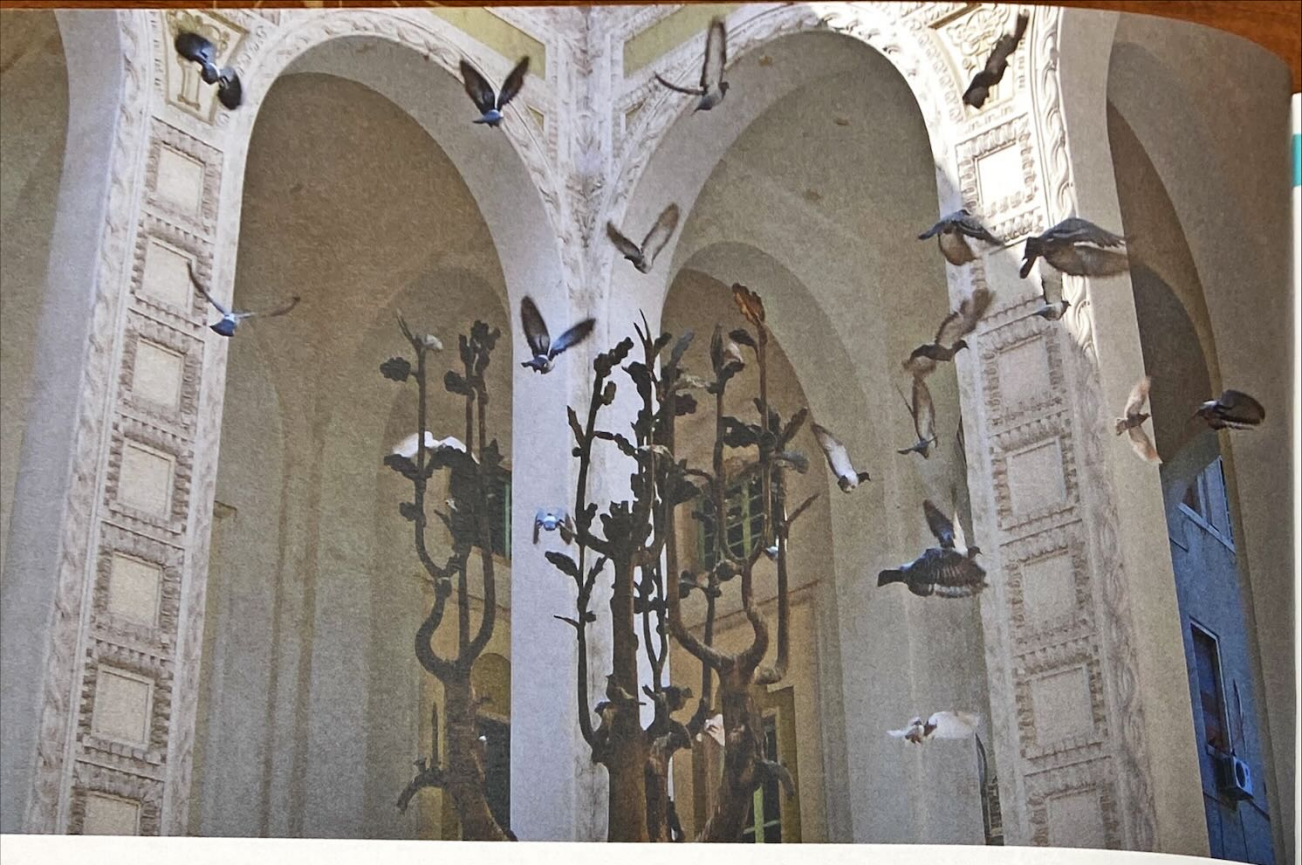
The following is a statement of total letters of credit (import) and their value according to the currencies issued and the Libyan dinar equivalent:

Currency	Number Of Credits	Total Letters Of Credit	LYD Equivalent
USD	259	7,594,896.90	10,591,083.727
EUR	718	37,216,367.00	59,311,724.088
GBP	1	445.57	788.213

4. Grants to Heads of Households

During 2018, the provisions of the heads of households of foreign currency were issued through the issuance and shipping of electronic cards.

- Total amounts booked by the Central Bank of Libya (LYD169,639,500)
- The total amounts transferred from the Central Bank of Libya to correspondents (LYD188,925,859.51)
- Total amounts in our account in foreign currency Bank of Libya Central Bank on 31/12/2018 (LYD 2,560,611.91)
- Number of households confirmed and approved by the Central Bank of Libya (65705 families).



