



ANNUAL REPORT

2013

المصرف المتحد
للتجارة والاستثمار
United Bank
For Commerce & Investment

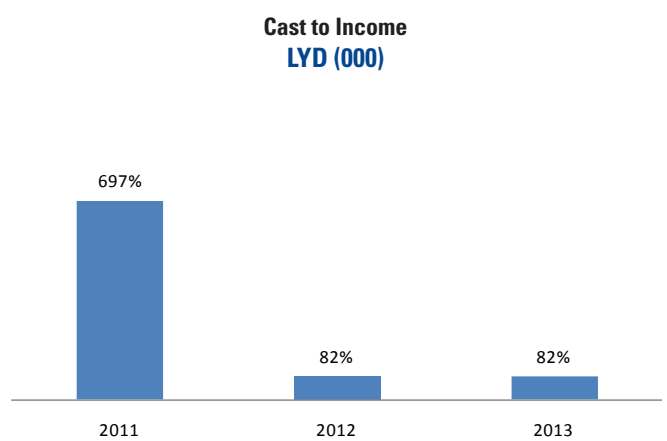
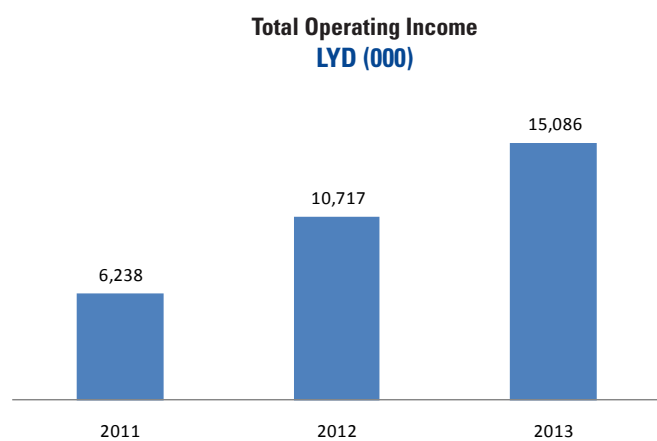
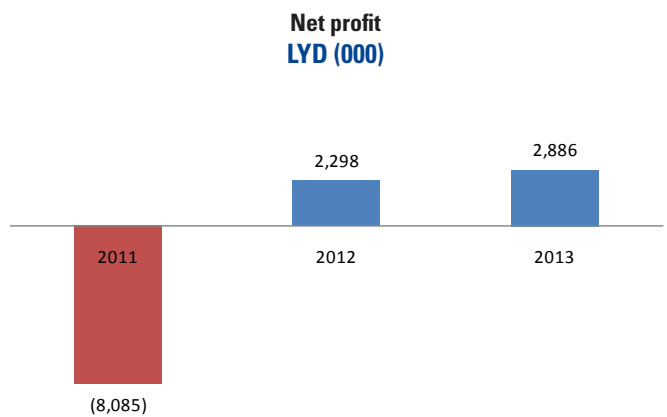
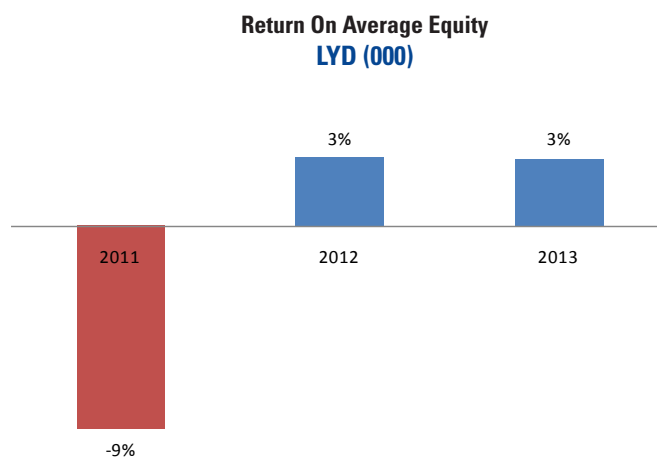
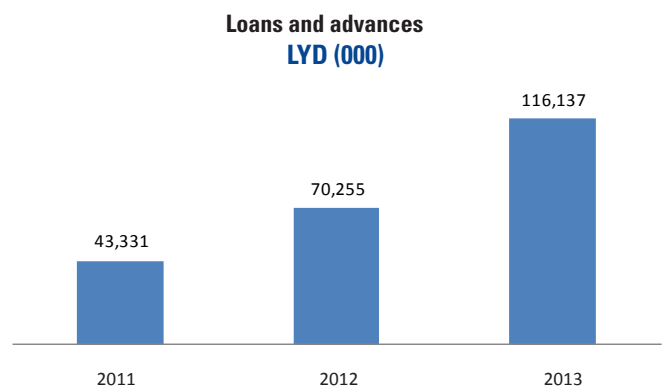
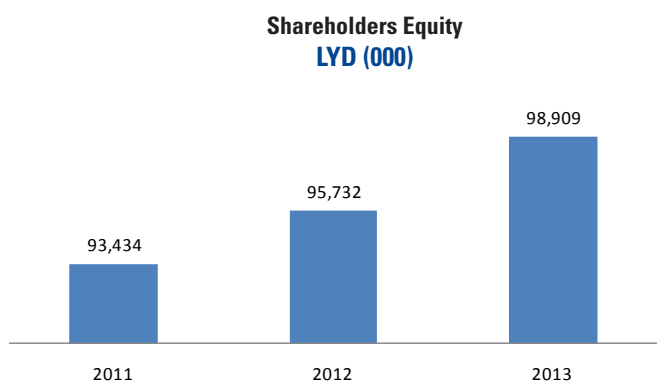


**Annual
report
2013**

Content

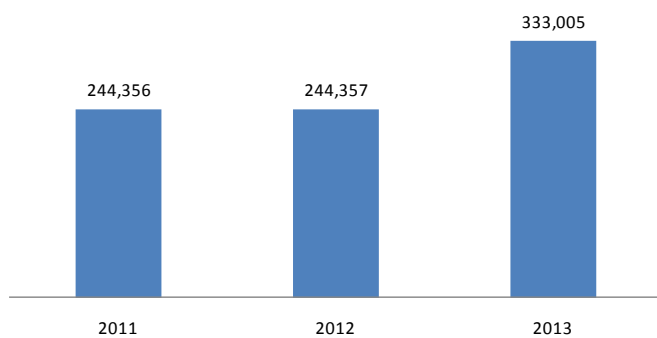
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Financial Indicators

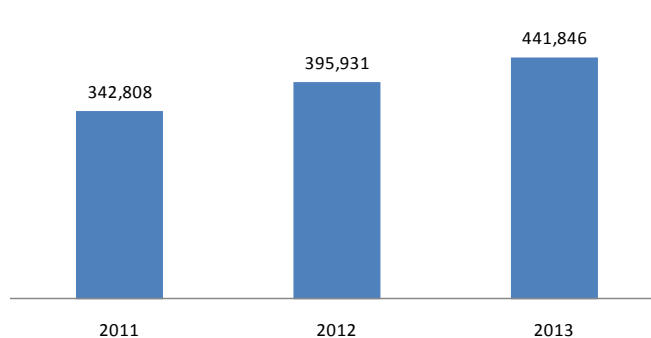


Financial Indicators

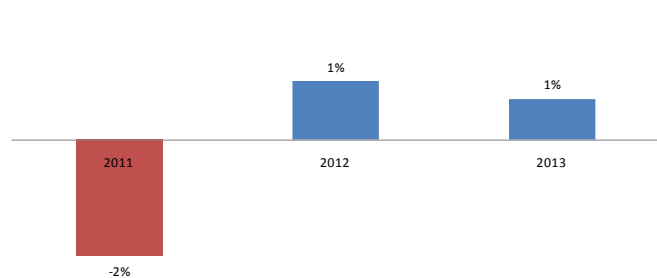
**Customer Deposits
LYD (000)**



**Total Assets
LYD (000)**



**Return On Average Assets
LYD (000)**



UBCI at a Glance

Historical overview of the United Bank for Commerce and Investment

United Bank for Commerce and Investment (UBCI) was established following the merger of three national banks. The bank's operation was limited in certain urban areas of the country until the year 2009 when major investors and insurance companies acquired stakes in the bank. The bank started to develop gradually and the branch network expanded to include the capital Tripoli and other commercial centers. The shareholders saw the need to improve the infrastructure of the bank in order to compete in Libya's booming industry and agreed to identify foreign banks to enter into a strategic partnership agreement that will guarantee improving the bank's infrastructure and resources during the upcoming years. After three years from its establishment, the bank's stakeholders signed a strategic partnership agreement with Ahli United Bank, one of the leading banking groups based in the Kingdom of Bahrain with strong presence in the Middle East and North Africa regions. The capital was divided as 60% for the Libyan shareholders and 40% stakes controlled by the Ahli United Bank Group. The bank's capital has been increased from 33 million Libyan Dinars to 80 million Libyan Dinars. On March 8, 2010, a technical management services agreement was put into effect where by Ahli United bank Group is responsible for managing the technical aspects of the Bank, and is responsible for providing all technical service, required to develop activities and services of the Bank. Currently, the bank has eleven branches spread across Libya. Furthermore, 2012 witnessed the completion of the rollout of the new banking system "Mysis Equation" across head office and branches, the fact that contributed to the enhancement of customer service and internal control activities. Banking operations are now centralized in head office and customers can access their accounts from any branch.

