

In The Name of Alla The Most Gracious The Most Merciful

(( Whoever works does a righteousness whether male or female while he or she is true believer of Islamic Monotheism verily, to him We will give a good life in this world with respect, contentment and lawful provision and We shall pay them certainly a reward in proportion to the best of what they used to do ))

(Surat Alnahel 97)



**FARMER'S COMMERCIAL BANK**

Farmer's Commercial Bank  
Public Limited company  
Member of Bank Deposits Security fund

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## Vision

Comprehensive and excellent banking services to the community and enhancing shareholders' equity and all other stakeholders

## Mission

Farmer's Commercial Bank is a banking institution which provides comprehensive and excellent banking services to all community segments with emphasis on shareholders' equity, partners & small producers.

## Historical Background

### (A) Introduction:

Farmer's Commercial Bank (FCB) was established in 1/8/ 1998 as a result of the merger of two Banks, namely Sudan commercial bank (SCB), the first Sudanese national bank, which was established in 1960 and Farmer's Bank for Investment and Rural Development (FBIRD) which was established in 1992 with the aim of developing the agricultural sector and other sectors related to agriculture.

After the merger, (FCB) became one of the biggest banking institution in the country with regard to the number of shareholders. The bank aims at achieving strategic goals in the promotion of agricultural, industrial and trading sectors in general in addition to providing finance to services to all other economic activities.

### (B) Legal Status:

The bank is a public company with a total number of shares amounting to 350.000.000 shares.

### (C) Capital:

Authorized Capital : 400,000,000 SDG

Paid up Capital : 350.000.000 SDG





**Miss. Samia Ahmed Mohamed Hassan**  
**Chairman**



**Mr. Sulieman Hashim Mohamed Toun**  
**G.M**



**Mr. Babiker Sheikh Idris Manaa**  
**D\GM**



**Mr.Elrashed Mahjob Elfeel**  
**ASS/GM**

## Board of Directors

No	Name	Position
1	Miss. Samia Ahmed Mohamed Hassan	Chairman
2	Mr.Mohamed Hassan Mohamed Hussien	Member
3	Mrs. Magda Mohamed Mahamoud	Member
4	Miss.Botheina Ibrahim Mohamed salih	Member
5	Mr. El hadi MukhtarAdam	Member
6	Mr. Hashim Khalafalla Morgani	Member
7	Dr. Hashim Ahmed Elabaid	Member
8	Mr.Elaily Mohamed Elbasheer (expert)	Member
9	Dr Mohamed Ali Alshiek (expert)	Member
10	Mr. Abdalla Ahmed Hamad Abdalrahem (expert	Member
11	Mr. Sulieman Hashim Mohamed Toun (GM)	Member

### Secretary of the Board of Directors

Mr. Mustafa Mohamed Hamid

### Legal Advisor

Professor / Abdalla Idris Albashier

### Legal Auditor

The Auditor General Chambers

### Sharia Advisory Board

No	Name	Position
1	Dr. Mustafa Hasabo Bashier	Chairman
2	A/D. Ibrahiem Norain Ibrahiem	Member
3	Dr. Sulieman Mohamed Karam alla Al Mahi	Member

### High Executive Administration

No	Name	Position
1	Mr. Sulieman Hashim Mohamed Toun	GM
2	Mr. Babiker Sheikh Idris Manaa	D\GM
3	Mr.Elashed Mahjob Elfeel	ASS/M

## Bank Branches & sub-branches

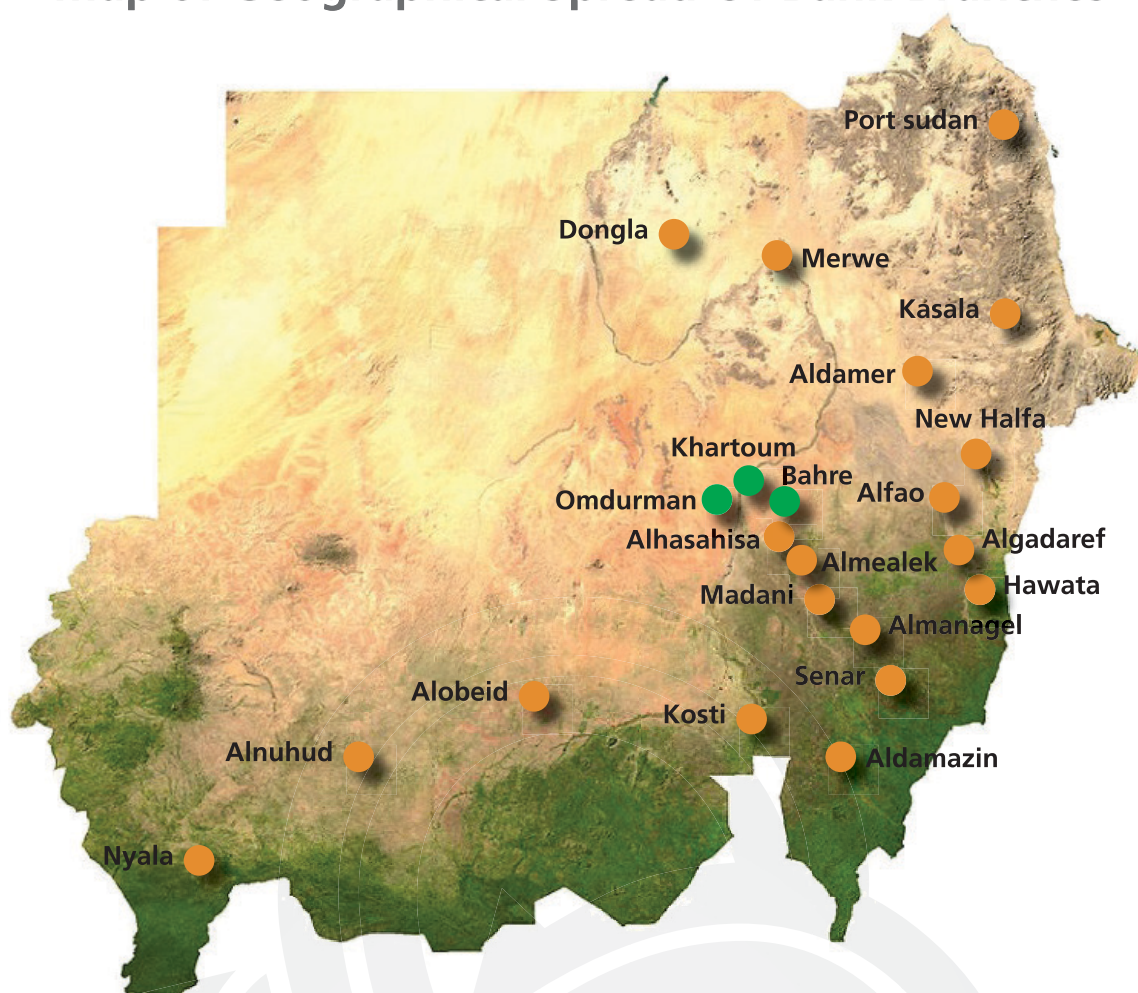
In order to achieve its strategy, the bank established 32 Branches and three sub-branches spread almost all over the country. All these branches are connected with a modern network.

State	Branch	Telephone	Fax
Khartoum	Gasr	83/7786372 -779908	83/783009
	Gamhoria	83/771052 -7786370	83/780106
	Alamarat	83/494844 -480391	83/472115
	Alsuk Alarabi	83/776131- 742496	83/794326
	Ebaid Khatem	83/526328 -526332	83/526331
	Omdurman Alsuk	87/556783 - 556616	87/569358
	Omdurman Hai Elarab	87/463637 - 558463	87/573110
	Omdurman Souq Libya	0157796281/0157796283	
	Shambat	85/314522 - 314523	85/314521
	Bahri Alsuk	85/238449 - 239300	85/330511
	Bahri Industrial Area	85/335572 - 330444	85/335571
	Elsaggana Bahri Saad Gishra Souq Sita	48482183/484822/ 85/239995/239994 153853667/154951385	48482083/ 85/238881
Algezira State	Almasoudia	0155247947	0155314046
	Alhasahiesa	05418/30007 - 30008	05418/32410
	Almeailig	05448/70008	05448/70007
	Madani	05118/43927	05118/44708
	Elmanagel Uom elgura	05178871043	0517871042 1511831425
Kassala State	Kassala	04118/22849	04118/22336
	New Halfa	04218/22234	04218/22054
Red Sea State	Port Sudan	03118/24913	03118/24912
North Kordofan	Alobeid	03118/25333	03118/23008
	Alnuhoud	06118/22036	06118/22035
Blue Nile State	Aldamazien	06428/22372	06428/22373
Gadarif State	Alfaw	05218/21088	05218/21088
	Alhawata	0120797718	0441843418
	Gadarif	04418/483072	04418/43418
SouthDarFor State	Nyala	07118/32485	07118/33392
Northern State	Dongola	02418/22364	02418/22416
	Merowe	02318/21228	02318/21561
White Nile State	Kosti	05718/22518	05718/24880
River Nile State	Aldamer	02168/44343	02168/24455
Sennar State	Sinnar	05618/23635	05618/24090

### The Operating sub-branches

Sudan university / Dongola( Ministry of Investment)

## Map of Geographical Spread Of Bank Branches



### Khartoum

Algaser  
Alamarat  
Algamhoria  
Al Soug Alarabe  
Al Soug Alafrange  
Elsaggana

### Bahri

Shambat  
Bahri Elsouqe  
Industrial Area  
Saad Gish

### Omdurman

Hai Arab  
Omdurman Alsuk  
Souqe Lybea

## Economic Developments During 2017

### Developments in Sudan economy during 2017

Sudan national economy continued to suffer from direct and indirect impacts of the American sanction in addition to other economic problems such as the decrease of exports compared with imports causing deficit in trading balance and creating accelerated hard currency demand although the sanction was been raised . Here are some indicators of Sudan economy in 2017:

- The average economic growth was about 5.7% in 2017 compared with 4.7 in 2016.
- The average Inflation rate for 2017 was about 32.6% compared with 14.3% for 2016.
- The banks total current & noncurrent deposits reached about 139 billion SDG in 2017 compared with 79 billion in 2016.
- The total of investments and finance delivered by working banks reached about 102 billion SDG in 2017 compared with 67 billion in 2016.
- Foreign trade : the exports were about 4.1 billion dollars in 2017 compared with 3.1 billion dollars in 2016 , while the imports were 9.2 billion dollars in 2017 compared with 8 billion dollars in 2016, so the deficit in trading balance was 5.1 billion dollars in 2017 .

### Developments in World economy year 2017

The World economy witnessed economic revival during 2017 compared to 2016 as it was expected by world bank which expect continue revival during 2018.

The recorded average World economic growth for 2017 was 3.6 % compared with 3.2% for 2016 , with lesser rate of growth for developed countries reached to 2.2% compared to 1.7% in 2016 and a rate of 4.6% for underdeveloped countries compared with 4.3%. in 2016.

- The international rate of inflation was 3.1% for the year 2017 compared with 2.8% for 2016.
- Fuel oil prices increased in 2017 to \$52.5 per barrel compared with \$40.6 per barrel in 2016.
- Gold prices increased & reaching a price of \$1275 per ounce in 2017 compared with \$1250 in 2016.