## 5. Electronic Payment Cards

The balances of electronic cards in terms of balances are as follows 31/12/2018:

Card Type	LYD	USD	EUR	GBP
Visa Gold	57,129	40,205	659	39
Visa Electron	11,115	72,203	119	7
Internet	7,909	159		2
Platinum	133	1,362		
Kanze	100,257			
AMEX Platinum		89		
AMEX GOLD		176		
AMEX Electron		60		
MC Gold	891	4,495		2
MC electron	83	18,728		
MC Platinum	133	24,237		

## 6. POS and ATM Machines

The following are the number of POS and ATM machines:

Machine Type	Number
POS	15
ATM	550

## 7. Alternative Means Of Payment For Money

The Bank has provided many services in order to improve the level of services provided to its customers, to contribute to solving the liquidity crisis experienced by all commercial banks operating in Libya in order to spread the culture of using alternative means of money.

### A- Travel Cheques in Libyan dinar value in millions

The bank launched the Travel Cheques service on 01/11/2016, from (20 - 50 - 100 - 200 - 500 - 1000 - 5000 - 10000) and on 01/12/2017, the bank started issuing new quantities of categories (5 - 10 - 20 - 50 dinars). The total sales of Travel Cheques in Libyan Dinars reached 31/12/2018 (LYD 519,695,370) against (LYD302,783,555) on 31/12/2017 with an increase of (LYD 216,911,816), a rate of (71.6%).

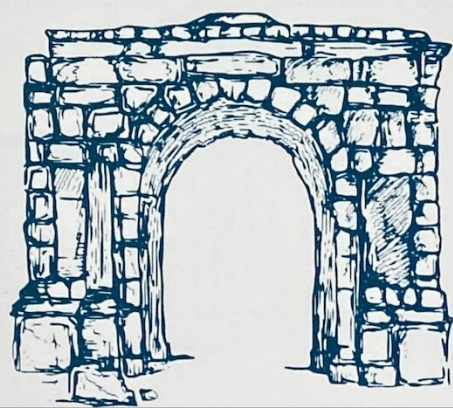
### B- The “EDFA’LY - Pay Me” Service

In order to improve the level of services and create alternative means of dealing with money in commercial transactions, the Bank launched a service “**EDFA’LY - Pay Me**” using mobile phones. The value of purchases is deducted from the accounts of the account holders and added to the accounts of the shops. On 31/12/2018, it amounted to (LYD481,573,179.450).

Points Of Sale	Number Of Joint Entitties	The Number Of Beneficiaries	Values
4765	2070	96920	481,573,179.450

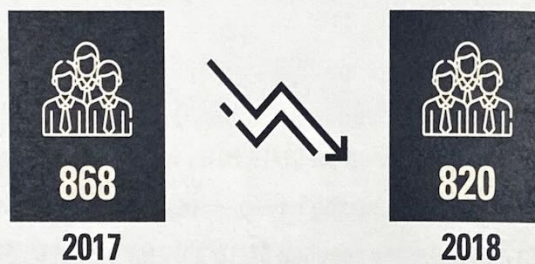
### C- Electronic Payment Service

This service enables the customers to transfer money between their accounts within the bank via modern means of communication (internet). This service will allow the customers to deposit the cheques and transfer funds between two accounts from any place, which the total sales on 31/12/2018 amounted to (LYD8,926,246,439.500).



## Human Resources

The number of employees on 31/12/2018 reached (820) employees compared to (868) employees on 31/12/2017. This decrease is due to separation from service to some employees, as well as cases of death, resignations and reaching retirement age.



### Training Courses

During the year 2018, the bank has set up (6) training courses in the training centers of the bank, targeting 82 employees. As well as 19 employees were sent abroad to participate in a number of forums, conferences and various training seminars.



### Health Insurance Policy

The bank provides health insurance for employees through direct contracting without intermediaries with the treatment authorities and pharmacies inside and outside the country, which is reflected positively on the staff of the bank. on: 31/12/2017, the number of insured, staff and their families reached (4449) The total cost amounted to (LYD3,661,153.76).



## 1. Benghazi Main Branch

On 01/01/2018, Benghazi main branch was reopened in its new headquarters on University Street.

## 2. Tripoli Airport Agency "Ben Ghashir area".

Tripoli Airport Agency was reopened on 16/8/2018.

## 3. Al Marj Branch

Al Marj branch was inaugurated on 9/8/2018



The value of received current accounts on 31/ 12 /2018 was (LYD 208,505,952.900).

The Bank's management continued to work to collect due debts and take the necessary legal measures against the owners of doubtful debts.

The provision for doubtful debts is in line with the requirements of the Central Bank amounting to (LYD 27,000,000.000). The total provision for doubtful debts amounts to (LYD 121,503.314).