Overview on the Ahli United Bank

Ahli United Bank is an integrated banking and investment group working across the MENA region; it provides wealth management services, commercial banking business, services for individuals, treasury business, offshore activities and private banking services. Since its inception in 2000, The AUB Group has succeeded and competed internationally as the bank confines to be ranked as the first Arabic bank with a consensus approval to win three international awards: The Banker, Global Finance, and Euro money; it has also received the title of "the best bank in the Middle East" during 2006.

The vision and strategy of United Bank for Commerce and Investment

- Upgrading services and products to meet customers' expectations.
- Ensuring an appropriate environment for developing the professional capacities of its employees.
- Achieve excellent returns for shareholders, and ensure the worthiness and eligibility of being the best private bank in Libya.

Board Biography



Mr. Abdulla A. Saudi



Adel A. El-Labban



Abdul Latif Alkib



Abdul Fattah Ghaffar



Ahmed Zulficar



Ashraf Aly Shabib



Moataz El-Rafie



Omar Fakhri Aneizi



Rauf Gritli



Nuri Abu Al Qassim Al-Shater

Abdulla A. Saudi

Chairman

Abdulla Saudi is a world-renowned and respected international banker with over 50 years of experience. He holds a Diploma in Commerce, Management & Accounting. He worked at the Central Bank of Libya for 14 years, holding various positions including that of Manager of the Banking Department and Head of the Foreign Investment Department. He was the founder of Libyan Arab Foreign Bank, where he served as Executive Chairman between 1972 and 1980, establishing branches of the Bank worldwide. He was the founder of Arab Banking Corporation (B.S.C.), Bahrain and served as its President & Chief Executive from 1980 to 1994. He also founded Arab Financial Services (E.C.), Bahrain in 1982 and ABC Islamic Bank (E.C.) in the early 1980s. Mr. Saudi was honored at Georgetown University in Washington D.C., as a result of being voted one of the "Most Innovative Bankers" by the representatives of governments and international commercial bankers attending the International Monetary Fund and World Bank meetings in 1980. In 1991 he was awarded the accolade "Best Banker" by the Association of Arab American Banks in New York. He was the first to receive the "Arab Banker of the Year" award in 1993 from the Union of Arab Banks. In recognition of his role in the development of banking relationships between Arab and European states, Mr. Saudi has been honored, over his career, with several gold medals and awards, notable amongst which are those bestowed in 1977 by the King of Spain and the President of Italy and the Grand Medal of the Republic of Tunisia in 1993. Also in 2012 he was awarded the Integrity Award by the Arab Union for Combating Forgery – Subordinate of the Arab League.

He is currently the Executive Chairman of ASA Consultants (W.L.L.), Bahrain and Deputy Chairman of Al-Baraka Banking Group/Bahrain, Board member of Credit Libanais/Beirut.

Adel A. El-Labban

Director and Executive Committee Member; Executive Director Group Chief Executive Officer and Managing Director

Director since 30 July 2000, holds a Masters in Economics from the American University, Cairo, 1980, Bachelors in Economics from American University, Cairo, 1977 and a General Certificate of Education GCE from London University, 1973.

Currently: Director, Ahli United Bank PLC, (UK); Director, Ahli United Bank K.S.C., (Kuwait); Director, Ahli United Bank (Egypt) S.A.E., Director, Ahli Bank S.A.O.G., (Oman); Director, Commercial Bank of Iraq P.S.C., (Iraq); Director, United Bank for Commerce & Investment S.A.C., (Libya); Director, Bahrain Association of Banks, (Bahrain).

Previously: Former Chief Executive Officer and Director of the United Bank of Kuwait PLC, UK; Former Managing Director, Commercial International Bank of Egypt; Former Chairman, Commercial International Investment Company, Egypt; Former Vice President, Corporate Finance, Morgan Stanley, USA; Former Assistant Vice President, Arab Banking Corporation, Bahrain.

(Total years of experience: 34 years)

Abdul Latif Alkib

1991 The Deputy Chairman of the Board of Management and Chief Executive Officer of Libyan Foreign Bank. Holds a Bachelor of Commerce and Business Accounting (University of Benghazi 1964). 2008 Chairman of the Board of Management Sahara Bank, 2004 Chairman of Sahara Insurance Co Libya, 0.1977 Managing Director AIB-Cairo, Chairman of UBAE Arab Italian Bank (Rome), former member of the Board of Directors UBAE London- Paris -Bahrain, former member of the Board of Directors of the Arab Bank of Spain-Madrid, Bank Chairman North Africa - Beirut, Chairman Bank of Commerce and Finance Damascus – Syria.

Abdul Fattah Ghaffar

A master degree in accounting in 1996 from the Academy of Post Graduate Studies. Chairman of the Board of ALUBAF Bank Tunisia. Chairman of the board of the Libya Bank association. Former chief Executive Officer of Goumhria Bank in 2012 and previously ALUMMA Bank in 2008. Director in Alomma Bank in 2005.

Ahmed Zulficar

Deputy Chief Executive Officer, Ahli United Bank, Kuwait ; Board Member, Commercial Bank of Iraq P.S.C., (Iraq); Board Member, United Bank for Commerce & Investment S.A.C., (Libya).

Currently: Deputy Chief executive Officer, Ahli United Bank, Kuwait ; Board Member, Commercial Bank of Iraq P.S.C., (Iraq); Board Member, United Bank for Commerce & Investment S.A.C., (Libya).

Previously : Deputy General Manager – Credit Control, Risk, Operations & Legal Affairs Group - National Bank of Kuwait (NBK) . Central Credit Department Manager - Saudi Cairo Bank – Kingdom of Saudi Arabia . Manager - Credit and Marketing and Assistant Manager Trade Finance, Chase National Bank - (Egypt) (Affiliate of Chase Manhattan Bank JPMorgan Chase.

Ashraf Aly Shabib

DCEO- Retail & Private Banking

Ahli United Bank - Egypt

Ashraf Aly Shabib is the AUB-E Deputy CEO Retail & Private Banking, responsible for Retail expansion, including Branches Network, E-Channels, Products and Marketing Activities in addition to Private Banking Division. M-r. Shabib is also responsible for expanding the Cross Border Business between Ahli Bank Group and Ahli United Bank- Egypt.

In his capacity, he is a member of various internal committees such as ALCO, Steering, Operation Risk and Business Continuity Committees. Moreover, Mr. Shabib is a Board Member of Ahli United Finance Company (AUFC) a subsidiary of Ahli United Group specialized in providing mortgage finance in Egypt. He is also a Board Member of United Bank for Commerce and Investment – Libya, a subsidiary of Ahli United Group.

Previously, Mr. Shabib was the Executive Director–Head of Branches Network, Wealth Management and Business Banking at Commercial International Bank-CIB as well as the Chairman of Dynamic Company for Securities and a Board member of Commercial International Life Insurance Company - CIL.

Mr. Shabib holds a bachelor from Faculty of Commerce, Ain Shams University - Cairo.

Board Biography

Moataz El-Rafie

CFA and Board Member

Joined Ahli United Bank - Kuwait (AUBK) in December 2013 as Senior Advisor to the Chairman, managing the business side of the bank including Corporate, Retail, Private Banking, Treasury, Financial Institute and Direct Investment.