## The main policies adopted by FCB during 2017

Farmers commercial bank is used to adopt policies and principles that match and support the national financial strategies and policies, and accordingly with the policies and regulations of Sudan central bank, here are samples of such policies :

### 1- Risk management policy

It aims at reducing risks to the minimum, protect & develop of resources with safety and optimum utilization resulting in maximum income.

### 2- Geographical spread & financial inclusion Policy

This policy aims at making the banking services nearby and close to the targeted customers, through different windows of service delivery such as branches, sub-branches, ATMs, agents, etc.

### 3- Partnerships building & Resource generating policy

The policy aims at creating partnerships with other competent customers whether private or governmental to attract and allocate resources that needed for the joint targeted projects , such as the microfinance project, the graduates projects Fund , the Gum Arabic Fund , Dulgo electricity Fund, & increase our participation in other portfolios pioneered by other banks.

### 4- Policy of safety banking operations

It aims at maintain stable and continuous balanced utilization of financial resources, and prevent money laundering activities as defined by central bank of Sudan.

### 5- Policy for Increasing resource utilization efficiency

The policy aims at efficient & effective utilization of resources through short term investments, increase efficiency of debts collection, participating in social and economic development, rural finance, Periodic assessment of the different assets.

### 6- Policy for marketing of electronic banking products

Capacity Building and enriching know-how of the staff regarding various aspects of electronic banking products, with target of customer base expanding.

### 7- FCB strategy

It is strategy for 4 years aims to fulfil the mission, vision and the goals of the bank considering the national strategy for the country.

## Financial Performance of the Bank during the Year 2017

### Firstly: Financial Position Statement

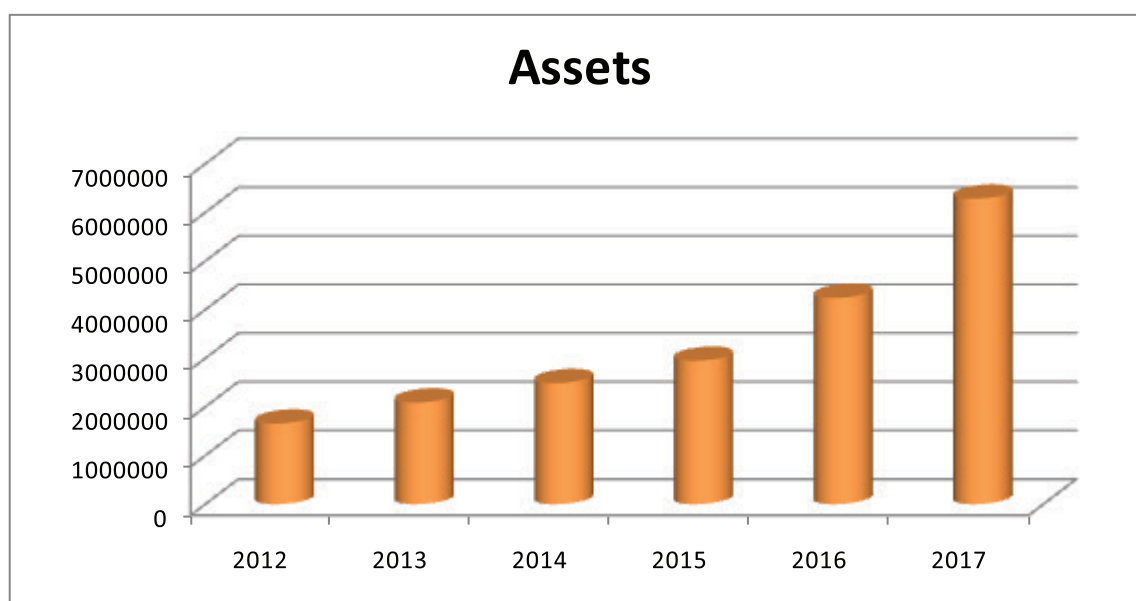
#### 1- Assets :

Total value of assets amounted to 6,284 SDG million in 2017 compared with 4,242 SDG million in 2016 with an increase of 2,042 SDG million and growth rate of 48%.

Development of Bank Assets:

(Thousand SDG)

YEAR	2012	2013	2014	2015	2016	2017
Amount	1,657,021	2,088,429	2,489,539	3,211,156	4,242,018	6,284,145



#### Deferred sales Receivable and short - term investments :

Total Deferred sales receivable and short-term Investments amounted to 4,176 SDG million in 2017 compared with 2,823 SDG million in 2016 with an increase of 1,353 SDG million and rate of growth of 48%.

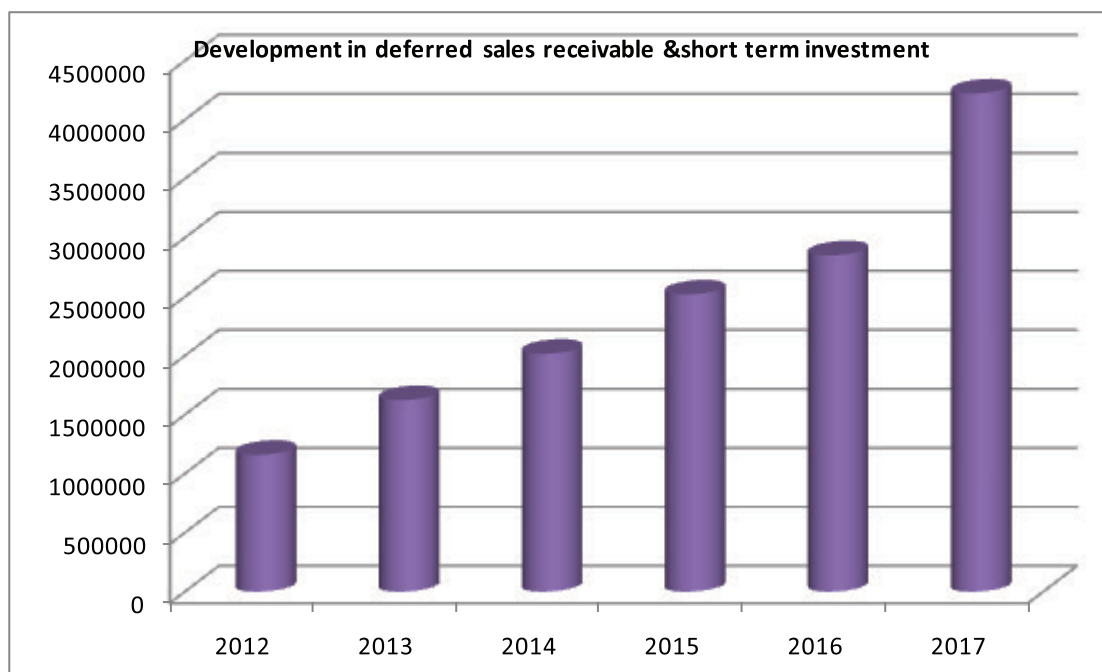
Deferred sales receivable and short-term investments:

(Thousand SDG)

Particulars	2015	2016	2017
Outstanding Financing	2,037,455	2,593,757	3,745,961
Financial investment (In government securities)	250,647	229,382	430,386
Total	2,288,102	2,823,139	4,176,347

### Development in Deferred Sales Receivable and short term Investments: (Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Million SDG	1,159,538	1,622,909	2,016,184	2,288,102	2,823,139	4,176,347



### Outstanding Finance analysis according to sectors 2017

(000SDG)

Sectors	Total Amount in 2016	Percentage	Total Amount In 2017	Percentage
Agricultural	370,577	14%	506,672	14%
Industrial	285,059	11%	337,781	9%
Import & Export	142,530	5%	90,891	2%
Transport & Storage	171,035	7%	253,336	7%
Rural Development , Hand Craft & occupational	114,023	5%	337,381	9%
Local trade	342,074	13%	258,887	7%
Real Estate & Infrastructure	1,121,027	43%	1,907,144	51%
Others	47,432	2%	53,869	1%
<b>Total</b>	<b>2,593,757</b>	<b>100%</b>	<b>3,745,961</b>	<b>100%</b>

Securities    229,382    430,382



## Outstanding Finance analysis According to collateral 2017

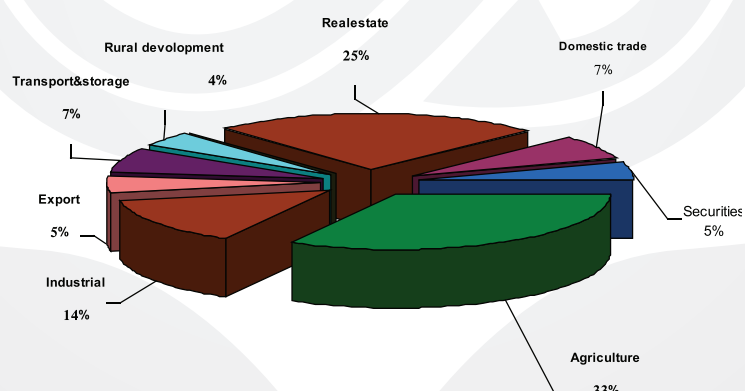
(000 SDG)

Type of collateral	Year 2017	Percentage
Government Securitas	16,791	0%
Real estate	1,212,563	32%
DIRECT Storage	49,294	1%
Vehicles	424,017	11%
Personal Guarantee	212,808	6%
Securities	66,606	2%
Bank guarantee	1,448,607	39%
Investment Deposit	36,516	1%
Export proceeds	131,498	4%
Long –term investment	53,869	2%
Others	93,392	2%
<b>Total</b>	<b>3,745,961</b>	<b>100%</b>

## Analysis of Finance Issued According to Sectors at 31/12/2017

(1000 SDG)

Sector	Total Amount in 2016	Percentage	Total Amount In 2017	Percentage
Agricultural	708,981	٪28	1,389,540	33%
Industrial	370,214	٪14	550,074	14%
Export	145,697	٪6	213,862	5%
Transport & Storage	138,150	٪6	328,792	7%
Rural Development , Hand Craft & occupational	177,766	٪7	196,814	4%
Real estate	553,722	٪22	1,019,078	25%
Domestic Trade	346,828	٪14	297,835	7%
Long investment	5,462	٪0	6,091	0%
Securities	70,440	%3	158,889	%5
<b>Total</b>	<b>2,517,260</b>	<b>100%</b>	<b>4,160,975</b>	<b>100%</b>



# Analysis of Finance Issued According to Modules at 31/12/2017

(1000 SDG)

Modules	Year 2016	Percentage	Year 2017	Percentage
Murabaha	1,229,663	49%	1,812,707	44%
Salam	26,737	1%	11,808	0%
Musharakat	166,679	7%	221,127	5%
Hire Purchase	406,304	16%	737,152	18%
Mugawala	519,225	20%	944,921	22%
Mudaraba	92,550	4%	267,500	6%
Gard Hassan	200	0	780	0
Capital Participation	5,462	0	6,091	0%
Securities	70,440	3%	158,889	5%
<b>Total</b>	<b>2,517,260</b>	<b>100%</b>	<b>4,160,975</b>	<b>100%</b>