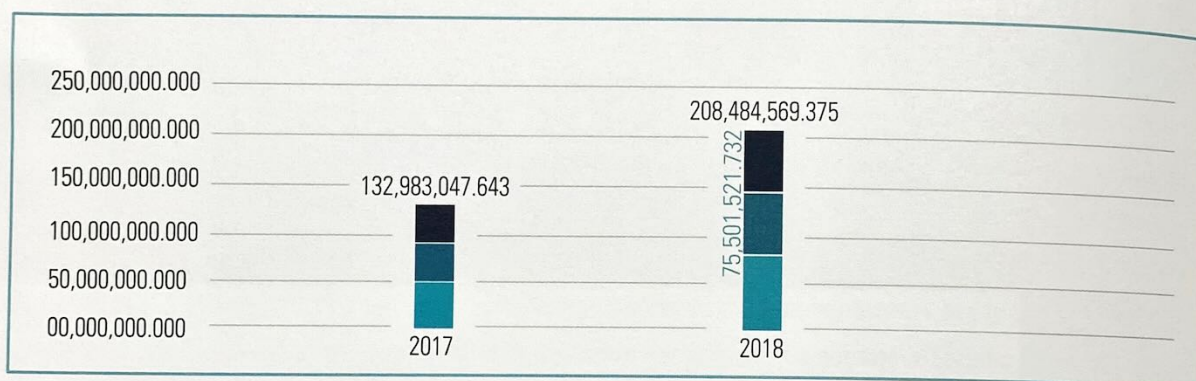
## Results Of The Financial Year Ended on 31 /12 /2018

In 2018, the Bank achieved a total pre-tax profit of (LYD 151,066,185.225). These profits were achieved through the implementation of the Board's policies and plans to diversify and multiply profit centers and to diversify income-generating banking services and attract accounts.

In addition, these results came despite the suspension of interest on facilities and social loans granted to natural persons.

### 1-Total Revenues

Total revenues on 31/12/2018 amounted to (LYD 208,484,569,375) compared to the amount of (LYD 132,983,047,643), an increase of (LYD 75,501,521,732), a rate of (56.7%).

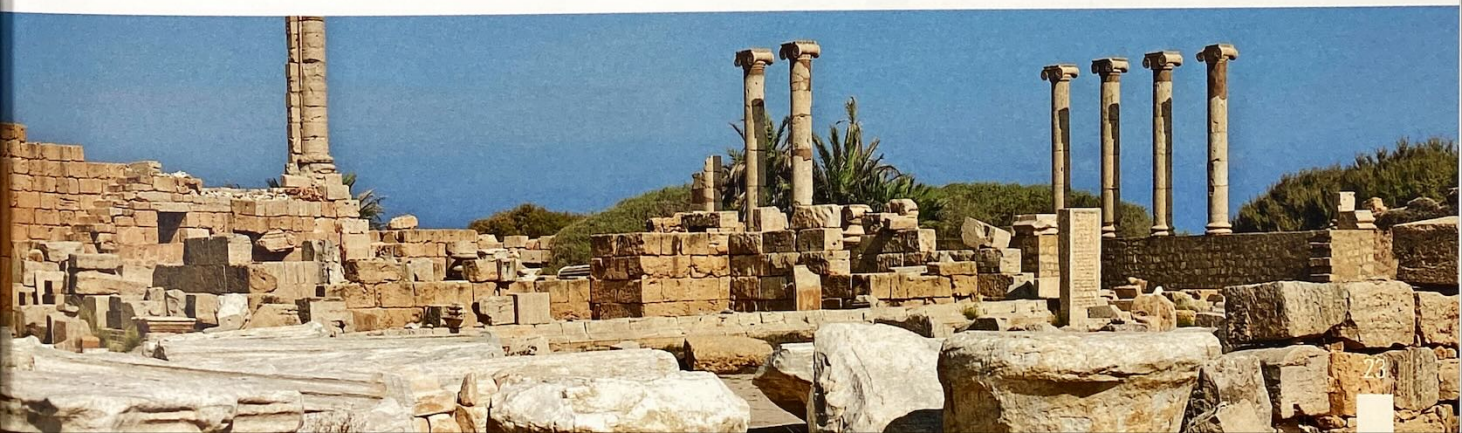


#### A. Interest Income

Revenues	2017	2018
Over Draughts	1,632,585.456	876,317.315
Interest and advances and loans	1,154,593.474	207,902.717
Interest on time deposits in foreign currencies	1,336,681.010	468,836.731
Interest on certificates of deposit	...	25,916,327.286
Interest on accounts in foreign currencies	...	...
Other	13,750,000.000	...
Bad debt	...	55,000.000
Interest income on promissory notes	...	...
Branches and agencies interest	...	...
<b>Total interest income</b>	<b>17,873,859.940</b>	<b>27,524,384.049</b>