Before joining AUBK, Mr. El-Rafie worked in Ahli Bank – Qatar as Chief Executive Officer. He worked in Boubyan Bank till 2012 in the capacity of General Manager – Corporate Banking & Treasury.

Before joining Boubyan Bank, Mr. El-Rafie had an 18 years career with National Bank of Kuwait where his last position was General Manager – Strategic Planning & Business Development.

Mr. El-Rafie started his career in 1976 with Chase National Bank where he completed his Professional Credit Training.

Mr. El-Rafie earned professional designation of Chartered Financial Analyst (CFA) and graduated in Business Administration from Cairo University in 1976.

Omar Fakhri Aneizi

Carries BSc. Economics from Faculty of Economics Cairo University June 1966.

Executive Functions

Joined the Libyan National Bank (presently Central Bank of Libya) October 1966, Joined Libya Insurance Company May 1968, Joined C T Bowring Insurance Ltd. London April 1970, Rejoined Libya Insurance Company as Deputy General Manager January 1972, Became Chairman & General Manager of Libya Insurance Company September 1973, Appointed Deputy Chairman & General Manager of The Mediterranean Reinsurance Co. London October 1978 to date .

Non-Executive Functions: Director Sahara Bank Tripoli 1970 – 1979, Director Social Security Tripoli 1973 – 1975, Director Arab Reinsurance Company Beirut 1973 – 1979, Lecturer at Gharyounis University Benghazi 1975 – 1976, Director Libyan Arab Airlines Co. Tripoli 1976 – 1979, Director Arab Insurance Group (Arig) Manama 1981 – 1986.

Rauf Gritli

Holds a Bachelor of Science degree in Business Administration and Finance from Pepperdine University California 1985.

Former Vice President with Arab Banking Corporation in Treasury and Correspondent Banking where he spent 19 years based at various times in Bahrain, London and Milan.

Currently Director with Tuareg Capital, a private equity firm with focus on investments in Libya. Special adviser with Fipra, a global network of senior strategic advisers.

Nuri Abu Al Qassim Al-Shater

PhD Accounting, University Lecturer, Faculty of Accountancy, University of Zawia

An accounting PhD holder from the Suez Canal University, 2013 and a Master Degree in Financial Accounting from the Arab Academy for Banking and Finance Studies in Jordan in 1997. Studied in the Faculty of Economics in the University of Benghazi and ascertained a Bachelor's Degree in Accounting in 1985.

Worked as an employee in Al-Zawia Oil Refinery Company from 1987 to 1999, in the economy and trade sector in Zwara from 1999 to 2004 and then as a lecturer in the Faculty of Accounting in the University of Zawia from 2004 to date.

Chairman of the Board of Directors of Nikat Al Khams National Bank from 1999 to 2006.

Certified legal accountant since 1995 from the Syndicate of Accountants and Auditors of Libya.

Lecturer in the Faculty of Economics in Al-Ajaylat, University of Zawia from 1998 to 2005.

Investment Member of the Management Committee of Al-Talaye Sports Club in Ragdalin from 2001 to 2005.

Board Report

In the third year following the success of the Libyan people's revolution to get rid of a tyrannical regime that continued in power for more than four decades, we were hopeful that the previous year would herald the start of the establishment of security and stability. We looked forward to a different way of life including the economic activities with their different areas, but the year 2013 was not at all better than 2012. Security conditions deteriorated in a manner that was never seen before in Libya including a halt of economic activities except for the import of consumer goods inspite of the huge budget appropriated for 2013, amounting to around Libyan Dinars 70 billion (more than \$55 billion), which was the biggest in Libya's history.

The government's inability to provide security has not only had its negative impact upon the government's performance but has also gone beyond that to affairs the daily lives of Libyan citizens. Law and order have been replaced by chaos and disorder affecting all aspects of life in the country. United Bank for Commerce and Investment has not been an exception. The Bank's branches in the areas of Ajilat, Surman, Al Zahra and Al Azizia were robbed in broad daylight resulting in financial losses and damages to buildings and equipment.

At the beginning of the year, the provisions of Law No.(1) of 2013 with respect to Applying the Provisions of Sharia on the Banks' Business activities came into effect, requiring a halt on interest charged to all social loans at the beginning of the year. All other banking business will be governed by the provisions of this Law as from the beginning of 2015.

While we welcome the principle of offering banking services under the provisions of Islamic Sharia, we wish to recall the resolution of the Annual General Meeting held early in 2013 approving the amendment of the Bank's Articles of Association to allow the opportunity to provide such services. However, in terms of application, it is necessary to note some of the key points. the most important of which are the following: The immediate implementation of the law with regard to discontinuing payment of the accrued interest on social loans without indicating how to make up for the losses incurred by privately-owned banks and their shareholders without any fault of their own, is something that requires reconsideration.

The implementation of this new law sets a legal precedent that is extremely serious and results in considerable damages owing to the sovereign intervention by revoking valid existing contracts that constitute respect and maintenance of business rights for all without offering, in principle, any compensation.

In general, the Libyan banking sector has not been part of the regional and international financial markets for a period of more than four decades under the former tyrannical regime. Consequently, it needs some time for restructuring to be able to keep abreast of developments in various banking operations which are considered as essential for supporting a transformation from a controlled economy to a free-market economy. In this case, the role of the government will be transformed from being the ultimate owner of the key economic sector, especially the banks, to the role of the principal regulator and supervisor.

Based upon the above, the application of the principles of Sharia to all banking activities as from 1.1.2015 without consideration of the extraordinary circumstances witnessed by all the banks and Libyan citizens alike requires reconsideration and giving a longer period of time until stability returns to Libya and normalcy is restored.

During the year, the Board of Directors continued to adopt resolutions covering a wide range of resolutions concerning the Bank's business activities underlining the smooth pursuit of operations in compliance with the laws and regulations issued by the regulatory authorities and in keeping with the corporate governance requirements. In support of the above, three departments have been created to report directly to the Board of Directors, and these are namely the Compliance Department, Audit Department and Sharia Supervisory Department. Such departments are being gradually developed.

In addition, the following five committees have been formed by the Board of Directors:

- Executive Committee.
- Buildings, Projects and IT Committee
- Benefits Committee
- Control and Audit Committee
- Risk Management Committee.

Board Report

The above committees are gradually activated in proportion to the development and growth of operations.

In view of the above, the circumstances were not convenient for the Bank's continuous expansion during the year, and as an alternative the Board of Directors approved the principle of "Survival instead of Expansion" with a directive to the executive management to adopt a policy of "Quality before Quantity". Meanwhile, the management has been able to attract a large number of dynamic and highly reputed traders and businesses.

As you will note from the report of the executive management here with the Bank has achieved positive figures in most of the balance sheet items, which may be summed up in the following:

Total assets increased from Libyan Dinars 395.9 to Libyan Dinars 441.8 million and deposits rose by 11% from Libyan Dinars 294.7 million to Libyan Dinars 333 million. Credit facilities rose to reach a sum of Libyan Dinars 116.1 million compared with Libyan Dinars 70.2 million Net in the previous year. Profits registered a 26% growth to reach Libyan Dinars 2.9 million compared with Libyan Dinars 2.3 million in the previous years. Shareholders; equity rose to reach Libyan Dinars 98.9 million against a sum of Libyan Dinars 95.7 million.

Meanwhile, the Board of Directors which continues its policy of payment dividends to the shareholders recommends the payment of 10% of the paid up capital totaling Libyan Dinars 8,800,000 to the shareholders as bonus shares to be debited to the issue premium account.

We sincerely hope for an improvement of conditions in the near future so that Libya will witness the restoration to order and stability.

I would like to seize this opportunity to express my sincere thanks to the Bank's shareholders, regulatory authorities led by the Central Bank of Libya, all our customers including businesses and businessmen and others for their support and understanding. I would also like to express my thanks to all the Bank's employees for enduring a great deal of inconvenience due to the extraordinary conditions witnessed by the country, especially as they are the backbone of our operations.