## FCB CONTRIBUITION IN PORTFOLIOS - 31/12/2017

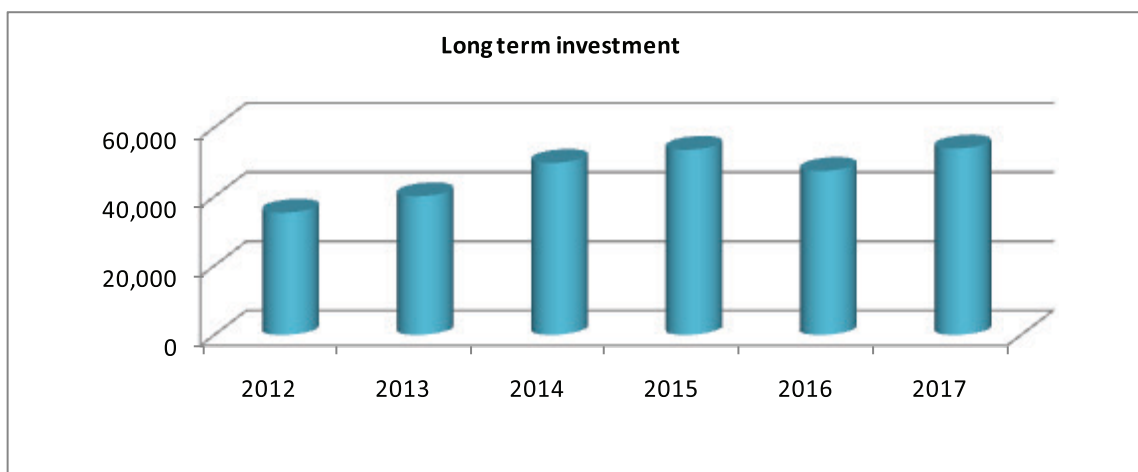
Portfolio Name	Purpose of Port	Sector	Major Bank	The Amount of port	Bank contribution in port
Kassala Reconstruction fund	Housing construction	Real estate	Fcb	47,355,112	13,977,857
Graduate projects	Financing Graduate	Others	Fcb	150.000.000	3.500.000
A thletical city completion	Recons.	Real state	Animal Res Bank	400.000.000	30,000,000
Affordable housing	Housing	Real estate	Khartoum bank	200.000.000	4.000.000
River Nile State electricity network	Finance elec. net	Others	Saving Bank	88.000.000	16.280.000
Future banking group	Different activates	Others	Future Banking group	25,000,000	5,000,000
Financing staple food for low earning worker	Stable food for low earning workers	Others	Workers bank	750,000,000	10,000,000
Gazira project land address	Selling Agri. Lands from owners	Agri.	United Capital Bank	200.000.000	5.000.000
Academic advisory	Support Academic activities	Others	Investment bank	20,000,000	600.000
FAO Electricity net work	Finance elect.net	Others	Savings social-bank	15.000.000	2.777.000
Gum Arabic portfolio	Help low-income workers	Export	Khartoum Bank	142,000,000	20.00.000
Rehabilitation of Gazera irrigation net work	Rehabilitation of irrigation net work	Agric.	Agricultural Bank	100.000.000	3.500.000
Cotton Finance	Cotton Fittance 2017-2018	Agric.	United Capital Bank	100,000,000	77,500,000
White Nile Sugar company finance	Finance w.n .sugar comp.	Industrial	United Capital Bank	\$150,000,000	2.000.000\$
Kassla Reconstruction fund	Housing recon.	Real state	F c b	23.500.000	10,977,875
North state housing	Housing recon.	Real estate	Tadamon Bank	64.896.000	6.450.000
Red Sea housing finance	Housing recon.	Real estate	Fisal Islamic Bank	156.000.000	3.000.000
Cotton Finance	Cotton Finance -2015	Agric.	United Capital Bank	750.000.000	5.000.000
Naher Elneel housing finance	Housing recon.	Real estate	Sudanese France bank	77.064.300	9.500.000
Elgazira electric net work	Finance elect, net work	Others	Savings social-bank	30.000.000	5.550.000
Barbar electricity net work	Finance electric. Net work	Others	Family Bank	60.000.000	3.000.000
Oil seeds portfolio	Finance oil indu.	Indust.	Indust. development	1.000.000.000	10.000.000
Dalga electric net work	Finance electric. Network	Others	F.C.B	75.000.000	47.000.000
Economic housing middle Darfor	Houses building	Real estate	Savings social-bank	72,000,000	10,000,000
Poultres fodder	Fodder finance	Other	Elneel bank	500,000,000	1,000,000
Agric. Crop for export	Agric. Crop for export	Other	Export dev. nank	300,000,000	5,000,000 ,m

## Long term Investments:

Long term investments amounted to 54,8 SDG Million in 2017 compared with 47,4 SDG Million in 2016 with an increase of 7,4 SDG Million and rate of growth 15%.

### Development of long term investments: (Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Million SDG	35.357	40.120	49.748	41.593	47.432	54,851



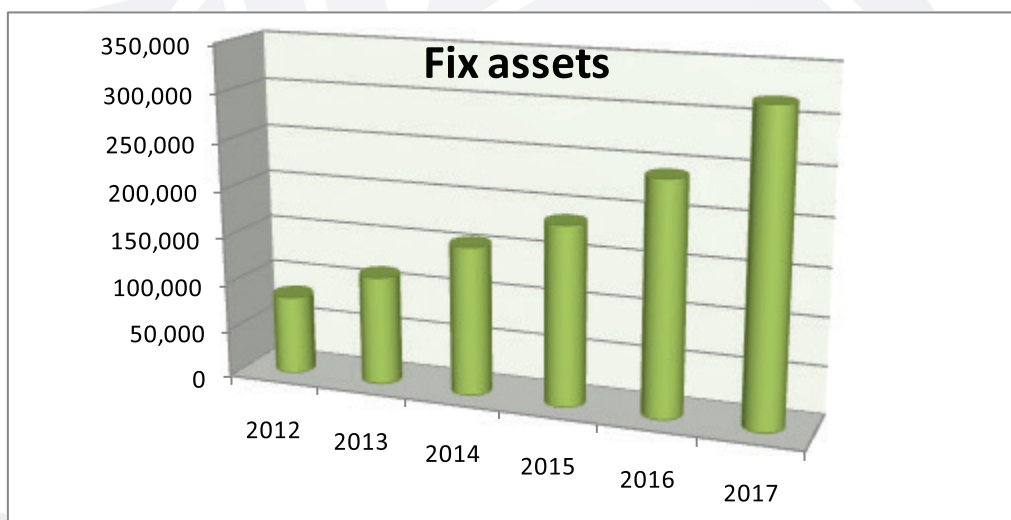
## Fixed Assets

Total fixed assets amounted to 365 SDG million in 2017 compared with 290 SDG million in 2016 with an increase of 75 SDG million and rate of growth of 26%.

### Development of Fixed Assets

(Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Million SDG	82.857	114.203	155.648	192.277	290.664	365,469



## Liabilities

Total liabilities amounted to 3,712 SDG million in 2017 Compared with 2,229 SDG million in 2016 with an increase of 1,483SDG million and rate of growth of 66%.

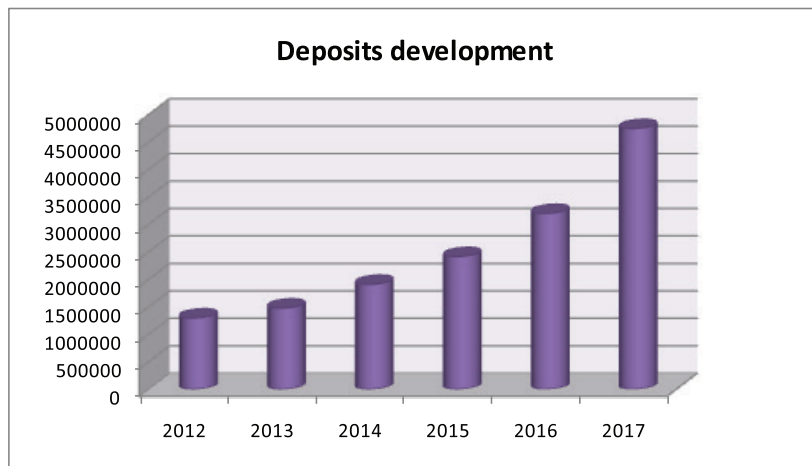
### (a) Deposits

Total deposits amounted to 4,780 SDG Million in 2017 compared with 3,181 SDG million in 2016 with an a increase of 1,599 SDG million and growth rate of 50% .

#### Development of deposits

(Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Million SDG	1,299,014	1,479,,461	1,911,462	2,385,275	3,181,943	4,780,402



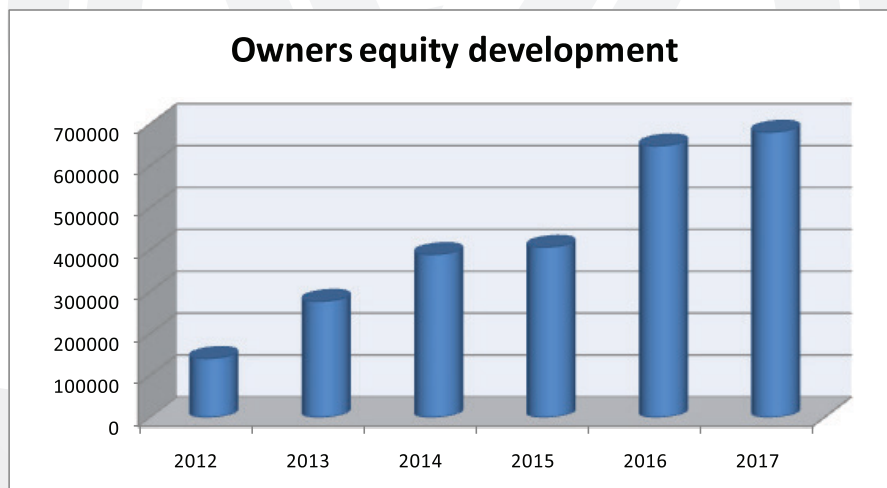
### (b) Owner's Equity

Total Owner's equity amounted to 678 SDG million in 2017 compared with 647,6SDG million in 2016 increasing by 31 SDG million and rate of growth of 5%.

#### Development of Owner's Equity

(Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Million SDG	140,547	276,964	388,689	492,306	647,608	678,311



## Secondly: Income Statement

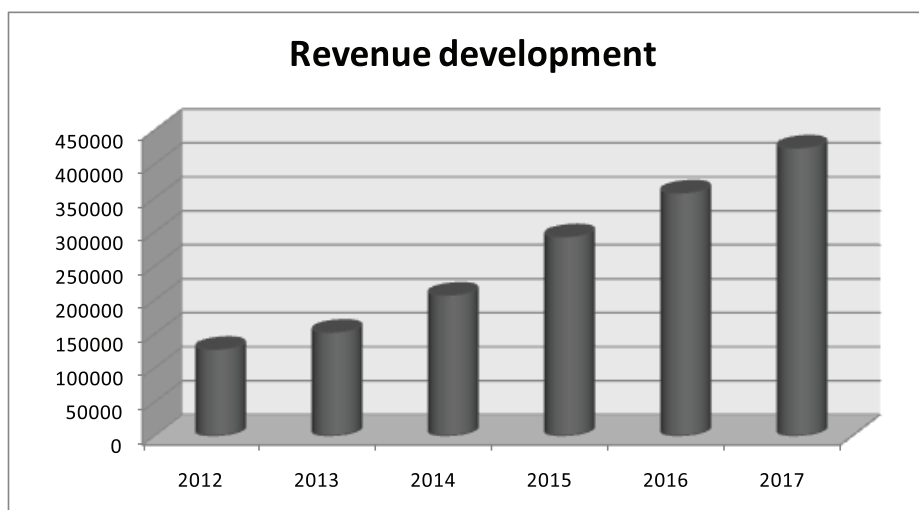
### (1) Revenues

Total revenues amounted to 458 SDG million in 2017 compared with 411 SDG million in 2016 with an increase of 47 SDG million and growth rate of 11 %.

