



MISR FOR CENTRAL CLEARING, DEPOSITORY AND REGISTRY

ANNUAL REPORT

2013











**Mr. Mohamed S. Abdel Salam**

Chairman and Managing Director  
Expert

**Dr. Tarek Abdel Bary**

Managing Director  
Expert



**Dr. Khaled Seri Siam**

Board Member  
Expert

**Mr. Nedal Al Kasem**

Board Member  
Expert  
Central Bank of Egypt



**Dr. Mohamed Omran**

Representing Egyptian  
Stock Exchange

**Mr. Amr Al Ganainy**

Board Member  
CIB (Custodian)



**Mr. Yasser Zaza**

Board Member  
QNB (Custodian)

**Mr. Sherief Heshmat**

Board Member  
Pharaohs Holding Company



**Mr. Awny Yousef**

Board Member  
Wedian Brokerage Firm

**Mr. Mohamed Maher**

Board Member  
Prime Brokerage firm



**Mr. Mohamed Fathallah**

Board Member  
AL Tawfik Brokerage Firm

## Board of Directors



MISR FOR CENTRAL CLEARING, DEPOSITORY AND REGISTRY

# ANNUAL REPORT

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## Index

- Board of Directors
- Message from the CEO
- 2013 Highlights
- MCDR activity
- Future planes
- Statistics
- Financial statements and auditor's report



and transactions resulting in controlling the harmony in the Egyptian market. By the end of 2013, Number of concluded transactions reached 4778063 with total cost 146.3 million EGP.

Number of members and participants increased to 1746 with an increase 1.6 comparing to the previous year. Plus, MCDR concluded 819 corporate actions on behalf of issuers.

MCDR gains its shareholders' trust nationally and worldwide aiming at enhancing this trust through introducing its services efficiently and in low cost.

Regionally, MCDR continues its effective role through supporting the Libyan capital market. In addition, MCDR signed bilateral cooperation agreement with Sudan capital Market to strengthen common cooperation through the exchange of experts and systems.

MCDR realizes its role in the Egyptian market and it is keen on matching shareholders' and members' trust through fulfilling their interest by introducing services in high quality and in low cost. MCDR established the auto mechanism to handle subscription rights once authorized by EFSA which will result in increasing liquidity in the market and the index stock which will help to increase liquidity as well.


At the end, I have to thank all MCDR staff who are hardly working on improving the company's performance and market stability.

Thank you.



Chairman and Managing Director

Mohamed S. Abdel Salam



MCDR  
REALIZES ITS ROLE  
IN THE EGYPTIAN  
MARKET AND IT  
IS KEEN ON  
MATCHING  
SHAREHOLDERS'  
AND MEMBERS'  
TRUST THROUGH  
FULFILLING  
THEIR INTEREST  
BY INTRODUCING  
SERVICES IN  
HIGH QUALITY  
AND IN LOW COST





Dear Members and Shareholders,

I was honored to be MCDR vice president then the CEO for long period where I and my colleagues had the full chance to work hard on implementing plans and strategies in order to put MCDR on the top.

Worldwide, the capital market is passing through several challenges where MCDR is keeping eye on such challenges so that we chose what matches with the Egyptian capital market. Thus, MCDR is unique among all depositories in the region still; MCDR is working on developing its place on international basis for acquiring more trust.

## Message from the CEO

Despite the unstable political and economical circumstances the whole world was passing through 2013, MCDR achieved satisfied financial results. For nearly three years witnessed two great revolutions, Egypt has passed with distributions and unstable atmosphere, yet MCDR was capable of staying on top. Though challenges and difficulties, MCDR introduces its services for shareholders in a satisfied way. MCDR's income increased by 9% comparing to the previous year and the clear profit increased as well to reach 33.3 million Egyptian pounds by 30% comparing to 2012. Thus, this proves that MCDR was able to keep normal profit though challenges and difficulties.

Due to political interruptions, 2013 was characterized with instability and sharp decrease in number and volume of trading operations concluded at the stock exchange. Mean while, after the 30 June revolution, the performance of the capital market differs completely thanks to the stability of the Egyptian political scene which reflects in the investor's trust. This positively affects the number of daily trading

→ MCDR  
INTRODUCES  
ITS SERVICES FOR  
SHAREHOLDERS IN A  
SATISFIED WAY











## AL SAKAKINY PALACE

It is considered one of the most ancient Egyptian palaces, built in 1897 by Al Sakakiny Pasha and located downtown Cairo.

The palace was built in an Italian style by an Italian company that Habib al Sakakiny pasha hired, to resemble the palace which he saw in Italy.

He chose an attractive location for the palace, from where 8 main roads emerge and thus the palace became a center point in the area.

Such a location was not an easy thing during that time, but the close relation between Al Sakakiny pasha and the khedive made it an easy task.

The European design shows the letter (s) as the first letter of Al Sakakiny pasha's name.

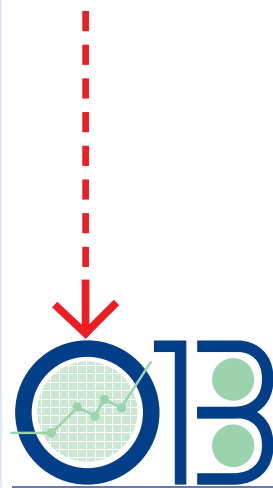
It has been built on an area of about 2698 square meters, and contains more than 50 rooms, 400 windows and doors, and 300 statues.

Although the garden of the palace is not that wide, it has helped to separate the palace from the modern buildings surrounding it.