With the Grace of God,

Abdulla Ammar Al Saudi
Chairman of the Board

CEO Report

During 2012, the country witnessed economic growth with most economic indicators returning to the levels prior to 2011 which allowed the bank to achieve positive results on the operational level as well as managing to recover a significant portion of bad debts. The bank succeeded in maintaining the growth rate during the first quarter of 2013 through increasing the direct facilities portfolio for the corporate segment and increasing the number of commercial operations. However, due to the political developments in the country and the resultant issues of oil production and export that led to a sharp decline in the Libyan economy reaching 5% at the end of the year which had a negative effect on the general activity of the banking sector.

New Laws

Also, the year 2013 witnessed the issuance of new legislations that affected the Libyan economy and especially the banking sector. It was in the beginning of the year when the General National Council decided to cancel all conventional banking tools for the individuals segment and returning all interest earned from the date of the law and cancelling all interest on non-performing loans. As a result approximately 21% of the total credit portfolio had transformed to unproductive facilities resulting in reduced revenues.

Growth and Profits

Although in these difficult conditions, the bank, through its prudent asset and liabilities policy, was able to increase its corporate commercial loans by 65% in comparison with the year 2012 and increased its deposit base to reach 333 Million Libyan Dinars at a growth rate of 11% compared to the previous year. This growth was realized whilst maintaining the credit portfolio's quality with a non performing debt of 9% of the total portfolio of which 95% have been accounted for through provisions. The bank was able to realize a net profit of 2.8 Million Libyan Dinars, an increase of 26% from the previous year. The operating income reached its highest level since the bank's incorporation, with a growth rate of 40% in comparison to the year before. An operating loss of approximately 1 Million Libyan Dinars in 2012 was converted to an operating profit of 2 Million Libyan Dinars.

Promising Products

The bank also succeeded in providing alternative products to cater to the needs of retail banking customers; launching Islamic Vehicle Murabaha at the end of the third quarter. Also, and in-line with the branch network development plan, the bank launched Benghazi branch which is expected to contribute effectively in the development of our corporate segment services.

Increases

The results of these strategies reflected on the revenues, where the bank managed to maintain the levels of net received interest with that of 2012, albeit the cancellation on interest on retail loans, as well as the increase of fees and commissions by 17% compared with the same year due to the increase of commercial operations to 10 Million Libyan Dinars. The Bank also managed to increase its foreign currency trade operations which led to an increase in trading profit by 86% in comparison to the previous year.

Upcoming Projects

In terms of project management, the action plans were not affected by the economic situation, where the Bank signed a contract at the end of the year to purchase and implement an Islamic Core Banking System as a first step to increase competitiveness in this sector. The implementation of this system is planned for next year as part of a complete plan that includes opening new branches, developing human capital and training existing staff to be prepared for the new banking model. In this context, the Bank recruited 64 new employees and engaged 160 employees in general and specialized training programs. The Bank has also been working on renovating and developing some of its existing buildings in order to be prepared for the planned new branches. In the next year, the Bank looks forward to the continual development of the corporate segment in terms of increasing the customer base and increasing the limits provided and their respective usage, and that in synchronization with the branch network development and the concentration on the major cities and trade centers.

Ayman El Gammal
CEO

Departments Overview

Corporate Department

In 2013 the Corporate Banking Department (CBD) succeeded in creating new opportunities and increasing its market share.

The CBD aims to develop the banking relation with corporate clients through satisfying their needs and facilitating their banking transactions. Also, the CBD is concentrating on increasing its market share in the country as well as attracting new customers in new sectors such as Pharmaceuticals and Oil Services.

Another important aspect focused on by the CBD is the challenges and opportunities presented currently in the real estate investment and construction industries, by means of gathering vital information regarding potential customers that are seeking to do business in Libya where their requirements are carefully studied and solutions prepared for once they decide to begin their activity in Libya.

For 2014, the CBD team will be aiming to attract new clients, increase market share, improve market share quality and turn challenges into opportunities to achieve targets.

The CBD will target to be a major competitor in the market having very competitive service quality and pricing.

Retail Department

During 2013, the Department was focused on increasing customer service quality, as well as, increasing turnaround time of the bank product delivery and various services. In this context, the Department began a new initiative of developing the existing branch network, firstly by creating the merger of Milita Branch with Ajilat Branch, and secondly by introducing a new branch in the eastern region in the city of Benghazi. Furthermore, the bank initiated the remodeling of Ghot AlShaal Islamic Branch and the bank Head Office Branch in Tripoli which are both planned for opening during Q2 2014. Additionally the bank completed the remodeling of its Wahat Tripoli Branch setting a new standard in the Libyan sector in terms of efficiency flow and ease-of-use. Also, the Department focused on introduction of a new ATM network with 8 ATMs deployed across the bank's existing branches and an additional 3 ATMs of which one is in Benghazi and 2 in the bank's Head Office in Tripoli. The department also focused on alternative products and channels through the introduction of its Visa Debit Cards during Q3 2013 providing a competitive pricing to the Libyan market.

As the department continued its efforts to improve and introduce innovative customer service methods, as well as, introduce sales orientated branches, further development were pushed through the branches by development of Visa debit cards offers, payroll packages and creative marketing which increased western union sales efficiency during 2013.

During 2013, the new Libyan government body mandated a new Islamic Sharia Law which forced local banks to cease interest charges on retail services, thus the bank started focusing on creating other means of asset products to replace the no longer profitable loans. As such the bank introduced Islamic banking windows and began developing its Islamic financing products in coordination with the Islamic Banking and Credit-Risk Departments. The first product launched during Q4 2013 was the Retail Vehicle Murabaha Financing reaching 15 Million Libyan Dinars by the end of 2013.

In 2014, the Department is targeting further increase in its deposit base portfolio and further expansion to its branch network – this will be established through focusing on high potential locations with the planned opening of the Tripoli Head Office Branch, Ghot AlShaal Branch, Janzour Branch and Eastern Tripoli Branch coupled with the expansion of the ATM network accordingly within these branches. Similarly, the planned development of our Visa Card range to introduce segment classes of the card product. In terms of alternative distribution channels, the Retail Banking Department is currently planning the launch of the SMS banking service and is also planning to launch the internet banking platform to its retail and corporate customers during 2014.

Islamic Banking

As per UBCI's strategic plan to practice Islamic banking, Phase 1 implementation was successfully carried out which consists of opening Islamic windows in all the UBCI current branches and as a result have offered fifteen million Libyan Dinars in Retail Vehicle Murabaha Financing.

Other relative departments have been working on the development of other types of Murabaha such as furniture, appliances and services, in addition to planning new contracts and products such as LC Murabaha, Ijara and Istisna'a, and have presented the same to the bank's Sharia Advisory Board for their approval.

In addition to the above mentioned, UBCI has purchased a new Islamic Core Banking System, which will operate during phase two after the opening of Ghot AlShaal Branch (our first fully fledged Islamic Branch) in Q2 2014. The plan is to then operate across the entire bank after the transformation from conventional to Islamic.

Treasury Department

In the continuation of the political and economic challenges that the world witnessed in 2012, the year 2013 has recorded even more political and economic tensions.

Locally, the instability has increased which reflected on the Libyan economy in a severe recession and slowdown which led the Central Bank of Libya to continue to adapt conservative legislations such as restrictions on foreign exchange transfers for both individual and corporate customers.

Despite all of these circumstances we managed to achieve high revenues in foreign exchange trading which has reached 215% in 2013 compared with 2012 and budget targets of 2013, in addition to profits in revaluation as results of efficient management of exchange positions.

Regarding money market funding it's the responsibility of Treasury Department to invest all surplus funds in the best interest quotations through our correspondents.

HR Department

During the year of 2013 and with regard to continue the process of replacement with qualified Libyans; the Human Resources Department was able to provide support for all bank departments and sites by recruiting young and qualified Libyan staff in order to implement the expansion plan of the Bank byfilling more vacancies and the opening of new branches as part of the general plan towards Islamic banking and to improve UBCI customer services.

In order to achieve UBCI targets and to improve the bank staff skills, HR assisted more than one-third of seniors and customer services staff in all bank sites to join Islamic banking training along with technical training; in both local and international providers through the branches of the Ahli United Bank in Egypt and Bahrain. The total number of training hours was 3449 hours, training results proved a major benefit on staff's performance.

In the context of UBCI expansion plan which targeted the East of Libya and topped by opening our Benghazi Branch during 2013, HR department aimed to recruit the best young and qualified nominees to lead the branch success and provide the best customer services.