#### Revenue Development

(Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Million SDG	127,513	152,716	207,305	333,950	411,374	458,343



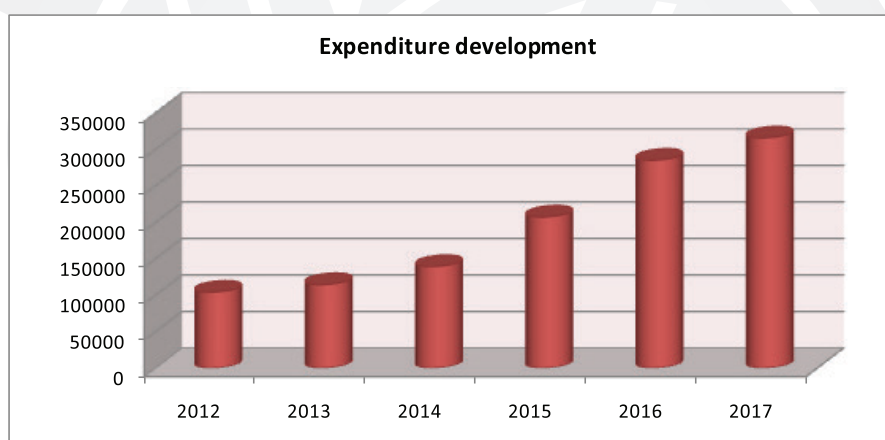
### (2) Expenditure

Total expenditure amounted to 316 SDG million in 2017 compared with 284 SDG million in 2016 with an increase of 32 SDG million and growth rate of 11%.

#### Development of expenditure

(Thousand SDG)

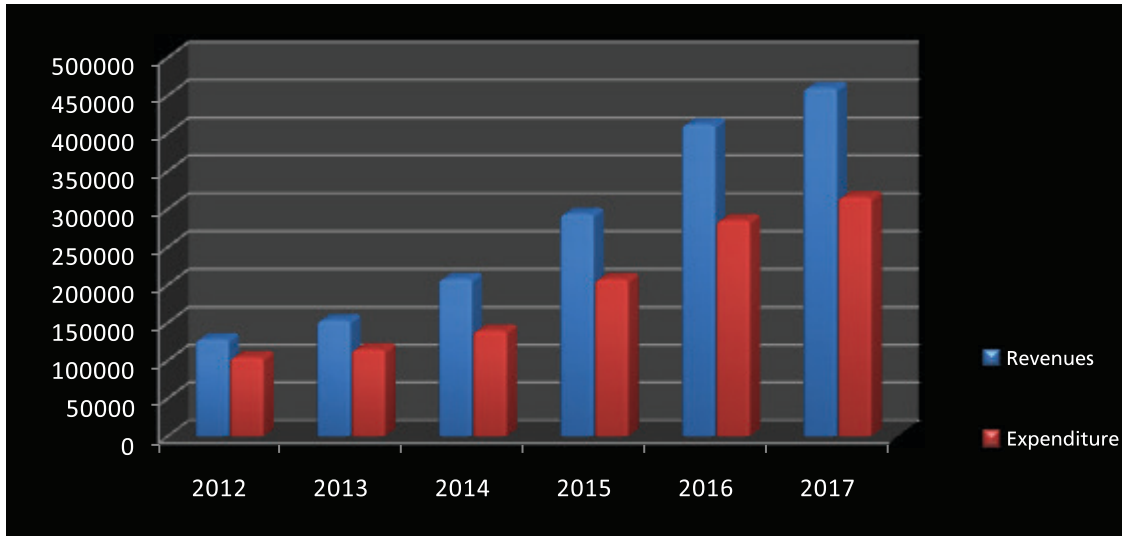
Year	2012	2013	2014	2015	2016	2017
Million SDG	103,965	114,350	139,057	222,566	284,791	316,022



**Revenues Compared to Expenditure :**

(Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Revenues	127,513	152,716	207,305	333,950	411,374	458,343
Expenditure	103,964	114,350	139,057	222,566	284,791	316,022

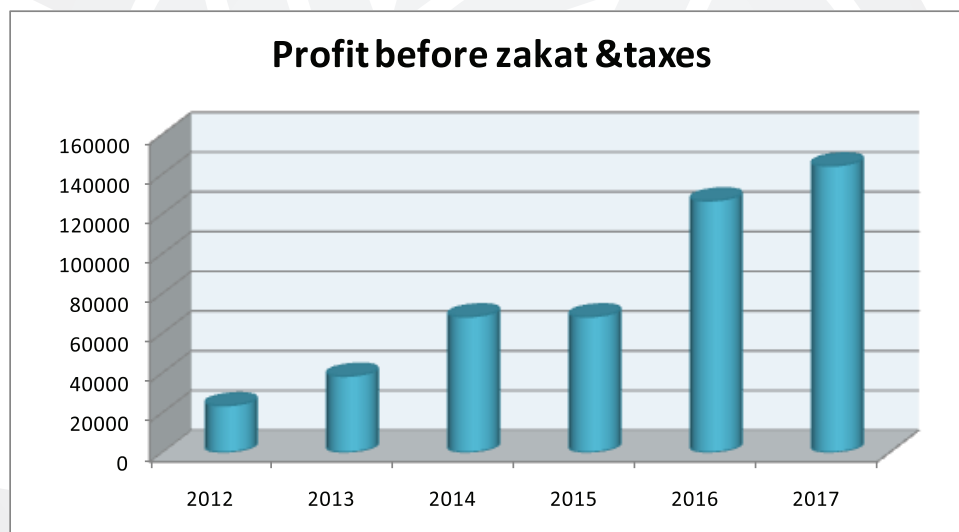
**Revenues Compared to Expenditure****(3) Profits**

Profits before zakat & taxes amounted to 142 SDG million in 2017 compared with 126 SDG million in 2016 with an increase of 16 SDG million and growth rate of 13%.

**Gross profits Development:**

(Thousand SDG)

Year	2012	2013	2014	2015	2016	2017
Million SDG	23,548	38,366	68,248	111,384	126,583	142,320



## Important Financial Indicators for the year 2017

Indicator	31/12/2015	31/12/2016	31/12/2017	%
Total deferred sales receivable and short term Investment	2,288,102	2,823,139	4,176,347	48%
Trade Debtors	195,339	197,377	255,575	29%
Fixed Assets	192,277	290,664	365,469	26%
Total Assets	3,211,156	4,242,018	6,284,145	48%
Total Deposits (current & investment )	2,385,275	3,181,943	4,780,402	50%
Total Liabilities & Owners of unrestricted investment Accounts	2,718,849	3,594,409	5,605,834	56%
Owner's equity	492,306	647,608	678,311	5%
Total Revenues	333,950	411,374	458,343	11%
Total salaries, wages& administrative & general expenses & depreciation	222,566	284,791	316,022	11%
Net Profit (before Zakat & Taxes)	111,384	126,583	142,320	12%
Cost ratio	52%	56%	54%	

## The outstanding financial Ratios:

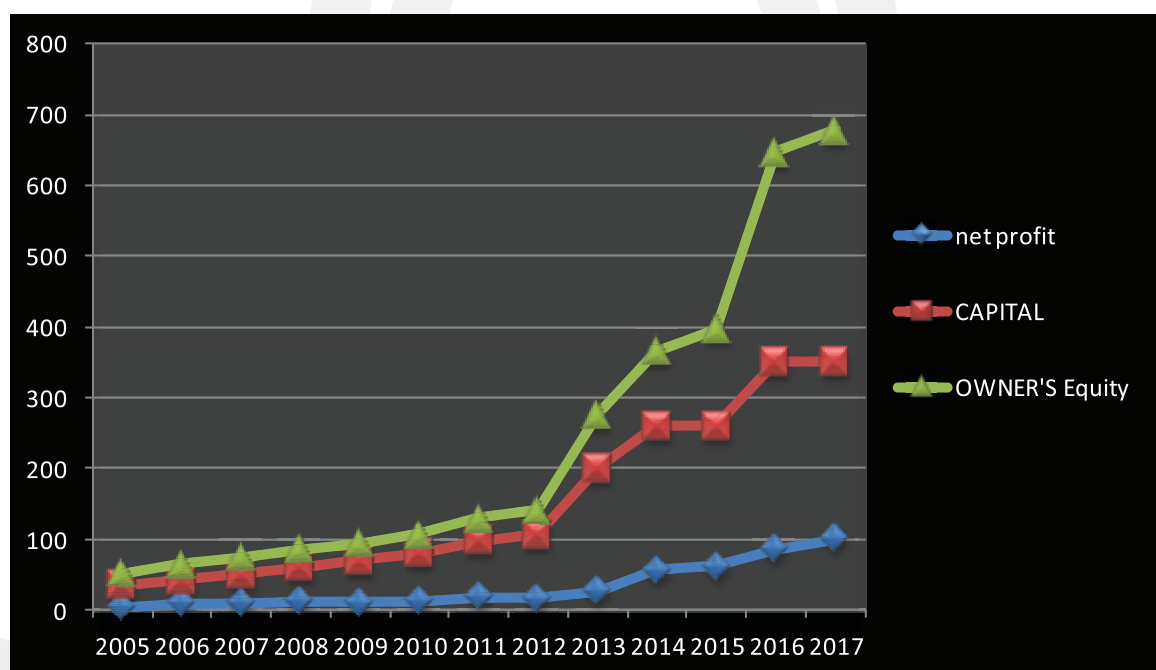
Particular	Equation	%
Return on Assets	Net profit before taxes & Zakat / average total assets	3%
Return on owner equity	Net profit before taxes & Zakat/ Equity of owners	21%
Deferred sales receivable and investment to total deposits	Total deferred sales receivable short-term investment /total Deposits	87%
% of Expenditure	Salaries and wages /total expenditures	52%
% of Expenditure	Administrative and General Expenditures / total expenditures	25%
Liquidity ratio	Cash and cash equivalent/ deposits	27%
The proportion of repayment ability	Liabilities/ Assets	59%
The proportion of fixed assets to total assets	fixed assets/ total assets	6%
Cost Ratio	Total Expenditure / Total revenues	54%



## Development of owners Equity from 2001 to 2017

(million SDG)

Year	Paid up capital	Issuing fees	Legal reserve	Special reserve	Reserve assets evaluation	Reserve foreign Evaluation	Other rights	Uncontrol lable rights	Retained profit	Total
2001	9,71	0	0,66	0,24	14,91	0,84	0	0	0,87	27,23
2002	15,18	0	1,55	0,30	8,45	0	0	0	2,66	28,14
2003	26,36	0	0,91	0,91	9,74	0	0	0	2,74	40,66
2004	30,01	0	,89	0,91	9,83	0	0	0	2,68	44,31
2005	34,48	0	1,48	1,0	9,82	0	0	0	4,44	51,22
2006	41,40	0	3,12	0	9,82	0,41	0	0	9,36	64,11
2007	50,15	0	3,92	0	9,82	0	0	0	10,10	73,99
2008	60,16	0	3,97	0	9,80	0	0	0	11,94	85,87
2009	69,79	0	3,71	0	9,80	,31	0	0	11,13	94,74
2010	80	0	4,19	0	9,80	0	0	0	12,61	106,6
2011	96,59	0	5,98	0	9,80	0	0	0	17,93	130,3
2012	106,51	0	7,18	0	9,80	0	0	0	17,05	140,5
2013	200	26,17	7,73	0	9,80	6,93	0	0	26,63	276,9
2014	260	40,54	14,02	0	9,80	7,67	0	0	56,63	388,6
2015	260	40,54	19,92	0	8,73	5,10	0	0	62,24	396,5
2016	350	67,23	27,93	113,78	6,89	5,10	0	4,55	72,11	647,6
2017	350	67,23	37,61	112,89	6,76	5,10	0,67	6,24	91,78	678,3



## Sharia Advisory Board Report

Report of the Sharia Advisory Board to the General Assembly Meeting of shareholders of Farmer's Commercial Bank for the ending year 31/12/2017

In accordance with the criterion governing financial and Islamic Institutions No (1) specifically for the Sharia Advisory Board issued by Islamic Financial Institutions / Bahrain.