## B. Commissions and other Income

Revenues	2017	2018
Banking operations	23,439,371.461	43,804,213.161
Profit (Valuation-Sale-Purchase foreign currency	3,282,141.845	4,412,349.642
Foreign Transfers Commissions	1,244,769.456	83,206.827
Post - Fax - Telephone	510,906.382	865,268.423
Other Miscellaneous Revenues	35,290,382.667	69,996,984.676
E - Bank Revenue	108,395.000	92,013.000
Mobile Bank Revenue	7,491,120.000	5,577,409.447
Rental Revenue	--	--
Inward Foreign Transfer Commission	1,101,863.867	3,036,816.222
Kanze Card issue Commissions	2,576,785.650	250,653.500
Letters of guarantee commission	1,199,908.585	1,614,111.067
documents and credits commission	2,576,785.650	342,474.938
Profits of the Bank's contributions	42,533.290	89,145.000
Revenue from sale of assets	113,140.932	19,681.363
Visa Cards Revenue	29,220,660.815	37,336,685.298
123 Service And Transfers Revenues	2,782,923.099	13,049,598.839
Collected Bill Commission	941,999.318	414,539.916
Real Estate Sales Revenues	--	--
Internal Clearence Commission	--	1,152,870.392
Western Union Revenues	3,341.040	44,740.861
POS Revenues	8,489.830	928,989.610
Evoucher Revenue	--	972,992.660
Mobile Evoucher Revenue	2,007,947.750	1,439,690.565
<b>Total</b>	<b>115,109,570.699</b>	<b>180,960,185.322</b>



## Results Of The Financial Year Ended on 31 /12 /2018

### 2. Expenses

#### A.general Administrative Expenses

Administrative and general expenses on 31/12/2018 amounted to (LYD55,400,287,717 ) compared to (LYD 53,213,900.679 ) on 31/12/2017, a decrease of (LYD 2,186,387,038), a rate of (5.5%).

#### B.interest Paid

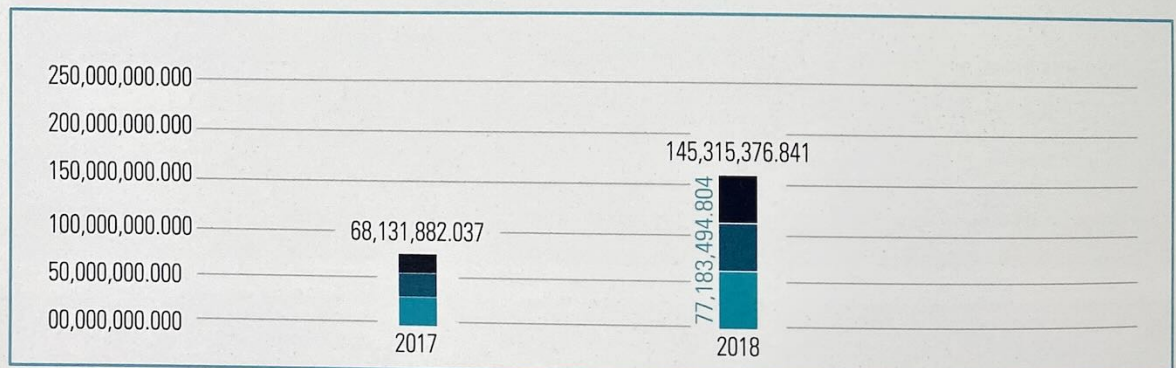
The Interest paid on 31/12/2018 amounted to (LYD 19,808,537) compared to (LYD 8,500,000) on 31/12/2017, an increase of (LYD 11,308.537), a rate of (133%).

#### C. Fixed Assets Depreciation Expenses

The fixed assets consumption expenditure was amounted to (LYD 4,290,487,956) on 31/12/2018 compared to (LYD 6,242,754.874) on 31/12/2017, a decrease of (LYD1,952,266,918), a rate of (31.2%).

### 3.Total Income Before Taxes

The total income before taxes amounted to (LYD 145,315,376,841) on 31/12/2018 compared to (LYD 68,131,882,037) on 31/12/2017, an increase of (LYD 77,183,494.804), a rate of (113.2%).



Income Statement for the year ended 31/ 12/ 2018

Revenues	LYD
Interest Income	27,524,384.049
Commissions & Other Revenues	180,960,185.322
Total Revenues	208,484,569.371
Expenses	LYD
Administrative & General Expenses	55,400,287.717
Money Deposited ExpensesNe aciam	3,458,608.320
Fixed Assets Depreciation Expenses	4,290,487.956
Paid Interest	19,808.537
Total expenses and interest paid	63,169,192.530
Total income before taxes	145,315,376.841
Taxes Due	35,050,068.895
Net income after Taxes	110,265,307.946

Income Statement for the year ended 31/ 12/ 2018 compared to the Income Statement for the year ended 31/12/2017