Information Technology

During 2013, the IT Department deployed new Visa Debit Cards infrastructure, SMS Banking as well as Anti money laundering system. The department is now spear heading the deployment of a new Islamic Banking System in order to facilitate new banking direction in Libya enabling the bank to introduce new Islamic banking products and convert the bank systems to sharia-compliant Islamic banking systems. The department will continue to define new initiatives to assist the various banking departments deliver their strategies during 2014.

Banking Operations

During 2013, the Operations Department focused on additional customer centric delivery as it deployed the Credit Card Center to support the newly introduced Visa branded ATM cards for corporate and retail customers. Additional focus was given on streamlining the Trade Finance area as additional local and international resources were recruited to support new processes mandated during 2012. Despite the challenging operating environment, much progress was achieved in supporting new corporate business initiatives financing small to medium trade financing deals.

Going forward and during 2014, Central Operation will be focused on streamlining and mitigating risks in the retail area by centralizing account services at head office and creating a new Retail Operations section to effectively manage possible risks with the objective of identifying errors and immediately rectifying them.

Premises

2013 was certainly marked as a turbulent year characterized by many challenging elements making it difficult to attract good infrastructure resources and companies required to build the new Libya, despite these challenges, the Premises Department aligned many projects which were approved as per the bank strategy to launch the opening of a new branch in the city of Benghazi, the initiation of the Head Office remodeling project and the renovation of the bank flagship branch. Additionally the department completed some enhancements to existing branches west of Tripoli. During 2014, the emphasis will be mainly to complete Head Office remodeling, as well as, opening of new branches within the Tripoli area.

Corporate Governance

Corporate Governance

United Bank for Commerce and Investment pays great attention to optimize corporate governance practices. The bank's board of directors is responsible for supervising the implementation of all policies and regulations that ensure achieving the best returns to all stakeholders who include shareholders, customers, employees and more generally the society.

These policies and procedures include the laws and regulations issued by the Central Bank of Libya, and Basal Committee's directives. The bank periodically reviews governance policies and improves when necessary.

Board of Directors Committees

The board of directors has formed several committees for special purposes to assist in supervising the bank and to enhance the applied governance procedures. These committees are assigned with specific responsibilities and they report periodically to the board of directors.

Following each AGM meeting, the board of directors forms its board committees and appoints members. These committees are considered to be the link between the bank's management and the board of directors.

Audit Committee

Responsible for the direct follow-up of the Audit Department's duties, the Audit Committee ensures that internal auditing regulations and processes are correctly practiced and executed. In addition, it is also responsible to provide its recommendations to the Board of Directors with regards to the auditing of the bank's financial position as well as ensuring the correct external auditing.

Compensation Committee

This was formed from the beginning of the strategic partnership and is comprised of 3 members from the Board of Directors. In dealing transparently, this committee's work is linked directly with the bank's HR policy and is responsible for all items relating to salaries, bonuses and raises.

Premises, Projects and IT Committee

Is headed by the Chairman of the Board and provides its recommendations in all that relates to the bank's premises and its renovations, the procurement of assets and the procurement of IT systems.

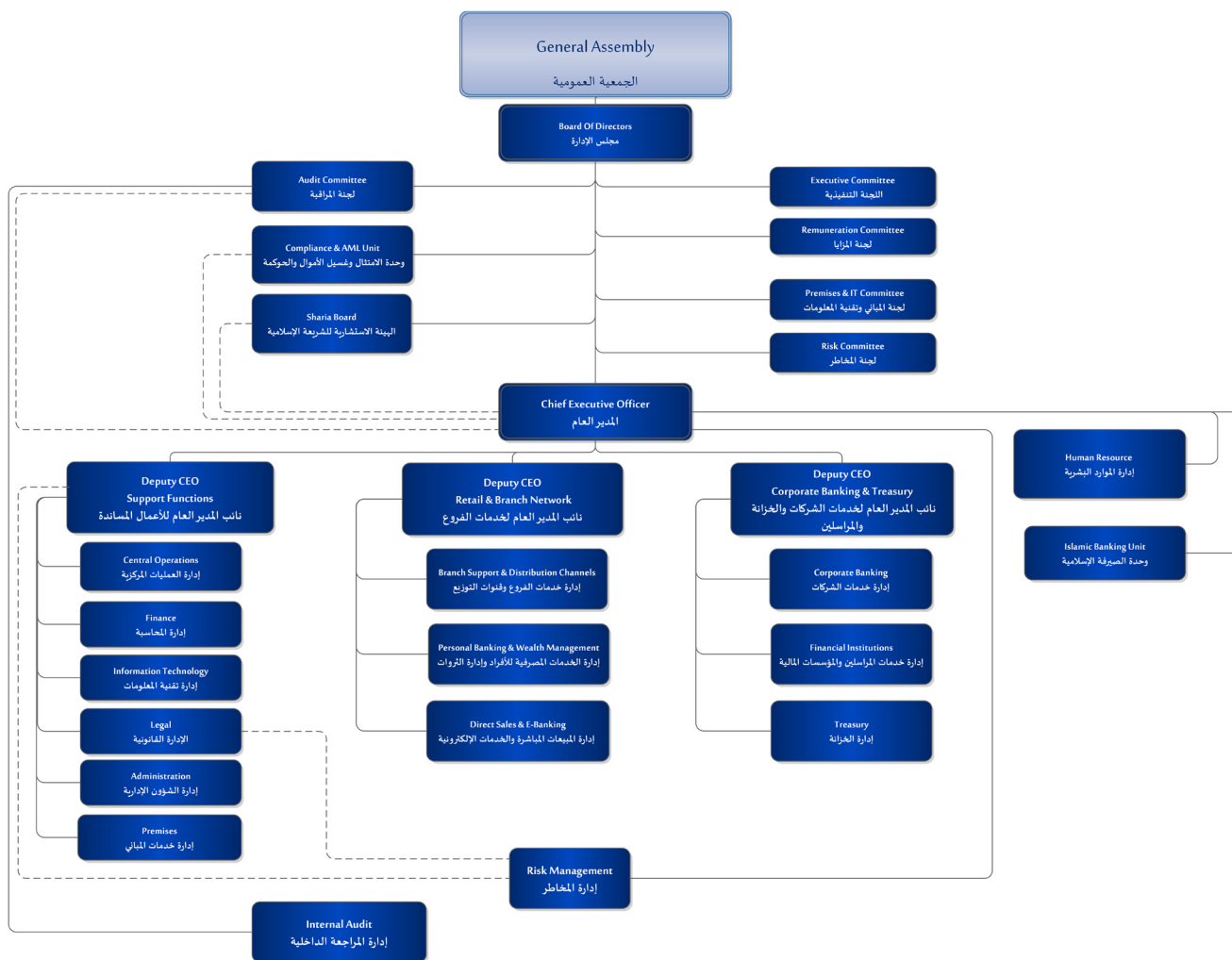
Executive Committee

Is responsible for issuing approvals on providing credit facilities as per the bank's credit policy.

Risk Committee

The committee reviews the policy of risk management periodically, besides reviewing the periodic risk management's reports.

Organization Chart



Risk Report

During 2013 UBCI had worked on activating the Risk Department's role in all its new operations in line with the bank's strategy, CBL regulations and Basel II requirements. Also, the complete credit policy, Executive Risk Committee organization and its respective roles and responsibilities, have been prepared by the Risk Department and approved by the Board of Directors.

In addition to its duty in mitigating operation risks, the re-structuring of the bank's branches and the input in providing approvals for the Murabaha Financing of more than 15 Million Libyan Dinars, the Risk Department had worked on its strategy according to the following breakdown:

Credit Risk: focusing on credit concentrations, ensuring the correct calculation of Capital Strength and the distribution of risks through using the best standards of customer classification and the close follow-up of financed customers. The department also set a defined strategy to segregate the roles of corporate credit risk and retail credit risk and ensured the implementation of the policies and procedures to increase the quality of the bank's credit portfolio.

Market Risk: focusing on reports from the Treasury Department and applying control processes to minimize the risks of unexpected fluctuations in foreign currency and stock prices.