The Sharia Advisory Board Presents to the General Assembly meeting of Shareholders the following report:

- (1) The responsibility of confirming that the bank is operating in accordance with sharia laws falls on the executive management of the bank for its responsibility of issuing decisions and implementing them.

Whereas the responsibility of the board is limited to expressing a neutral opinion on how the bank is following Sharia Laws based on its supervision on the bank operations and preparation of a report on that to the general assembly.

- (2) The board continued its routine meetings (twice monthly) and revised all the implemented contracts in the bank which was presented to the board and directed the correction of the contents from mistakes and the board made a number of Fatwas and guidance in matters presented to the board by the bank authority. All of these are proved in the minutes.

- (3) The board held only one meeting (long) in 18/ April/ 2017 and looked in to the auditor's report, financial position and income statement for the year ending 31/12/2017, cash flow and the related explanatory notes. The board listened to the answers from the bank authority on what appeared in the financial statements.

- (4) The board has supervised the business of the bank for the year 2017 and is pleased to declare the following:-**

(a) The contracts signed by the bank during the year ending 31/12/ 2017 which were seen by the board were in accordance with Islamic Sharia Laws.

(b) The distribution of profits and carrying over of losses to the investment account agreed with the basis endorsed by the board and was in accordance with Islamic Sharia Law.

(c) Zakat account was in accordance with Islamic sharia laws.

(d) The money obtained through means incompatible with sharia was spent on charity work.

In conclusion the board thanks the bank authority for its cooperation with the board to complete its work



Dr. Mustafa Hasabo Basher



Dr. Suleiman Mohamed Karam Allah



Prof. Ibrahim Norain Ibrahim

# AUDITOR'S REPORT TO THE SHAREHOLDERS OF FARMER'S COMMERCIAL BANK



بسم الله الرحمن الرحيم  
Republic Of The Sudan  
National Audit Chamber  
Date: 1439/حـب/29 التاريخ  
Date: 2018/أبريل/15 الموافق

جمهورية السودان  
ديوان المراجعة القومي  
الخرطوم  
الرقم/ دم ق/.....



## **Independent Auditor's Report** **To the Shareholders of the Farmer's Commercial Bank**

### **Opinion**

We have audited the consolidated financial statements of Farmer's Commercial Bank, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statement of income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank as at December 31, 2017, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and Accounting Standards Issued by the Accounting Organization for Islamic Financial Institutions.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Bank within the meaning of the Code of Ethics for Professional Accountants of International Ethics Standards Board for Accountants (IESBA) and we have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Empasis of Matter**

We draw attention to note (5) long- term investments, which includes unaudited financial information of the cooperative insurance company, (an associate company). Our opinion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs, and Accounting Standards Issued by the Accounting Organization for Islamic Financial Institutions and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Bank ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank financial reporting process.



**Independent Auditor's Report**  
**To the Shareholders of the Farmer's Commercial Bank**

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Bank audit. We remain solely responsible for our audit opinion.

**Independent Auditor's Report**  
**To the Shareholders of the Farmer's Commercial Bank**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of consolidated financial statements of the current period and are therefore included in our report as key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**Eltahir Abd Elghayoum Ibrahim    FCCA**  
**AUDITOR GENERAL**  
**REPUBLIC OF SUDAN**

Khartoum / 29 / ٢٠١٨ / ١٤٣٩

Date/ 15 / ١٥٢٠ / ٢٠١٨



## Consolidated statement of financial position as at 31/12/2017

	Note	SDG	
Particulars		2017	2016
<b>Assets:</b>			
Cash & cash equivalents	3	1,286,213,010	778,807,731
Sales receivables	4	2,948,106,618	2,107,680,189
<u>Short term investments</u>			
Investment with banks	5	63,244,434	30,769,417
Investment securities	6	430,386,733	229,382,637
M udaraba financing	7	313,377,867	172,014,408
Musharaka investment	8	106,943 ,268	143,069,659
Inventories	9	309,780,,529	136,781,526
Assets acquired for leasing	10	1,770,244	1,790,358
Other investments	11	2,737,648	1,651,191
<b>Total Investments</b>		<b>1,228,240,723</b>	<b>715,459,196</b>
Other receivables	12	255,575,126	197,377,893
Other assets	13	145,688,753	104,596,408
Long term investment	14	54,851,748	47,432,292
Fixed assets (net)	15	365,469,827	290,664,386
<b>Total assets</b>		<b>6,284,145,805</b>	<b>4,242,018,095</b>
<b>Liabilities ,unrestricted investment accounts and owner's equity:</b>			
<b>Liabilities:</b>			
Current & saving accounts	16	2,887,475,045	1,816,945,710
Payables	17	684,810,283	316,337,106
Proposed dividends	18	25,775,219	18,653,027
Other liabilities	19	114,845,813	77,475,305
<b>Total liabilities</b>		<b>3,712,906,360</b>	<b>2,229,411,148</b>
Equity of unrestricted investment accounts	20	1,892,927,848	1,364,998,150
<b>Total liabilities, unrestricted investment accounts</b>		<b>5,605,834,208</b>	<b>3,594,409,298</b>
<b>owner's equity:</b>			
Paid-up capital	21	350,000,000	350,000,000
Furthermore issuance		67,234,262	67,234,262
Reserves	22	50,155,378	39,929,906
Consolidated Reserve		113,270,219	113,781,680
Retained earnings		91,781,050	72,108,201
Uncontrollable Equity		6,245,469	4,554,748
<b>Total owners' equity</b>		<b>678,311,597</b>	<b>647,608,797</b>
<b>Total liabilities, unrestricted investment accounts and Owners' equity</b>		<b>6,284,145,805</b>	<b>4,242,018,095</b>
Contra Accounts	23	4,509,953,481	2,923,918,568

The attached notes from No.(1) to No.(34) form an integral part of the financial statements



**Suliman Hashem.M**  
General Manager



**AbdAlla Ahmed Hamad**  
Member of the Board



**Samia Ahmed Mohamed Hassan**  
Chairman of the Board

## Consolidated Income Statement for the Year Ended 31st. December 2017

	Note	SDG	
Particulars		2017	2016
<b>Income:</b>			
Deferred sales revenue	24	318,767,056	259,156,505
Short term investment revenue	25	90,125,709	90,867,698
Sales revenue	26	596,557,484	380,080,486
Sales expenses	27	(538,676,897)	(293,721,751)
		466,773,352	436,382,938
<b>Less:</b>			
Returns on unrestricted investment accounts		95,557,308	72,008,573
		371,216,044	364,374,365
Revenue on banking services	28	42,474,904	28,271,705
Gains on sales and purchase of foreign currencies		15,607,977	5,812,840
Gain on foreign exchange revaluation		10,174,295	1,246,801
Other revenues	29	18,869,935	11,669,192
<b>Total revenue</b>		<b>458,343,155</b>	<b>411,374,903</b>
<b>Expenses:</b>			
Operation expenses		787,201	655,579
Administrative & general expenditures	30	287,072,832	248,803,009
Losses on sale and purchase of foreign currencies		0	16,250,000
Depreciation		28,138,198	19,012,276
Central Bank of Sudan penalties		24,500	70,500
<b>Total expenses</b>		<b>316,022,731</b>	<b>284,791,364</b>
<b>Net Income before zakat and taxes</b>		<b>142,320,424</b>	<b>126,583,539</b>
Zakat & Taxes (-)	31	41,293,818	36,456,385
<b>Income before minority rights</b>		<b>101,026,606</b>	<b>90,127,154</b>
Minority rights		1,597,619	1,800,371
<b>Net Income</b>		<b>99,428,987</b>	<b>88,326,783</b>

The attached notes from No.(1) to No.(34) form an integral part of the financial statements



**Suliman Hashem.M**  
General Manager



**AbdAlla Ahmed Hamad**  
Member of the Board



**Samia Ahmed Mohamed Hassan**  
Chairman of the Board



## Consolidated Cash Flow Statement For The Year Ended 31st. December 2017

Particulars	SDG	
	2017	2016
Cash flows from operating activities:		
Net income	99,428,987	88,326,783
Adjustment to reconcile net income		
Net cash provided by operating activities:		
Minority rights	1,597,619	1,800,371
Capital profit	-	(598)
Depreciation	28,138,198	19,012,276
Provision of doubtful accounts	5,067,098	23,689,948
Provision for Zakat	10,981,076	12,171,592
Provision for taxes	30,312,742	24,284,793
Adjustment of previous years	202,366	8,205,267
Rehabilitated rental buildings amortization	811,227	1,286,739
Zakat paid	(12,171,592)	(9,910,900)
Taxes paid	(23,514,606)	(15,162,856)
Returns on unrestricted investment accounts	95,557,308	72,008,573
Gain on sale of fixed assets	(4,811,125)	(3,148,313)
Purchase of fixed assets	(103,195,501)	(100,489,499)
Bad debts	-	(67,099)
Net cash flows provided by operating activities	128,403,797	122,007,077
Cash Flow From Investing activities:		
increase of investment with other banks	(32,475,017)	(8,726,263)
Increase / decrease of securities	(201,004,096)	21,264,945
Sales value of fixed assets	5,102,288	3,613,861
Increase in Mudaraba financig	(141,363,459)	(71,442,746)
Increase in Musharaka investment	36,126,391	720,848
Increase /decrease in inventors	(172,999,003)	13,984,722
Increase in assets acquired for leasing	(27,000)	(9,758)
Increase in other investments	(1,086,457)	27,940,384
Increase in long term investments	(7,419,455)	(5,838,839)
Net increase in deferred sales	(845,483,527)	(587,348,853)
Net cash flow used in investment activities	(1,360,629,335)	(605,841,699)
Cash flows from financing activities:		
Decrease in mudaraba	-	(5,000,000)
Net increase in unrestricted investment accounts	440,372,391	112,501,024
Net increase in current accounts	1,070,529,334	612,158,465
Dividend paid	(63,477,808)	(52,018,132)
Increase in Payables	360,473,177	56,294,760
Increase in other liabilities	31,289,647	7,502,526
Increase in other assets	(41,903,572)	(40,849,172)
Increase in other receivable	(58,197,234)	(3,689,434)
Increase in the paid -up capital	-	90,000,000
Increase in minority right	-	1,138,972
Increase in other rights reserve	671,964	-
Decrease in the reserve of the revaluation of assets	(127,082)	-
Furthermore issue	-	26,687,926
Net cash flows provided by financial activities	1,739,630,817	804,726,935
Net increase in cash and cash equivalent	507,405,279	320,892,313
Cash and cash equivalent at beginning of year	778,807,731	457,915,418
Cash and cash equivalent at end of year	1,286,213,010	778,807,731