	2017	2018
Revenues	LYD	LYD
Interest Income	17,873,859.940	27,524,384.049
Commissions & Other Revenues	115,109,570.699	180,960,185.322
Total Revenues	132,983,430.639	208,484,569.371
Expenses	LYD	LYD
Administrative & General Expenses	53,213,900.679	55,400,287.717
Money Deposited ExpensesNe aciam	5,386,393.049	3,458,608.320
Fixed Assets Depreciation Expenses	6,242,754.874	4,290,487.956
Paid Interest	8,500.000	19,808.537
Total expenses and interest paid	64,851,548.602	63,169,192.530
Total income before taxes	68,131,882.037	145,315,376.841
Taxes Due	13,116,910.690	35,050,068.895
Net income after Taxes	55,014,971.347	110,265,307.946

**Results Of The  
Financial Year  
Ended on  
31 /12 /2018**

**Balance Sheets on 31/12/2018**

Assets	LYD
Cash in local and foreign currency	86,968,736.066
Balances with local and foreign banks	4,935,964,873.048
Deposit Certificates with CPL	1,965,601,965.602
Deposits with foreign banks	126,491,715.248
Clearance Cheques	511,975,375.202
Sales investments	23,308,809.265
Local investments	66,258,458.000
Loans and facilities after deducting provisions	481,451,831.979
Debtors & other debtor balances	112,924,078.292
Net fixed assets	84,014,894.143
Head office and Branches Accounts	(76,891,966.346)
Buildings under construction	16,489,953.540
<b>Total assets</b>	<b>8,334,558,724.039</b>

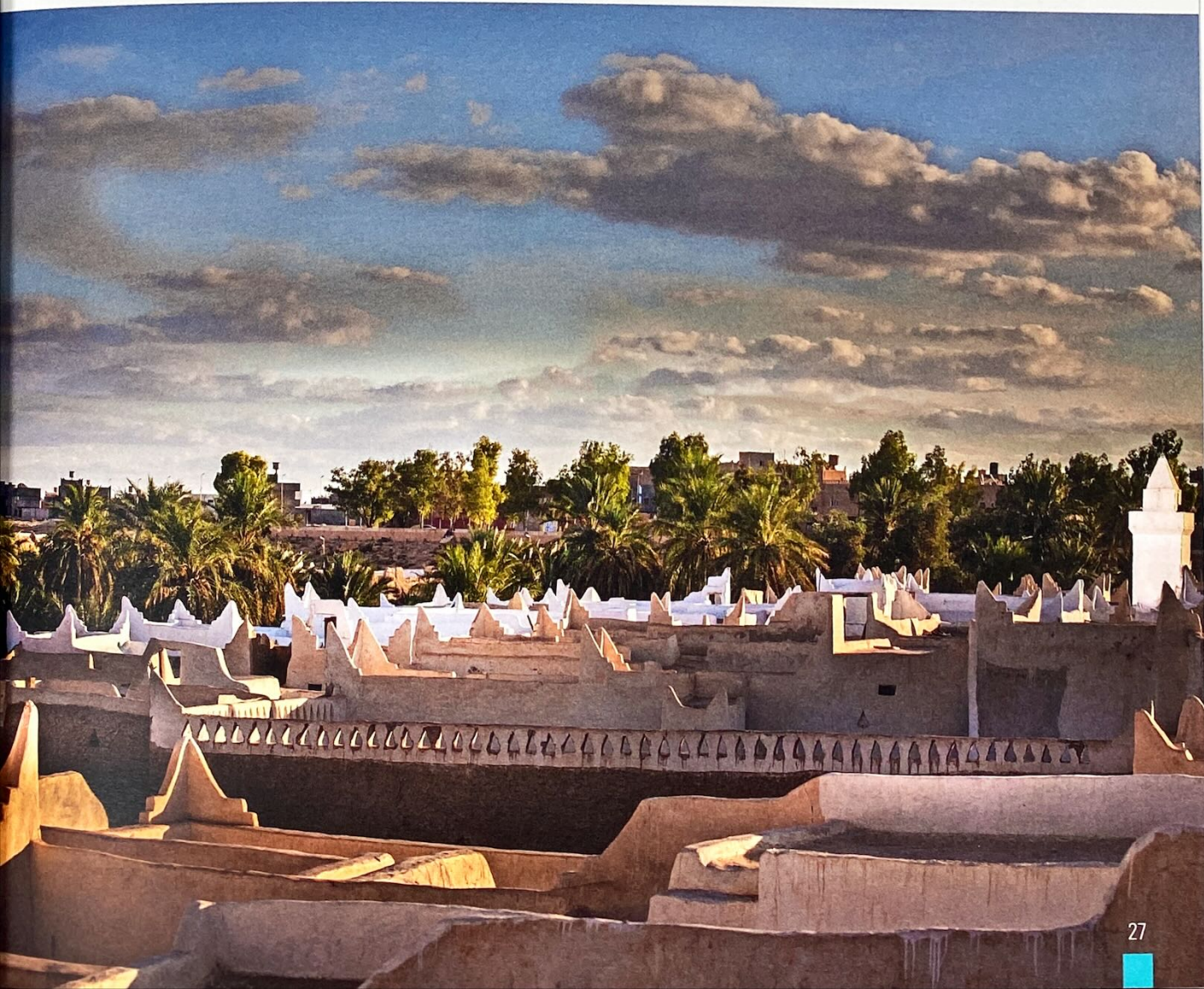
**Liabilities and shareholders' equity**