Operation Risk: the Risk Department has developed the bank's operational risk policy as well as the development of a historical database of risk incidents as a system to provide an early warning of potential risks. Also the activation of risk control self-assessment tools in line with both the Ahli United Bank Group risk policies and the standards set by the Central Bank of Libya. The department also worked on developing the processes and procedures to measure, evaluate, analyze and mitigate risks through writing a detailed report to the CEO, as well as ensuring the necessary systems and equipment in use within the bank are appropriate to execute the necessary mitigation plans and reduce the likelihood of being subject to risks.

In 2014, the Risk Department plans to have the complete operational risk policy approved and to ensure its activation and implementation within the bank. The plan is also to place the required parameters to ensure the activation of the business continuity plan as well as the development of the outsourcing policy.

**Auditors' Report &
Consolidated
Financial Statements**

Auditors Reports

Report 1

To: Chairman and Members of General Assembly
United Bank for Commerce and Investment

Report about the final financial data

We have audited the enclosed financial data of United Bank for Commerce and Investment which consist of the balance sheet (financial position) as at December 31st 2013, statement of revenues, expenses, changes in equity and cash flows for the financial year ending at that date, and a summary of the main accounting policies and other notes.

Responsibility of the administration for the financial data

The board of directors is responsible for the preparation of the financial data according to the provisions of article 226 from commercial activity law No. 23 for year 2010, and their fair presentation according to the applicable accounting policies, this responsibility includes the design, application and maintenance of an internal control system related with the preparation and presentation of the financial data in a fair manner free from any material fault whether resulting from a fraud or mistake, as well as choosing and applying appropriate accounting policies and making reasonable accounting evaluations as per the conditions.

Responsibility of the auditor

Our responsibility consists in giving an opinion about these financial data based on our auditing. We have conducted our audit according to the international auditing standards (issued by the International Union of Auditors for 2009/2010), these standards require from us to abide by the professional behavior rules and planning and executing auditing works to obtain a reasonable evidence that the financial data are free from material faults.

Auditing consists in conducting procedures to obtain evidences supporting the amounts and disclosures stated in the financial data. The choice of these procedures depends on the diligence of the auditors including the evaluation of the extent of risk of the material faults in the financial data whether resulting from fraud or mistake. Upon the evaluation of these risks by the auditors consideration is given to the system of internal control at the bank relevant with the preparation and presentation of the financial data in a fair manner in order to design auditing procedures appropriate with the conditions and not to express an opinion about the extent of effectiveness of the internal control system at the bank. Auditing consists in the evaluation of the appropriateness of the applied accounting policies and the reasonableness of the accounting evaluations made by the administration, in addition to the evaluation of the comprehensive presentation of the financial data.

In our opinion, the evidences obtained by us are sufficient and appropriate and provide a basis to give the opinion.

The opinion

In our opinion, the financial data show fairly, from all material aspects, the financial position of United Bank for Commerce and Investment as at December 31st 2013, its financial performance and cash flows for the financial year ending at that date according to the frame of preparation of the applicable financial reports.

Report about the legal requirements and similar

The bank keeps regular records and registers, and the data stated in the report of the board of directors are consistent with those stated in the bank's records and registers, and the inventory was conducted according to the applicable standards and there are no deviations affecting the bank activity or its financial position within the limits of information available to us.

Ali Hassan Baba

Chartered Accountant and Auditor



Auditors Reports

Report 2

To the shareholders of the united Bank for Commerce and Investment
Tripoli, Libya

A Report on Independent Financial Statements

We have audited the accompanying financial statements (the Financial Statements) of United Bank for Commerce and Investment (the Bank), a Libya Corporation, namely the balance sheet as of December 31, 2013 and the statements of income, changes in shareholder' equity and cash flows for the year then ended, as well as the summary of significant accounting policies and other disclosures.

Management's Responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of the financial Statements in accordance with generally accepted accounting principles in Libya and other relevant regulations and circulars. The responsibility of the Management includes designing, implementing and maintaining an appropriate internal control system relevant to the preparation and fair presentation of financial statements free of material misstatement, whether caused by fraud or other irregularity or error. It, also, includes selection and implementation of appropriate accounting policies as well as accounting valuations relevant to the circumstances.

The Auditor's responsibility

Our responsibility is limited to expressing an opinion on the Financial Statements based on the audit we conducted. The audit has been performed in accordance with International accounting Standards (IASs) performing the audit to obtain reasonable assurance that the Financial Statements are free of material misstatement.

The audit includes procedures to obtain evidence relevant to the amounts and disclosures in the financial statements. The selected procedures are based on our professional judgments, including assessments of the underlying risk of misstatement, whether caused by fraud or other irregularity or error. In assessing such risks, the auditor considers the internal control system relevant for the preparation and fair presentation of the Financial Statements only to design audit procedures appropriate in the circumstances and not for the purpose of expressing an opinion on the effectiveness of the internal control system of the Bank. The audit also includes an evaluation of the appropriateness of the accounting policies and estimates made by the management.

We consider the audit evidence we have obtained sufficient and appropriate to provide a basis for our opinion on the financial Statements.

The opinion

In our opinion, the Financial Statements fairly and clearly present, in all material aspects, the financial position of the United Bank for Commerce and Investment (a Libya Corporation) as of December 31, 2013 and of its financial performance and cash flows for the financial year then ended in accordance with Generally accepted accounting Principles and in light of the relevant domestic laws and regulations.

A report on the legal requirements and other regulations

The Bank keeps regular books of account as required by applicable laws and the Articles of Association. The Financial Statements are in agreement with the books of accounts. The physical inventory of the Bank's assets was made by Bank's Management and on its responsibility.

Ibrahim Baruni

Accountant and Certified Auditor
Financial And Managerial advisor – Tax Expert



Consolidated Financial Statements

Income Statement for the Year Ending 31st December 2013

Item	2013	2012	Note
	LYD (000)	LYD (000)	
Interest received	5,959	5,949	14
Interest Paid	(1)	(2)	
Net Interest Income	5,958	5,947	
Net Fees & Commissions	3,621	3,095	15
Foreign Exchange Revaluation	4,772	1,669	16
Other Income	735	157	17
Gross Operating Income	15,086	10,868	
Commissions expense	711	3,236	18
Net Operating Income	15,797	14,104	
Salaries and related benefits	7,663	7,225	19
Depreciation Expense	1,460	1,265	20
General and administrative expenses	3,787	3,316	21
Gross general and administrative expenses	12,910	11,806	
Profits (before taxes)	2,887	2,298	
Tax provisions	-	-	
Net profits after taxes	2,887	2,298	

Consolidated Financial Statements

Balance Sheet as 2013/12/31

Item	2013 LYD (000)	2012 LYD (000)	Note
Liquid Assets			
Cash at Banks and due from CBL	107,199	128,779	1
Due from commercial banks	170,000	157,000	2
Due from commercial banks	24,225	19,090	3
Loans and Advances- NET	116,137	70,255	4
Investments- NET	16	16	5
Accounts receivables	1,419	1,261	6
Tangible Assets	18,790	18,601	7
Intangible Assets	633	746	8
Other Assets	3,427	168	9
Total Assets	441,846	395,916	
Liabilities and Shareholders Equity			
Liabilities			
Customer Deposits	333,005	294,734	10
Payables and Other Liabilities	8,712	3,410	11
General Provisions	1,220	2,041	12
Total Liabilities	342,937	300,184	
Shareholders Equity			13
Paid capital	88,000	80,000	
Legal Reserves	1,708	987	
Share premium	12,235	20,199	
Profit (Loss) brought forward	(3,034)	(5,453)	
Total Shareholders Equity	98,909	95,732	
Total Liabilities and Shareholders Equity	441,846	395,916	
Contingent Liabilities			
Letters of Credit	53,608	49,216	
Letters of Guarantee	41,375	37,151	
Total Contingent Liabilities	94,983	86,367	

Statement Of Changes In Equity For The Year Ended 31/12/2103

	Total	Retained Earnings	Retained Earnings	Share Premium	Statutory Reserves	Share Capital
	LYD (000)	LYD (000)	LYD (000)	LYD (000)	LYD (000)	LYD (000)
Balance At 1 January 2012	93,434	-	(7,177)	20,199	412	80,000
Net Profit After Tax	2,298	2,298	-	-	-	-
Transfer To Legal Reserves	-	(574)	-	-	574	-
Transfer To Retained Earnings	-	(1,724)	1,724	-	-	-
Balance At 31 December 2012	95,732	-	(5,453)	20,199	986	80,000
Balance At 1 January 2013	95,732	-	(5,453)	20,199	986	80,000
Share Capital	8,000	-	-	-	-	8,000
Share Premium	(7,964)	-	-	(7,964)	-	-
Change In Retained Earnings	254	-	254	-	-	-
Net Profit After Tax	2,887	2,887	-	-	-	-
Transfer To Legal Reserves	-	(722)	-	-	722	-
Transfer To Retained Earnings	-	(2,165)	2,165	-	-	-
Balance At 31 December 2013	98,909	-	(3,034)	12,235	1,708	88,000