The attached notes from No.(1) to No.(34)form an integral part of the financial statement

**Suliman Hashem.M**

General Manager

**AbdAlla Ahmed Hamad**

Member of the Board

**Samia Ahmed Mohamed Hassan**

Chairman of the Board



## Consolidated statement of changes in owner's Equity for the year ended 31st December 2017

Particulars	note	Paid-up Capital	Furthermore issue	Fixed assets revaluation reserve	Statutory	Foreign currencies revaluation reserve	Other rights	Consolidation reserve	Retained Earning	Non controlling interest	Total
Balance as at 31/12/2015		260,000,000	40,546,336	8,735,707	20,223,632	5,102,968		85,692,718	68,589,121	3,415,776	492,306,258
Dividends distributed					-				59,800,000-		59,800,000-
Increase in capital		90,000,000									90,000,000
Furthermore issuing shares			26,687,926								26,687,926
Settlement of depreciation for revaluated buildings depreciation for the revaluated building for year 2016		-		1,715,614- 2- 127,08					1,715,614		0
Adjustment of previous years	32								758,505		758,505
Net income for the year 2016									88,326,783	1,800,371	90,127,154
Transfer to general reserve					27,481,822				27,481,822-		0
statutory reserve settlement					19,771,527-					661,399-	20,432,926-
Consolidated reserve								28,088,962			28,088,962
Balance as at 31/12/2016		350,000,000	67,234,262	6,893,011	27,933,927	5,102,968		113,781,680	72,108,201	4,554,748	647,608,797
Dividends distributed									70,000,000-		70,000,000-
depreciation for the revaluated building for year 2017				127,082-					-		127,082-
Adjustment of retainer earning	32				358,178-			886,271-	80,293	93,102	1,071,054
Adjustment of previous years									202,366		202,366
Net income for the year 2017									99,428,987	1,597,619	101,026,606
Reserve of other rights							671,964				671,964
Transfer statutory reserve settlement					10,038,768-				10,038,768-		0
Balance as at 31/12/2016		350,000,000	67,234,262	6,765,959	37,614,517	5,102,968	671,968	112,895,409	91,781,079	6,245,469	678,311,597

The attached notes from No.(1) to No.(34) form an integral part of the financial statements

  
Suliman Hashem.M  
General Manager

  
AbdAlila Ahmed Hamad  
Member of the Board

  
Samia Ahmed Mohamed Hassan  
Chairman of the Board

## Notes to Financial Statement for the year Ended 31/12/2017

Note No (1)

### Establishment & activities of the bank:

Farmer's Commercial Bank (FCB) was established in 1/8/1998 as a result of the merger of two Banks, namely Sudan commercial bank (SCB), the first Sudanese national bank, which was established in 1960 and Farmer's Bank for Investment and Rural Development (FBIRD) which was established in 1992 with the aim of developing the agricultural sector and other sectors related to agriculture.

After the merger, (FCB) became one of the biggest banking institution in the country with regard to the number of shareholders. The bank aims at achieving strategic goals in the promotion of agricultural, industrial and trading sectors in general in addition to providing finance to services to all other economic activities. the bank established 34 Branches spread almost all over the country. All these branches are connected with a modern network beside two sub-branches .

### Legal Status:

The bank is a public company with a total number of shares amounting to 350.000.000 shares.

### The subsidiary companies of the bank in Sudan :

Company	%of shares	Field
Green Tops	98%	Commercial
Al muashir	40%	Financial investment

### The bank targets the following main objectives :

- 1) Participating in financing the field of agriculture, commerce, industry and export.
- 2) Provide inputs for agriculture sector.
- 3) Establishing rural development projects.
- 4) Financing the foreign trade operations.

## Accounting Policies

### The basis of the preparation of financial statements:

- The financial statements are prepared according to the according standards which are adopted by the standards of the Islamic Accounts and Auditing Institutions Committee and the policies and circular of the Central Bank & Sharia's Montary Board.
- The Accounts of the Bank are operated in Sudanese Pounds ( SDG).

a) The financial statements are prepared according to the historical cost principle. ( with exception of the asset given to the bank in the hbt are evaluated at acquisition).

b) Foreign currencies

Foreign currencies shall be transferred to the Sudanese pounds at the exchange rate prevailing at the time of executing the process, and hence the assets and debits shall have their values transferred at the date of the financial centre at the price prevailing at that date.

c) Depreciations:

- The fixed assets shall be consumed according to the fixed instalment method. As well the depreciation of the added assets during the year.

The deprecation of assets shall be done according to the ( fixed installment ) method, which is the deprecation of assets in equal annual installments during the assumed age example the following fixed assets:

- Lands deprecation - 2.5% during 40 years
- Vehicles deprecation - 15% during 7 years

e) Fixing the profits and losses of Musharka ,Murabaha & Salam processes shall be made on setting each process, as for profits and losses of Murabaha, they shall be fixed on collecting the installments from the Customer.

- Investments shall appear in the capital subscription in the list of financial centre according to the cost as for interest they shall be fixed according to the cash principle.

f) Calculation of the allocation of debts which collections is suspected. shall be made according to the bases and criteria set by the Central Bank .

g) Traded Securities is evaluated on Khartoum stock market at cost or market prices, whichever is less.

### Note (3) Cash & cash equivalents

Particulars	SDG	
	2017	2016
Cash in LCY & balances with banks		
Cash in vaults	163,419,092	74,195,709
Central Bank of Sudan ( current Account)	547,287,568	335,086,207
Local Banks	2,382,415	138,622
Electronic money	5,802,790	503,819
Cash in ATMs	60,000	2,531,420
Stamp &Stamp duties	2,600	3,107
Sub total (1)	718,954,465	412,458,884
Cash in FCY & balances with Foreign banks		
Cash in vaults	4,958,858	9,273,009
Foreign Correspondents	107,703,014	87,270,792
Central Bank of Sudan ( current Account)	81,995,340	69,894,885
Sub total (2)	194,657,212	166,438,686
Legal Reserve in central bank		
Reserve in local	354,627,960	194,697,625
Reserve in foreign	17,973,373	5,212,536
Sub total (3)	372,601,333	199,910,161
Total cash & cash equivalent (1+2+3)	1,286,213,010	778,807,731

### Note (4) Deferred sales receivable

Particulars	SDG	
	2017	2016
Murabaha in Local	1,618,970,588	1,183,462,415
Murabaha in Foreign	6,627,405	9,014,276
Installment Sales	140,671,653	171,130,595
Mugawla	2,028,761,004	1,175,466,000
Micro finance Mugawla	40,398,797	48,185,871
Murabaha Real Estate	137,498,303	131,710,432
Bia Salam	11,327,410	24,058,261
Micro finance Murabaha	240,,217,995	108,717,598
Micro finance Bia Salam	2,702,025	3,803,259
T0tl Total Deferred sales receivable	4,227,175,180	2,855,548,707
Less :Deferred profits	-1,189,881,792	-663,738,846
	3,037,293,388	2,191,809,861
Less provision for doubtful debts	-89,186,770	-84,129,672
Net Deferred sales receivable	2,948,106,618	2,107,680,189

### Note (5) Investment with banks

Particulars	2016		2016	
	Balances in Fccy	total in SDG	Total in foreign	total in SDG
Bank of Khartoum - in Euro	-	-	3,186,666	23,669,107
Bank of Khartoum - in US Dollar	\$1.000.000	8,934,300	1,000,000	7,100,310
Omdurman National Bank - in US Dollar	\$2,720,989	24,310,134	-	-
Deposit at Capital Bank (Local)	-	30,000,000	-	-
Total		63,244,434		30,769,417

Note (6)

### Investment Securities

Particulars	SDG	
	2017	2016
Investment in Shahama certificates	287,379,794	142,919,000
Investment in Shasha certificates	34,747,500	40,747,500
Investment in shares and sukok	5,545,439	5,548,014
Investment in liquidity management sukok	102,714,000	40,168,123
Total	430,386,733	229,382,637

Note( 7)

### Mudaraba Financing

Particulars	SDG	
	2017	2016
Mudarat	49,511,479	13,068,000
Graduates Mudarat	2,000,000	-
Banks portfolio	152,,552,268	80,401,151
Real estate portfolio	109,314,120	78,545,257
Total	313,377,867	172,014,408

Note (8)

### Musharakt investments

Particulars	SDG	
	2017	2016
Musharakt (Local)	106,943,268	139,415,293
Musharakat (Micro finance)	-	3,654,366
Total	106,943,268	143,069,659

Note (9)

### Inventories

Particulars	SDG	
	2017	2016
Sorghum (Dura)	41,390	714,503
Bags Jute	46,514,405	586,984
Fertilizer	148,461,332	57,040,421
Fertilizer urea in transit	0	153,875
Groundnut	5,858,671	0
Sesame	28,329,369	19,381,600
Arabic Gum	70,647,842	17,933,894
Rakshst	0	648.766
Sorghum (Dura) Feed	551,825	0
Tractors	1,958,720	3,394,706
Eldab Fertilizer	5,687,339	34,781,620
Fuel coupons	5,214	12,821
Empty plastic packages	0	401,401
Spare parts inventory	1,724,422	1,730,935
Total	309,780,529	136,781,526

## Note (10)

## Assets for rent

Particulars	Cost of assets				1/1/2017	Deprecations			Net book value 31/12/2017
	1/1/2017	Additions	Disposals	31/12/2017		Year dep.	Disposals	31/12/2017	
Real estate 43 Dongola	166,496	1,100		167,596	8,250	4,164		12,414	155,182
Real estate 43/1 Dongola	172,497	950		173,447	8,601	4,314		12,615	160,532
Real estate 30/1 Dongola	614,359	-		614,359	30,534	15,364		45,898	568,461
Apartment No. 30/M O Dongola	464,526	7,300		471,826	23,226	11,613		34,839	436,987
Apartment No. 30/ O Dongola	401,691	4,200		405,891	19,902	10,047		29,949	375,942
Real estate 1/1 & 2/1 Dongola	64,496	13,450		77,946	3,193	1,613		4,806	73,140
Total	1,884,065	27,000	-	1,911,065	93,706	47,115	-	140,821	1,770,244

Note (11)

**Other Investments**

Particulars	SDG	
	2017	2016
commitment Nawafel Co -Alamarat Branch	232,609	1,651,191
approve court order- Abied Khatim Branch	2,451,295	0
Letter of Guarantee source	53,744	0
Total	2,737,648	1,651,191

Note (12)

**Other receivables**

Particulars	SDG	
	2017	2016
Office debit accounts	6,231,894	6,390,282
Commerce trade receivables	99,111,486	80,796,830
Cheques under collection	76,008,088	52,806,738
Staff loans	67,449,725	47,785,771
Sundry debtors	6,667,285	9,546,401
Custody accounts	106,648	51,872
Total	255,575,126	197,377,893

Note (13)  
**Other assets**

Particulars	SDG	
	2017	2016
Pre – paid expense	531,223	2,756,857
Pre- paid rents	2,644,566	1,650,274
Stationeries in store	1,501,875	1,026,026
Goods stock for finance	86,753,002	56,261,329
Rental branches rehabilitation	4,726,983	5,332,147
Other assets acquired	49,381,204	29,106,688
Margin to Khartoum securities market	10,000	10.000
Debtors( share issue fees)	-	118,683
Capital of settlement guarantee fund (Kht market	95.000	95.000
Debtor ( portfolios profits)	-	8,239,404
Golden portfolios –point of sales	44,900	-
<b>Total</b>	<b>145,688,753</b>	<b>104,596,408</b>