Liabilities	LYD
Customer Deposits (Current Accounts)	7,125,556,037.982
Customer Time deposits	15,673,750.000
Savings deposits	29,560,734.802
Cash security	135,302,144.894
Certified cheques	281,628,801.650
Creditors & other liabilities	338,294,429.104
Other provisions	49,809,485.024
<b>Total liabilities</b>	<b>7,975,825,383.456</b>

**Shareholders' equity**

Shareholders' equity	LYD
capital	105,000,000.000
Income before taxes	145,315,376.841
Legal Reserve	105,000,000.000
General reserve	3,341,939.942
Retained Earnings	76,023.800
Previous year's profits	0.000
<b>Total Shareholders Equity</b>	<b>358,733,340.583</b>
<b>Total Liabilities &amp; Shareholders' equity</b>	<b>8,334,558,724.039</b>

Contingent Accounts & Other Liabilities	LYD
Letters of Credit (Export)	2,536,043.000
Letters of Credit (Import)	19,470,889.060
Inward Local Letters of Credit	565,601,548.015
Outward Local Letters of Credit	2,155,565.000
Inward bills for collection	133,565,169.600
Local & Foreign letters of guarantee	181,378,414.719
Outward letters of guarantee	24,773,389.000
inward letters of guarantee	0.000
<b>Total Contingent Accounts &amp; Other Liabilities</b>	<b>929,481,018.394</b>
<b>Grand Total</b>	<b>9,264,039,742.433</b>
<b>LYD Travelers Cheques in Stock</b>	<b>6,464,454,300.000</b>



## Balance Sheets on 31/12/2018 compared to the Balance Sheets on 31/12/2017

	2017	2018
Assets	LYD	LYD
Cash in local and foreign currency	49,210,691.146	86,968,736.066
Balances with local and foreign banks	5,982,861,804.436	4,935,964,873.048
Deposit Certificates with CPL	399,005,219.863	1,965,601,965.602
Deposits with foreign banks	5,670,005.670	126,491,715.248
Clearance Cheques	98,389,018.816	511,975,375.202
Sales investments	23,308,809.265	23,308,809.265
Local investments	5,758,458.000	66,258,458.000
Loans and facilities after deducting provisions	488,472,060.975	481,451,831.979
Debtors & other debtor balances	216,529,688.431	112,924,078.292
Net fixed assets	52,032,121.527	84,014,894.143
Head office and Branches Accounts	134,002,121.832	(76,891,966.346)
Buildings under construction	10,737,980.955	16,489,953.540
<b>Total assets</b>	<b>7,465,977,980.916</b>	<b>8,334,558,724.039</b>
<b>Liabilities and shareholders' equity</b>		
Liabilities	LYD	LYD
Customer Deposits (Current Accounts)	6,253,692,051.543	7,125,556,037.982
Customer Time deposits	19,823,750.000	15,673,750.000
Savings deposits	31,821,430.297	29,560,734.802
Cash security	115,766,210.193	135,302,144.894
Certified cheques	505,084,157.505	281,628,801.650
Creditors & other liabilities	131,598,856.458	338,294,429.104
Other provisions	16,459,606.635	49,809,485.024
<b>Total liabilities</b>	<b>7,074,246,062.631</b>	<b>7,975,825,383.456</b>
<b>Shareholders' equity</b>		
Shareholders' equity	LYD	LYD
Capital	105,000,000.000	105,000,000.000
Income before taxes	68,131,882.037	145,315,376.841
Legal Reserve	105,000,000.000	105,000,000.000
General reserve	3,341,939.942	3,341,939.942
Retained Earnings	72,341.013	76,023.800
Previous year's profits	110,185,755.293	0.000
<b>Total Shareholders Equity</b>	<b>391,731,918.285</b>	<b>358,733,340.583</b>
<b>Total Liabilities &amp; Shareholders' equity</b>	<b>7,465,977,980.916</b>	<b>8,334,558,724.039</b>

Contingent Accounts & Other Liabilities	LYD	LYD
Letters of Credit (Export)	2,183,557.000	2,536,043.000
Letters of Credit (Import)	24,219,263.482	19,470,889.060
Inward Local Letters of Credit	1,780,905,983.071	565,601,548.015
Outward Local Letters of Credit	9,064,861.000	2,155,565.000
Inward bills for collection	146,521,633.600	133,565,169.600
Local & Foreign letters of guarantee	171,114,371.310	181,378,414.719
Outward letters of guarantee	25,023,489.000	24,773,389.000
inward letters of guarantee	-	0.000
<b>Total Contingent Accounts &amp; Other Liabilities</b>	<b>2,159,033,158.463</b>	<b>929,481,018.394</b>
<b>Grand Total</b>	<b>9,625,011,139.379</b>	<b>9,264,039,742.433</b>
LYD Travelers Cheques in Stock	6,987,918,945.000	6,464,454,300.000