Consolidated Financial Statements

Cash flow as of 31/12/2013

Item	2013 LYD (000)	2012 LYD (000)
Cash flow from operating activities		
Net profit after tax	2,887	2,298
Depreciation expense	1,460	1,265
Chas flow before before working capital adjustments	4,347	3,563
Working capital adjustments		
Clearing	4,514	(2,131)
Loans and Advance	(45,523)	(24,298)
Debitors and receivables	(3,403)	(591)
Customer deposits	38,271	50,377
Payables and other liabilities	5,302	227
General Provisions	(545)	206
Provisions for loan losses	(711)	(3,222)
Interest on suspense	351	611
Net cash flow from operating activities	2,603	24,741
Deposits at CBL	3,401	(38,660)
Treasury Bills	(3,000)	43,000
Acquisition of intangible assets	(155)	(53)
Acquisition of tangible assets	(1,396)	(1,170)
Less: Depreciation expense	(215)	(45)
Less: Damaged assets	229	77
Net cash flow from investing activities	(1,136)	(3,149)
Increase or Decrease in Cash	1,467	27,890
Cash brought forward	42,108	14,218
Cash Carried Forward	43,575	42,108
Cash components		
Cash in Vault	19,353	23,018
Due from Banks	24,222	19,090
Cash carried forward	43,575	42,108

Financial Statements

Notes

About the Bank

United Bank for Commerce and Investment (a Libyan joint stock company) was founded in 2007 as a result of the merger of three national banks. United Bank provides banking services to individual, retail and Corporate sectors through a branch network consisting of 12 branches in addition to the Head Office as well as cadre of 301 employees. The publication of the Bank's financial statements for the year ending December 31, 2013 has been approved by the Board of Directors Decision No. 1/2014.

Accounting Policies

The financial statements of UBCI have been prepared in accordance to the provisions of Law No. (1) of the year 2005 regarding banks, amended by Law (46) of the year 2012, and article (226) to (230) of Law No. (23) of the year 2010 regarding business activity, and based on the decisions of the Central Bank of Libya .

The currency of the Bank's financial statements is Libyan Dinars, according to the historical cost of fixed assets and financial investments of the Bank, as detailed in notes 5, 7, 8 and 9 attached herewith.

The bank applied International Accounting Standard 1 in the Presentation of Financial Statements, which resulted in the following changes in the presentation of the lists:

- The display of net foreign currency trading profits after excluding losses resulting from the sale of cash and from currency revaluation. This change was shown in Note (16) attached herewith.
- The display of net operating income after subtracting the provisions and charges of the Bank's credit activity from the Bank's total operating revenues.
- The display of charges, general provisions and emergency provisions within other administrative expenses. This change was shown in note (21- c) attached herewith.
- The display of shareholder equity in the final form after converting net profit for the year to retained earnings and legal reserve as per the ratio stipulated in the laws and regulations mentioned above. This change is shown in the financial position and statement of changes in shareholders' equity.
- The changes mentioned have been applied to the financial statements for the year 2012 in order to maintain the basis of a comparison with the financial statements for the current year.

1 Cash and Due From Central Bank Of Libya

No.	Note	2013 LYD (000)	2012 LYD (000)
1	Cash Local Currency	18,415	23,018
2	Cash Foreign Currency	939	-
3	Central Bank Of Libya	86,734	100,136
4	Clearing	1,111	5,625
	Total	107,199	128,779

2 Treasury Bills and other Deposits

No.	Note	2013 LYD (000)	2012 LYD (000)
1	Treasury Bills	160,000	157,000
2	Overnight Deposits	10,000	-
	Total	170,000	157,000

Financial Statements

Notes

3 Balances with Local Banks

No.	Note	2013	2012
		LYD (000)	LYD (000)
1	Local Commercial Banks	2,103	3,722
2	Libyan Foreign Bank	494	354
3	Nostro Accounts	21,628	15,015
	Total	24,225	19,091

4 Net- Loans and Advances

No.	Note	2013	2012
		LYD (000)	LYD (000)
1	Social Loans- Public sector	15,355	18,567
2	Social Loans- Staff	1,247	1,221
3	Commercial Loans	69,164	38,500
4	Real estate Loans	7,618	7,931
5	Overdrafts	17,975	15,196
6	Murabaha Financing	15,579	-
	Total	126,939	81,415
Exclusions			
	Interest on suspense	-2,523	-2,172
	Provisions for Doubtful Debts	-8,278	-8,988
	Loans and Advances (Net)	116,137	70,255

Towards the end of the first quarter of the financial year, the granting of retail social loans was discontinued in adherence to Law (1) of 2013 which states the suspension of all conventional retail banking transactions which in-turn led to the termination of interest from that date and the loss of all accrued interest and non-performing loans interest.

5 Investments

No.	Note	2013	2012
		LYD (000)	LYD (000)
1	Investment In Ejilat Investment Company	16	16
	Total	16	16

6 Debtors and Other Assets

Debtors		2013	2012
No.	Note	LYD (000)	LYD (000)
1	Prepaid Expenses	521	282
2	Uncollected Interest	243	338
3	Central Bank Of Libya	-	46
4	Cash Margin- North Africa Bank	169	169
5	Petty Cash	-	8
6	Clearing	325	326
7	Guarantees receivables	34	1
8	Shorts	107	107
9	Suspense Assets	21	-
Total		1,420	1,277
Exclusions			
	Provisions for Debtors	-	-14
Net- Debtors and Other Assets		1,420	1,263

7 Fixed Assets (Net)

No.	Note	Land	Real Estate	Vehicles	Machines and Equipment	Furniture	Total
		LYD (000)	LYD (000)	LYD (000)	LYD (000)	LYD (000)	LYD (000)
1	Brought Forward 01/01/2013	74	17,804	829	3,106	1,140	22,953
2	Additions	0	0	215	977	204	1,396
3	Exclusions	0	0	-229	0	0	-229
4	Carried Forward 31/02/2013	74	17,804	815	4,083	1,344	24,120
5	Accumulated Depreciation B/F 01/01/2012	0	-1,570	-610	-1,562	-610	-4,352
6	Depreciation	0	-356	-97	-598	-141	-1,192
7	Exclusions	0	0	215	0	0	215
8	Accumulated Depreciation C/F 31/12/2013	0	-1,926	-493	-2,160	-751	-5,329
9	Fixed Assets C/F 31/12/2013	74	15,878	322	1,923	593	18,790
10	Fixed Assets C/F 31/12/2012	74	16,234	218	1,545	530	18,601

Financial Statements Notes

8 Intangible Assets (Net)

No.	Note	Signage System LYD (000)	Banking System LYD (000)	Digital Certificates LYD (000)	Mail Archiving LYD (000)	Instant Check Processing System LYD (000)	Website LYD (000)	Check Encoding System LYD (000)	Total LYD (000)
1	Brought Forward 01/01/2013	77	1,138	3	0	0	0	0	1,219
2	Additions	0	0	0	16	76	22	41	155
3	Exclusions	0	0	0	0	0	0	0	0
4	Carried Forward 31/02/2013	77	1,138	3	16	76	22	41	1,374
5	Accumulated Depreciation B/F 31/12/2013	-31	-441	-1	0	0	0	0	-473
6	Accumulated 2013	-15	-228	-1	-3	-15	-4	-2	-268
7	Exclusions	0	0	0	0	0	0	0	0
8	Depreciation 31/12/2013	-46	-668	-2	-3	-15	-4	-2	-741
9	Intangible Assets C/F 31/12/2013	31	470	1	13	61	19	39	633
10	Intangible Assets C/F 31/12/2012	46	698	2	0	0	0	0	746