Note (14)  
**Long- term investment**

Particulars	SDG	
	2016	2017
Investment in local companies	55,304,155	47,884,699
Investment in foreign companies	402,593	402,593
<b>Total</b>	<b>55,706,748</b>	<b>48,287,292</b>
Provision of long term investment	-855,000	-855,000
<b>Net long term investment</b>	<b>54,851,748</b>	<b>47,432,292</b>



Note (15)

**FIX ASSETS**

Particulars	COST OF ASSETS	Cost of ASSETS				Depreciation	Additions	Disposals	SDG	Net book value
		COST	OF	ASSETS						
				Disposals During 2017	31/12/17					
Lands	29,087,663	22,938,,189	-69,919	51,995,933	0	0	0	0	0	51,955,933
Buildings	118,228,715	24,571,385	-191,450	142,608,650	12,427,562	127,082	-96,895	15,512,240		127,096,410
Vehicles	43,198,483	6,694,620	-202,191	49,690,912	13,064,582	0	183,925-	19,701,882		29,989,030
Electronic Instruments	28,652,026	4,817,602	-3,966,881	29,502,747	13,346,805	0	4,368,634-	12,878,295		16,624,452
Furniture & Fixtures	19,478,882	5,697,110	-609,324	24,566,668	6,261,009	0	338,250-	8,070,185		16,496,483
Refrigerators	946,203	413,260	-16,717	1,342,746	277,257	0	-9,807	386,269		956,477
Printers & Photo Copiers	804,894	333,675	-199,775	938,794	283,346	0	-43,883	312,872		625,922
Motor Cycles	211,924	66,690	-4,255	274,359	96,294	0	-4,254	126,172		148,187
Calculating Machines	3,470,183	1,279,624	-14,087	4,735,720	958,576	0	-6,164	1,282,671		3,453,049
Air Conditioners	9,086,182	2,698,413	-112,737	11,671,858	2,550,420	0	-76,312	3,490,213		8,181,645
Generators & Water Pumps	9,966,448	1,989,664	-235,037-	11,721,075	2,560,408	0	-153,558	3,473,666		8,247,409
Sign Boards	2,314,250	417,301	-10,430	2,721,211	1,897,002	0	-8,601	2,067,045		654,166
ATMs Machines	9,815,740	3,074,889	-1,600,920	11,289,709	4,031,543	0	-1,529,125	3,651,800		7,637,909
Books & References	86,182	6,961	0	93,143	0	0	0	0		93,143
Temenos Software	21,998,185	0	0	21,998,185	3,091,731	0	0	5,290,815		16,707,370
Other instrument & materials	367,450	30,968	0	398,418	0	0	0	68,175		330,243
tractors	18,794,393	600,000	0	19,394,393	322,294	0	0	3,231,453		16,162,940
Agricultural machines	18,390,427	986,,249	0	19,376,676	97,135	0	0	2,993,886		16,382,790
Sub Total	334,898,230	76,616,600	-7,233,633	404,281,197	61,265,964	127,,082	-6,819,408	82,537,639		321,743,558
Assets under implementation	16,982,379	137,350,737	-10,758,670	43,574,446	-	-	-	-		43,574,446
Surplus assets for sale	49,738	102,085	0	151,823	-	-	-	-		151,823
Total	351,930,347	114,069,422	-17,992,303	448,007,466	61,265,963	127,082	-6,819,407	82,537,639		365,469,827

Note (16)

**Currentt & saving accounts**

Particulars	SDG	
	2017	2016
Current accounts (local)	2,276,210,964	1,474,072,567
Current accounts (foreign)	62,838,500	34,399,751
Saving accounts (local)	546,152,980	306,137,251
Saving accounts (foreign)	2,272,601	2,336,141
<b>Total</b>	<b>2,887,475,045</b>	<b>1,816,945,710</b>

Note (17)

**Payables**

Particulars	SDG	
	2017	2016
Office credit	78,,356,897	27,373,899
Certified cheques (local)	124,497,945	70,238,266
Inward transfers (local)	2,441,388	2,498,279
Certified cheques (foreign)	1,241,912	1,628,835
Inward transfers (foreign)	625,953	500,921
L/Guarantees cash margins (local) LGS	4,006,656	4,436,678
L/Credit Cash margins (foreign) LCS	15,700,593	231,218
Other creditors	447,737,946	201,880,012
L /Guarantees cash margins (foreign)	-	35,501
Finance/multi supplier	7,126,665	6,344,000
Deferred cheques	3,074,328	1,169,497
<b>Total</b>	<b>684,810,283</b>	<b>316,337,106</b>

Note (18)

**Dividends paid**

Particulars	SDG	
	2017	2016
Share holders profit - year 2006	61,854	65,740
Share holders profit - year 2007	655,921	660,907
Share holders profit - year 2008	429,198	436,762
Share holders profit - year 2009	324,850	331,107
Share holders profit - year 2010	144,101	168,976
Share holders profit - year 2011	749,142	786,855
Share holders profit - year 2012	1,041,990	1,096,963
Share holders profit - year 2013	1,790,603	1,919,839
Share holders profit - year 2014	3,322,949	3,704,202
Share holders profit - year 2015	8,738,826	9,481,676
Share holders profit - year 2016	8,515,785	-
<b>Total</b>	<b>25,775,219</b>	<b>18,653,027</b>

Note (19)

**Other Liabilities**

Particulars	SDG	
	2017	2016
Accumulated Profit - Micro finance	149,904	149,904
Accumulated Profit Graduate finance	1,882,769	1,714,313
Other provisions	112,217,925	75,388,293
Accrued Expense	595,215	222,795
<b>Total</b>	<b>114,845,813</b>	<b>77,475,305</b>

Note (20)

**Equity of unrestricted investment accounts**

Particulars	SDG	
	2017	2016
Investment Deposit Accounts (Local)	1,755,231,896	1,240,612,769
Investor Mutual Fund (Local)	86,531,969	25,268,310
Investment Deposit Accounts (Foreign)	51,163,983	99,117,071
<b>Total</b>	<b>1,892,927,848</b>	<b>1,364,998,150</b>

Note (21)

**Capital**

Particulars	%	SDG	
		2017	2016
Authorized Capital 400 million share with nominal value one Sudanese Pound per share		400,000,000	400,000,000
Paid up Capital			
National Social Insurance Fund	26.79%	93,758,811	93,758,811
National Pension Fund	35.25%	123,358,422	123,358,422
Social Insurance Investment Corporation	11.40%	39,910,909	39,910,909
Sudan Cotton company	3.85%	13,458,390	13,458,390
Gezera Scheme's Farmers'	6.07%	21,228,679	21,228,679
Alrahad Scheme Farmers' Unity	1.71%	5,985,813	5,985,813
Ministry of Financial	1.62%	5,738,197	5,738,197
Gezera&Managil Farmers' Unity	1.61%	5,622,786	5,622,786
Other (Individual , Unities &Associations)	11.70%	40,937,993	40,937,993
<b>Total paid up capital</b>		<b>350,000,000</b>	<b>350,000,000</b>

Note (22)

**Reserves**

Particulars	SDG	
	2017	2016
General Reserve	37,614,517	27,933,927
Fixed assets revaluation reserve	6,765,929	6,893,011
Foreign currencies revaluation reserve	5,102,968	5,102,968
Reserve of other rights	671,964	-
<b>Total</b>	<b>50,155,378</b>	<b>39,929,906</b>

Note (23)

**Contra Accounts**

Particulars	SDG	
	2017	2016
Letters of Credit (sight )	112,984,064	292,809,618
Letters of Guarantee	36,139,737	35,369,688
Bills and Murabahat Cheques	3,995,657,719	2,477,874,887
Bad debts under collection	49,725,050	49,390,845
Restricted Investment Accounts	315,446,912	68,386,530
End of service benefits invested in shahama	-	87,000
<b>Total</b>	<b>4,509,953,482</b>	<b>2,923,918,568</b>

Note (24)

**Revenues from deferred sales**

Particulars	SDG	
	2017	2016
Murabaha revenues (local)	161,974,682	147,335,934
Murabaha revenues (foreign)	-	98,326
Deferred payment revenues	7,864,080	8,393,026
Mugawalat revenues	148,024,462	103,072,269
Salam revenues	879,300	138,965
Other finance mode revenues	24,532	117,985
<b>Total</b>	<b>318,767,056</b>	<b>259,156,505</b>

Note (25)

**Investment Revenue**

Particulars	SDG	
	2017	2016
Securities Revenues	28,947,640	28,890,063
Mudarba Revenues	14,105,144	4,565,614
Musharka Revenues (local)	21,684,572	31,754,155
Dividend –share revenues (local)	1,432,396	4,598,886
Inventories revenues	17,783,200	12,927,714
Assets acquired for leasing revenues	60,000	228,105
Mudaraba graduate revenue	-	1,087,968
Other investment revenue	4,359,335	6,815,193
Revenue of deposits at other banks	1,753,422	-
<b>Total</b>	<b>90,125,709</b>	<b>90,867,698</b>

Note (26)

**Sales**

Particulars	SDG	
	2017	2016
Urya fertilizer	469,372,466	286,684,948
Compound fertilizer	86,469,713	7,768,100
Bags jute	65,000	70,395,950
Sesame	35,370,267	6,309,480
Conditions &electric instruments	1,094,445	25,650
Clover (Berseem)	-	1,784,317
Tractors	1,785,000	1,719,406
Giad vechles	1,012,893	5,392,635
Gum Arabic	627,891	-
Hims	759,809	-
<b>Total</b>	<b>596,557,484</b>	<b>380,080,486</b>

Note (27)

**Cost of sales**

Particulars	SDG	
	2017	2016
Beginning Inventory	114,151,131	106,164,997
Sales	714,427,738	301,707,885
Ending inventory	-289,901,972	-114,151,131
<b>Total</b>	<b>538,676,897</b>	<b>293,721,751</b>

Note (28)

**Returns on banking services**

Particulars	SDG	
	2017	2016
Local transfer commission	7,038,187	5,533,022
Letter of guarantee commission	2,355,645	2,346,876
Bills commission	5,713,888	1,419,224
Foreign transfer commission	21,221	38,625
Issued certified cheques commission	4,223,001	3,287,005
Ledger fees	14,732,477	11,291,447
Returned cheques commission	180,364	191,990
Telecommunication commission	12,653	17,135
Letter of credit commission	6,340,958	2,402,004
ATMs card earning	743,199	720,787
ATMs commission	1,113,311	1,023,590
<b>Total</b>	<b>42,474,904</b>	<b>28,271,705</b>

Note (29)

**Other Revenues**

Particulars	SDG	
	2017	2016
Rent for branches and offices owned by HO	3,049,962	2,613,052
Sale of fixed assets revenue	4,810,155	3,148,313
Bad debts outcome	485,561	992,525
Sale of fertilizer commission	352,338	666,806
Commission from other operations	168,107	211,058
Commission received transaction between branches	112,422	175,807
Storage and inventory supervision	533,826	86,203
Insurance commission	1,886,375	1,369,441
Registration fees of Universities	298,788	252,074
Portage assets expenses	11,689	90,927
Bids fees and penalties	1,600	-
Financing contracts fees and documentation	74,810	-
Eccess money deposited	6,520	46,290
pension's window Commission received	81,740	100,770
Penalty recovered	48,250	-
Commission from clearing	117,558	-
Dividends	-	598
Lankawy project revenue	2,664,858	1,046,350
Consultant evaluation revenue	4,130,040	833,734
Banks shares promotion commission	35,337	25,000
Settlement guarantee fund revenue	-	10,244
<b>Total</b>	<b>18,869,935</b>	<b>11,669,192</b>