# Results Of The Financial Year Ended on 31 /12 /2018

Year	No. of Branches & Agencies	No. of Employees	Payed up Capital	Total Assets	Total Deposit Liabilities	Total Shareholders Equity	Total Profits Before Tax	Payed Tax on Profits
1997	2	43	4,500,000	51,781.758	47,096.936	4,684.822	414,784	229,966
1998	3	69	4,500,000	109,934.082	104,533.338	5,400.744	1,890.061	1,174.139
1999	5	80	4,500,000	174,411.174	168,489.154	5,922.020	2,415.183	1,466.637
2000	7	101	9,000,000	315,185.824	302,501.311	12,682.513	7,051.961	4,317.755
2001	9	170	9,000,000	365,351.525	348,253.546	17,097.979	14,532.006	8,493.916
2002	9	230	9,000,000	396,057.865	376,165.136	19,892.729	10,031.795	4,600.709
2003	14	282	17,317,890	505,927.595	472,232.843	33,694.752	11,325.076	5,374.961
2004	19	328	20,000,000	591,993.588	550,790.592	41,202.995	11,534.621	4,820.692
2005	23	395	28,154,420	907,073.363	852,955.548	54,117.715	15,598.186	6,636.218
2006	24	560	36,059,256	1,241,061.215	1,162,350.692	78,710.522	16,309.638	6,864.126
2007	26	677	44,510,334	1,394,729.177	1,329,155.149	75,996.606	20,906.250	10,334.053

Year	No. of Branches & Agencies	No. of Employees	Payed up Capital	Total Assets	Total Deposit Liabilities	Total Shareholders Equity	Total Profits Before Tax	Payed Tax on Profits
2008	28	693	50,000,000	1,818,524.076	1,676,685.005	95,263.051	35,659.213	15,507.185
2009	30	787	50,000,000	2,179,710.613	2,013,582.182	100,141.223	33,412.054	17,829.403
2010	32	828	50,000,000	2,282,182.110	2,117,371.867	115,568.679	35,807.550	8,636.781
2011	32	820	50,000,000	2,526,895.794	2,434,816.813	101,152.849	2,071.648	499,682
2012	33	858	105,000,000	3,993,267.214	3,761,762.904	231,564.301	19,972.386	4,479.659
2013	35	920	105,000,000	4,625,329.134	4,362,469.387	262,850.746	31,284.723	7,545.875
2014	35	911	105,000,000	5,068,056.172	4,805,582.292	282,176.266	19,316.519	4,659.144
2015	36	933	105,000,000	5,627,476.206	5,331,877.845	295,598.300	13,422.094	825,409
2016	37	849	105,000,000	5,390,569.831	6,068,792.151	321,777.676	26,109.031	2,699.036
2017	39	868	105,000,000	7,465,977.9808	7,074,246.062	391,731.918.285	68,131.882	13,116.910
2018	40	820	250,000,000	8,340,083,367.235	7,975,599,218.268	364,484,148.967	151,066,185.225	36,437,163.877

Total Collected by the Tax Department Since Bank Opening

166,554,073.877

Year	No. of Branches & Agencies	No. of Employees	Payed up Capital	Total Assets	Total Deposit Liabilities	Total Shareholders Equity	Total Profits Before Tax	Payed Tax on Profits
2008	28	693	50,000,000	1,818,524.076	1,676,685.005	95,263.051	35,659.213	15,507.185
2009	30	787	50,000,000	2,179,710.613	2,013,582.182	100,141.223	33,412.054	17,829.403
2010	32	828	50,000,000	2,282,182.110	2,117,371.867	115,568.679	35,807.550	8,636.781
2011	32	820	50,000,000	2,526,895.794	2,434,816.813	101,152.849	2,071.648	499,682
2012	33	858	105,000,000	3,993,267.214	3,761,762.904	231,564.301	19,972.386	4,479.659
2013	35	920	105,000,000	4,625,329.134	4,362,469.387	262,850.746	31,284.723	7,545.875
2014	35	911	105,000,000	5,068,056.172	4,805,582.292	282,176.266	19,316.519	4,659.144
2015	36	933	105,000,000	5,627,476.206	5,331,877.845	295,598.300	13,422.094	825,409
2016	37	849	105,000,000	5,390,569.831	6,068,792.151	321,777.676	26,109.031	2,699.036
2017	39	868	105,000,000	7,465,977.9808	7,074,246.062	391,731.918.285	68,131.882	13,116.910
2018	40	820	250,000,000	8,340,083,367.235	7,975,599,218.268	364,484,148.967	151,066,185.225	36,437,163.877