9 Other Assets

No.	Note	2013 LYD (000)	2012 LYD (000)
1	Branch renovation	579	23
2	WIP-Tangible assets	197	145
3	Renovation of acquired buildings	2,651	-
	Total	3,427	168

10 Customer Deposits

A	Demand Deposits	2013 LYD (000)	2012 LYD (000)
No.	Note	LYD (000)	LYD (000)
1	Individual	204,862	152,013
2	Private Sector	97,553	103,659
3	Public Sector	3,065	3,864
4	Banks	3,374	2,391
	Total	308,854	261,928

Customer Deposits

B	Saving Accounts	2013	2012
No.	Note	LYD (000)	LYD (000)
1	Saving Accounts	1,695	1,744
	Total	1,695	1,744
C	Managers Checks Payable	2013	2012
No.	Note	LYD (000)	LYD (000)
1	Certified Checks	6,782	9,786
	Total	6,782	9,786
D	Cash Margin	2013	2012
No.	Note	LYD (000)	LYD (000)
1	Letters of Credit	11,501	17,432
2	Letters of Guarantee	4,172	3,844
	Total	15,673	21,276
	Total Customer Deposits	333,005	294,734

11 Payables and Other Liabilities

A	Payables	2013	2012
No.	Note	LYD (000)	LYD (000)
1	Accrued Expenses	606	1,732
2	Unclaimed balances	123	137
3	Stamp Duties	85	108
4	UNCLEARED SALARY BATCHES	288	260
5	PERFORMANCE GUARANTEE BOND	335	200
6	Shareholders' Checks payable	121	121
7	DUE TO SHAREHOLDERS	40	76
8	Payables- Social Security fund	371	-
9	Payables- Central Bank	3,575	-
10	Other	77	111
	Total	5,620	2,746

Financial Statements Notes

Payables and Other Liabilities

B		Prepaid Commissions and Interest		2013	2012
No.	Note	LYD (000)		LYD (000)	LYD (000)
1	Prepaid Commissions- LGs	265			267
2	Prepaid Commissions- LCs	62			87
3	Unearned Discounts	190			190
4	Deferred profits-Murabaha	2,485			-
	Total	3,003			543
C		Due to Parent, subsidiary, Associate (AUB)		2013	2012
No.	Note	LYD (000)		LYD (000)	LYD (000)
1	Management and Technical Fees	89			121
	Total	89			121
	Total Liabilities	8,712			3,410

12 General Provisions

No.	Note	2013	2012
		LYD (000)	LYD (000)
1	Provisions For Staff Leaves	629	687
2	Secoded Staff- Social Security Fund (Aub)	-	637
3	Provisions For Lost Clearing Batches	325	326
4	Provisions For Shorts	107	107
5	Provisions For Damaged Notes	12	12
6	Other Provisions	122	-
7	Provisiosn For Contengencies	26	-
8	Tax Provisions	-	274
	Total	1,220	2,041

13 Equity

No.	Note	2013	2012
		LYD (000)	LYD (000)
1	Ordinary share capital	88,000	80,000
2	Legal Reserves	986	412
3	Share Premium	12,235	20,199
4	Retained Earnings	-5,199	-7,177
5	Profit for the year	2,887	2,298
	Total	98,909	95,732

14 Interest and Profits

a	Received Interest	2013	2012
	Note	LYD (000)	LYD (000)
1	Interest on Treasury Bills	1,579	1,416
2	Interest on Deposits With Cbl	16	30
3	Interest on Deposits- Nostro	19	38
4	Interest on Social Loans	186	662
5	Interes on Commercial Loans	3,489	1,566
6	Interest on Credit Facilities	543	1,742
7	Interest Income- Previous Years	63	496
	Total	5,895	5,950
b	Islamic Banking Profits	2013	2012
	Note	LYD (000)	LYD (000)
1	Profits From Murabaha	63	-
	Total	63	-
	Total Interests and Profits	5,958	5,950

15 Fees and Commissions

		2013	2012
No.	Note	LYD (000)	LYD (000)
1	Commissions on Lcs	1,072	781
2	Commissions on Collections	207	53
3	Commissions on Lgs	496	414
4	Commissions on Transfers	466	957
5	Commercial Loans	75	8
6	Consumer Loans	5	185
7	Commissions on Overdrafts	31	59
8	Commissions on Checks	122	160
9	Commissions on Insurance Policies Issuance	24	23
10	Current Account Fees	1,006	383
11	Postage Charge	24	10
12	Swift Charge	96	66
	Total	3,625	3,098
Exclusions			
	Commissions Expense	-4	-3
	Net Fees and Commissions	3,621	3,095

Financial Statements Notes

16 Trading Income

		2013	2012
No.	Note	LYD (000)	LYD (000)
1	Forex Trading Income	1,701	1,090
2	Forex Trading Commission	2,742	504
3	Forex Revaluation	329	75
	Net Trading Income	4,772	1,669

17 Other Income

		2013	2012
No.	Note	LYD (000)	LYD (000)
1	Previous Years Income	589	-
2	Gains on Disposal of Fixed Asset	21	-
3	General Provisiosn Recovery- Clearing Batch	1	151
4	General Provisiosn Recovery- Fixed Assets	7	-
5	General Provisiosn Recovery- Staff Expense	117	-
6	Miscellanuou	-	6
	Total	735	157

18 Net Provisiosn

		2013	2012
	Note	LYD (000)	LYD (000)
1	Provisiosn for Doubtful Debts	-133	-2,596
2	Loan Loss Recoveries	844	5,832
	Total	711	3,236

19 Staff Expenses & Related Benefits

		2013	2012
	Note	LYD (000)	LYD (000)
1	Wages and Salaries	5,855	6,165
2	Allowances and Bonus	204	10
3	Social Security	582	403
4	Other Employees Benefits	948	647
5	Sharia Board Expense	73	-
	Total	7,662	7,225

20 Depreciation of Assests

		2013	2012
	Note	LYD (000)	LYD (000)
1	Bank Premesis	356	356
2	Vehicles	97	97
3	Mechanical Equipments	598	447
4	Furniture	141	125
5	Intangible Assets	268	240
	Total	1,460	1,266

21 General and Administrative Expenses

A		2013	2012
No.	Note	LYD (000)	LYD (000)
1	Business Expenses	1,631	1,335
2	Rents and Premises Expenses	1,029	1,060
3	Computer Expense	873	712
4	Insurance Expense	82	62
5	Mechanical Equipments Expense	24	16
	Total	3,639	3,185

B		2013	2012
	Note	LYD (000)	LYD (000)
1	Provisiosn for Staff Leaves Expense	-	100
2	Provisiosn for Damaged Currency Notes	-	12
3	Provisiosn for Debtors	-	8
4	Provisions for Lost Assets	-	7
5	Provisiosn for Lost Clearing Batches	-	6
6	Legal Provisiosn	26	-
7	Other Provisions	122	-
	Total	148	132
	Total Provisions	3,787	3,317

UBCI Branches & Agencies

Main Branch

Al Jumhoriya Street,
Tripoli, Libya.
Tel: +218 (0) 21 720 5851
Fax: +218 (0) 21 334 5601

Al Azizia Branch

Al Azizia center,
P.O.Box: 92044 Al Azizia, Libya
Tel: +218 (0) 21 520 3004
Fax: +218 (0) 21 520 3005

Zwara Branch

Zwara Cornish Road,
P.O.Box: 19100 Zwara, Libya
Tel: +218 (0) 25 222 4665
Fax: +218 (0) 25 222 4664

Ajilat Branch

Al Ajilat Center,
P.O.Box: 317 Ajilat, Libya.
Tel: +218 (0) 25 564 0064
Fax: +218 (0) 25 564 0066

Tripoli Branch

Wahat Center, Andalus District,
P.O.Box 5745. Tripoli, Libya
Tel: +218 (0) 21 478 2218
Fax: +218 (0) 21 478 2219

Al Krimia Agency

Commercial Street,
Al Krimia, Libya
Fax: +218 (0) 21 562 5075
Fax: +218 (0) 21 562 5076-7

Swani Agency

Swani Center,
Swani, Libya
Tel: +218 (0) 21 562 1196
Fax: +218 (0) 21 562 1197

Al Jadida Agency

Al Jadida center,
Al Jadida, Libya
Tel: +218 (0) 25 564 0064
Fax: +218 (0) 25 564 0066

Ajmeel Branch

Regdaleen road,
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