Note (30)

**Administrative & general expenses**

Particulars	SDG	
	2017	2016
Salaries and wages (30/A)	149,796,581	131,219,072
General expenses (30/B)	70,524,975	59,849,611
Provisions & dues (30/C)	66,751,276	57,734,326
<b>Total</b>	<b>287,072,832</b>	<b>248,803,009</b>

Note (30/A)

**Salaries and wages**

Particulars	SDG	
	2017	2016
Basic salaries	23,534,279	17,330,641
Housing allowance	4,401,813	3,257,160
Travel Allowance	3,892,496	2,895,054
Responsibility Allowance	158,259	122,532
Cost of Living Allowance	4,569,207	3,391,379
Hospitality Allowance	1,197,176	876,854
Representative Allowance	579,915	436,192
Nature of work Allowance	201,147	148,241
Meal Allowance	6,025,014	4,537,075
Housing subsidiary Allowance	5,191,008	3,795,796
Mail Allowance	23,834	22,528
Social affairs allowance	460,178	437,314
<b>Salaries Total Wages &amp;</b>	<b>50,234,326</b>	<b>37,250,766</b>
Clothing Allowance	17,392,938	12,956,345
Medical Expenses	11,435,275	7,493,792
Workers clothing	1,934,931	1,525,072
Business trip Allowance	1,265,710	795,141
Overtime	3,593,121	2,272,757
Eids Grants	21,765,457	15,977,182
Domestic tickets	26,225,481	19,274,448
Encashment leave	99,242	27,866
Teller bonus	13,585	13,562
Qualification Allowance	7,849	7,155
End of service benefits	2,612,682	23,588,265
Social Insurance Fund	7,786,195	5,671,140
Rural & upcountry allowance	2,023,616	1,483,732
Special staff meal allowance	182,966	172,577
Business trip abroad	207,489	153,909
Technical Allowance	350,302	325,374
Social Participation Allowance	144,218	112,531
Incentives & Grants	148,516	92,022
Encourage incentives	2,136,879	1,698,273
Soap Allowance	80,663	19,012
Deputation Allowance	-	35
President Allowance	155,140	308,116
<b>Total</b>	<b>149,796,581</b>	<b>131,219,072</b>

Note (30/B)

## Administrative & General Expenses

Particulars	SDG	
	2017	2016
Vehicles maintenance, fuel and licensing	3,824,400	3,107,920
Maintenance and fuel for dynamos	726,865	507,635
Maintenance & repairs	2,095,379	1,578,517
Water & electricity Rates	3,162,636	1,695,328
Telecommunications	768,415	692,162
Toiletry materials	2,049,724	1,565,698
Insurance	2,605,131	1,583,042
Travel expenses	708,872	383,584
Publicity & advertisement	4,241,130	2,717,975
Security expenses	1,756,810	1,376,487
Rents	4,263,168	3,795,672
Rates and services Fees	973,309	8,750,266
Transportation & loading expenses	443,019	331,821
Newspapers, Magazines & references	174,614	125,276
Courts & Lawyers fees	776,657	414,750
Hospitality	820,449	640,594
Stationary & publications	3,098,362	1,870,242
Donations	2,482,625	2,367,021
Social services	2,290,970	1,452,630
Consultancies , research & seminars	268,228	125,160
Training expenses	3,675,564	1,826,048
Board members remuneration	473,478	416,819
Sharia supervisory board expenses	96,091	110,290
Subscript in local & foreign institutions	818,302	655,501
Contribution to bank deposits guarantee fund	6,343,171	5,617,638
Computers system expenses	427,030	397,009
General assembly expenses	385,597	240,507
Commissions paid	564,488	979,676
Cash sorting	1,576,093	1,091,112
Investments losses	80,572	-
Rent of Vehicles	1,903,950	1,434,431
Preopening expenses	-	26,400
ATM management expenses	105,975	114,530
Management expenses of ATM cards	181,267	157,846
ATM cards issuance fees	503,341	367,230
ATM Electcity	236,438	143,823
ATM & P.O.S maintenance	1,189,444	994,360
New service communication	3,943,562	2,705,186
ATM Rent	158,,845	195,152
Programmes Maintenance & Support	239,834	887,927
Rent of Sign Boards	470,586	950,597
Camera & Call centre maintenance	132,783	123,736
Amortization of rental branches buildings	811,227	1,286,739
Temenos support	8,555,661	3,976,621
Subsidy & Housing expenses	102,813	8,896
Other expenses	18,100	59,757
<b>Total</b>	<b>70,524,975</b>	<b>59,849,611</b>

Note (30/C)

### Previous & Entitlements

Particulars	SDG	
	2017	2016
Audit Fees	439,500	412,000
Remuneration for members of board of directors	5,245,427	5,009,996
Provision for staff incentives	41,066,349	28,622,382
Provision for doubtful debts	5,000,000	23,689,948
General provision	15,000,000	-
<b>Total</b>	<b>66,751,276</b>	<b>57,734,326</b>

Note (31)

### Taxes and ZKAT

Particulars	SDG	
	2017	2016
Provision for Income Tax (30%)	30,312,742	24,284,793
Provision for Zakat	10,981,,076	12,171,592
<b>Total</b>	<b>41,293,818</b>	<b>36,456,385</b>

Note (32)

### Previous years adjustment

Particulars	SDG	
	2017	2016
Shares Subscription - PRFT Investment	0	88,604
General Reserve of previous years	0	669,901
Mohamed Eshag - payment	0	360,000
Losses in sesame	0	-26,044
difference table	0	240
Donations	0	1,710
zakat 2015	0	-17,766
compound fertilizers	0	7,571,733
tax allowance confuion	0	3,508
Eoxide company	0	-25,000
Profit of farmers commercial bank	0	-339,800
Burlap Gezera island office	0	-63,880
settlement tax the profits of the business 2015	0	-21,789
depreciated card from years earlier	20,482	0
the expenses of the vacation ready	54,802	0
Depreciation of reevaluated building 2017	127,082	0
<b>Total</b>	<b>202,366</b>	<b>8,201,417</b>

Note (33)

**\Balances and operations with related parties**

Related party	relationship	Type of deal	Bal at 1/1/2017	Net trans	Bal at 31/12/2017
Green tops company	subsidiary	L/C	32,500,000	(32,500,000)	-
Green tops company	subsidiary	L/C	23,050,000	(23,050,000)	-
Green tops company	subsidiary	Murabaha	5,857,005	(2,703,228)	3,153,777
Green tops company	subsidiary	Mugawala	827,953	(367,968)	459,985
Green tops company	subsidiary	Murabaha	2,434,634	(1,082,052)	1,352,582
Green tops company	subsidiary	Murabaha	313,859	(134,508)	179,351
Green tops company	subsidiary	Murabaha	4,701,865	(1,945,596)	2,756,269
Green tops company	subsidiary	Mugawala	249,406	(99,756)	149,650
Green tops company	subsidiary	Murabaha	7,914,374	(3,165,744)	4,748,630
Green tops company	subsidiary	Murabaha	2,685,903	(2,685,903)	-
Green tops company	subsidiary	Murabaha	5,328,382	(3,682,,183)	1,646,999
Green tops company	subsidiary	L/C	-	53,021,306	53,021,306
Green tops company	subsidiary	L/C	-	44,262,965	44,262,965
Green tops company	subsidiary	Murabaha	-	6,985,125	6,985,125
Green tops company	subsidiary	Murabaha	-	1,774,166	1,774,166
Green tops company	subsidiary	Murabaha	-	520,947	520,947
Green tops company	subsidiary	Murabaha	-	10,677,263	10,677,263
Mohamed ElkhairALI	Employees" son	Murabaha	250,622	(250,622)	-
Mohmed Hassan Mohamed	Board Member	Loan	150,000	(150,000)	-
Mostafa Mohamed Hamed	Secretary Board of Directors	Housing Loan	20,000	(20,000)	-
D.Hashim Ahmed Alabaid	Board member	Loan	200,000	(200,000)	-
Yssen Abdalla	Employees 'cousin	Murabaha	-	1,619,850	1,619,850
Abdalla Ali Mohammed	Employees 'husband	Mugawala	-	500,000	500,000
Abdalla Abdelkreem Mohammed	Employees 'brother	Murabaha	-	909,090	909,090
Sideg Saleh Elzain	Employees 'husband	Murabaha	-	715,200	715,200
Othman Zeki Gamareldula	Employees 'brother	Murabaha	-	513,741	513,741
Others	Employees 'relatives	Murabaha	-	8,065,560	8,065,560
Total			86,484,003	57,527,652	144,011,655

Note ( 34)

### Total Assets, Liabilities (in Foreign):

Particular	2017	2016
USD	2,689,370	(1,107,442)
SAR	4,889,161	2,596,130
GBP	48,893	19,543
AED	6,788,600	19,658,523
EUR	8,031,885	9,875,975
QAR	5,156,282	4,197,987
CHF	360	-
BHD	588	-
KWD	122	-
OMR	972	-

### (A) Local Participations:

- 1- Ta'awuniya Insurance Company
- 2- Kenana Sugar Company.
- 3- El Muhagir International Company
- 4- Sondos Agricultural Project.
- 5- Rural Development Company.
- 6 -Arab Sudanese Seeds Company
- 7- Electronic Banking Services Company.
- 8- National Leasing Company.
- 9-Financial and Banking Systems company.
- 10- El raeda Cotton Ginning Company.
- 11- National Reinsurance Company Limited.
- 12- Sudan Cotton Company.
- 13-Kagbar Electricity Company
- 14- White Nile Sugar Company.
- 15- ALMobadara Al zakia Company
- 16- Micro -finance guarantee agency
- 17- Khartoum for gardening export
- 18- Green tops future development
- 19 -Elmoasher agriculture (Marawy)
- 20- Electronic wallet .
- 21- Export Development Agency
- 22 -Sudanese French Bank.
- 23- Ebdaa Bank.
- 24- Al-Rowad-Bank








## (B) Foreign Participations:

- |  |           |
|--|-----------|
| 1. UBAC CURACAO                                | France    |
| 2. Arab Financial Services Company – El Manama | Bahrain   |
| 3. UBAF Hong Kong                              | Hong Kong |

## (C) Bank Affiliated Companies inside Sudan:

- (1) Green Tops Trading and Investment Company.
- (2) Al Muashir Financial Investment Company.

## Foreign Correspondents

- |                                    |                      |   |
|------------------------------------|----------------------|---|
| 1) Arab Banking Corporation        | Bahrain              |    |
| 2) Athmar Bank                     | Bahrain              |   |
| 3) Active Bank                     | Turkey               |   |
| 4) El Rafidain Bank                | Iraq                 |  |
| 5) Elrashied Bank                  | Iraq                 |   |
| 6) Qatar National Bank             | Qatar                |  |
| 7) Bank of Beirut                  | Lebanon              |  |
| 8) Banque Lebanon Française        | Lebanon              |   |
| 9) Abu Dhabi Islamic Bank          | United Arab Emirates |  |
| 10) Alnilain Bank                  | United Arab Emirates |   |
| 11) UBAI Bank                      | Italy                |  |
| 12) African bank for export&import | Egypt                |  |