Total Collected by the Tax Department Since Bank Opening

166,554,073.877

## Social Responsibility

### Firstly

Based on the principle of social responsibility and the importance of public awareness and to improve the Bank's image in particular, and to emphasize the role of social responsibility towards society and to distinguish the bank from other banks, Mr. Chairman has announced that the Bank will start the campaign of rehabilitating Benghazi Public Parks starting 15/10/2018. The first phase of its launch targeted (4) gardens to be completed within a period of time not exceeding three months for each of the two gardens, but the campaign faced some difficulties and obstacles due to the rejection of some residents within their residential areas such as the park located at the intersection of Kairouan Street.

Another obstacle was that one company already had a contract with Benghazi Municipality to maintain and rehabilitate the park of Arab Unity Street (20th Street).

On the other hand, the campaign was welcomed by most of the residents of the areas such as Salmany Area and employees of the Electricity Company and employees of the Parks Department.

It is noteworthy that all work done in this phase was carried out by national youth.

You can find below a list of all rehabilitated parks and the its corresponding cost:

Garden	Area in hectare	LYD
Agency Street Garden	1.20	20,000.000
Arab Unity Street Garden	1.25	20,000.000
Al Salamani Garden	1.5	120,000.000
Kish Garden	0.25	50,000.000
Total	4.2	210,000.000

## Secondly

The bank launched the program “Kun Mujtahid = Be Diligent”, one of the volunteer programs adopted by the bank in the framework of the social responsibility and to support the children of needy families and low-income to help and motivate them to learn and get educated, where the campaign started on 10/10/2018 and lasted till 10/11/ 2018.

The campaign targeted students from the first to sixth grade of basic education level in Benghazi's public schools, and the Orphan Care Foundation and civil society organizations concerned with supporting children in low-income families. (10,000) comprehensive school bags were distributed.

We've covered the program's promotional campaign through social media, billboards and distributing a printed class schedule for all students carrying a motivational idea about the “Child Agency”, but due to lack of time, we couldn't unify the bags and print the bank's logo on all school equipment distributed with the bags, but we are willing to prepare the second edition for the coming academic year 2019-2020 starting from July 2019, with one identity to make the campaign more organized and to save effort and money.

We have been assisted in processing and distributing by:

- Benghazi Al Amal Foundation
- The Public Scout and Girl Guide Movement
- Libyan Red Crescent Volunteers

and they all expressed their willingness to fully support us next time

The Following is the program and support costs:

The costs of comprehensive school bags	920,000.000
Support Costs	72,200.000
Grand Total	992,200.000



## **ALI JABER – CERTIFIED ACCOUNTANT**

Member of Libyan Association of Chartered Accountants

To the shareholders  
Band of commerce and Development

We have reviewed the financial statements of the Bank of commerce and Development which include the financial position as at 31 December 2018 and the income statement for the financial year ended on that date.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with generally accepted standards. The responsibility includes the application of a system that ensures that the financial statements are prepared and presented fairly, free from material misstatement, whether due to fraud or errors, selecting and applying appropriate accounting policies, and making reasonable accounting estimates,

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our review in accordance with generally accepted auditing standards which 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. An audit also includes evaluating then appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluation the overall presentation financial statements.

### **The Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Band of commerce and Development as 31 December 2018 and its financial performance in accordance with generally accepted standards.

ALI JABER FITURI  
CERTIFIED ACCOUNTANT



## **IHAB FATHI ALMUFTI** Certified Accountant

To the shareholders:  
Bank of commerce and Development

We have audited the financial statements of the Bank of commerce and Development which include the financial position as at 31 December 2018 and the income statement for the financial year ended on that date.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with International Financial Reporting Standards. The responsibility includes the application of a system that ensures that the financial statements are prepared and presented fairly, free from material misstatement, whether due to fraud or errors, selecting and applying appropriate accounting policies, and making reasonable accounting estimates,

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our review in accordance with generally accepted auditing standards which 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 selected procedures are based on the external auditor's report including the assessment of the material risk in the financial statements, whether due to negligence or error, and the assessment of those risks by taking the external auditor into account audit procedures Of the Company's financial statements related to the preparation and fair presentation of financial statements,

The audit also includes assessing the appropriateness of the accounting policies used and the reasonableness of the accounting estimates prepared by management, as well as evaluating the overall presentation of the financial statements. We conclude that the audit data we have obtained is sufficient and appropriate To provide a basis for our audit opinion.

### The Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of the Bank of commerce and Development as 31 December 2018 and its financial performance in accordance with generally accepted standards.

**IHAB FATHI ALMUFTI**  
CERTIFIED ACCOUNTANT