# 1897





### MCDR signs an agreement with Khartoum Stock Exchange

MCDR is keen to fasten its relation and ties with all the African countries where MCDR signs joint cooperation agreement with the Khartoum stock exchange aiming at supporting it technically and exchanges experience.

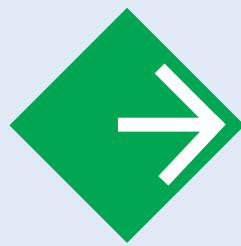
### MCDR's Fustal team gains 2013 Mini World Cup

As MCDR is aware of its social role, MCDR's fustal team gains the Egyptian league as well as the mini world cup for teams which was held in Kuwait in the first half of July.



MCDR  
IS KEEN  
TO FASTEN  
ITS  
RELATION  
AND TIES  
WITH ALL  
THE AFRICAN  
COUNTRIES





## Highlights 2013

### Implementing systems of subscription rights trading



After the EFSA decree no. 282 of the year 2012 to activate what mentioned in the law, where the law allows ancient shareholders to subscrip in capital increase independent from the original share during the subscription date.

### Launching New cash windows in Banks

MCDR SIGNED AN AGREEMENT WITH THE COMMERCIAL INTERNATIONAL BANK (CIB) REGARDING CASH DISTRIBUTION. THIS IS A NEW MECHANISM ALLOWS SHAREHOLDERS TO OBTAIN THEIR CASH DIVIDENDS THROUGH THE ATM



September 2013: Egyptian Gulf Bank (Loran branch) – East Alex

October 2013: Peraeus Bank – Alex center

MCDR signed an agreement with the commercial International Bank (CIB) regarding cash distribution. This is a new mechanism allows shareholders to obtain their cash dividends through the ATM.

MCDR finalized the nest procedures:

The documental circle and the accounting system.

Revision method for both parties

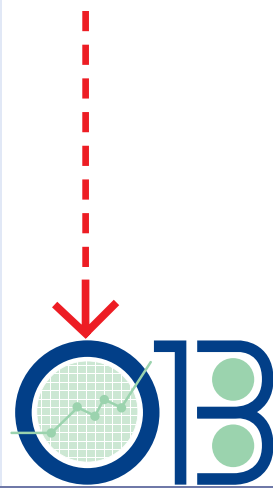
Training method for internal MCDR staff

### Designing index stocks systems

Throughout 2013, MCDR has finalized all procedures and amendments of computer system related to index stocks according to rules of market maker issued by EFSA.







### Settlement Guarantee fund:

The capital SMA for the SGF has reached 175 million EGP. Throughout the year all fund members have been classified as level (A), according to the risk rate level, except 1 member that has been classified as level (D). The fund has covered only 1 member 4 times and this member has been suspended for not abiding by the regulations set by the fund.

One of the biggest problems that faced MCDR has been that some issuing companies believe that being listed in the depository system is associated with the listing on the exchange, but MCDR has stated that de-listing from the exchange does not consequently require de-listing from the depository system



### Technical Support and Internet Services

MCDR plays an important role in supporting the stability of the capital market through offering the technical support for all parties in the Egyptian market; offering training for 186 of brokerage firms on the amendments of the intraday trading system, as well as training 42 employees on the custodian system

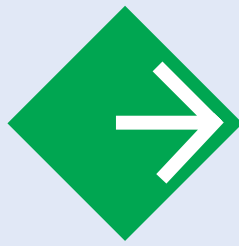
Users of the system data base have reached 1488, work have been distributed over the servers in both the main branch and the disaster recovery to overcome the power cut off. A user work station has been installed in the central computers' room to guarantee executing the settlement in the most difficult circumstances and testing it according to the business continuity plan, as well as testing the data transfer to the Egyptian exchange which has been done successfully, and improving and securing the printing of users' password using pin mailer.

### E-signature:

MCDR continued to issue E-signature certificate which reached 19000 certificate. MCDR also offered training courses for employees in the department on rules and procedures for issuing such certificates.

ONE OF THE BIGGEST PROBLEMS THAT FACED MCDR HAS BEEN THAT SOME ISSUING COMPANIES BELIEVE THAT BEING LISTED IN THE DEPOSITORY SYSTEM IS ASSOCIATED WITH THE LISTING ON THE EXCHANGE





## MCDR's Activity during 2013

### Central Depository & registry:



THE MARKET VALUE OF SECURITIES LISTED IN THE COMPANY IS 963.6 BILLION EGP AND 9.9 BILLION US DOLLARS, AND 361 MILLION SWISS FRANC WITH A TOTAL OF 1035 BILLION EGP ACCORDING TO THE EXCHANGE RATES



The company does not operate in isolation from the capital market system, it is an integral part of the market therefore it works on increasing the number of subscribers from issuers through organizing of courses to explain the depository system; its features and how to deal with it as well as what the company undertakes on behalf of the issuers. The number of participants has reached 1487 companies at the end of 2013, with an increase of 27 companies in comparison with last year. The number of members has reached 259 companies, including 154 Banks and brokerage firms and 33 direct settlement members, 14 banks primary dealers, 48 custodians and 10 registered owners.

The market value of securities listed in the company is 963.6 billion EGP and 9.9 billion US dollars, and 361 million Swiss franc with a total of 1035 billion EGP according to the exchange rates on the date of the report.

The market value of the deposited shares is 941 billion EGP and 9.8 billion US dollars and 361 million Swiss franc.

The company has executed a number of corporate actions on behalf of issuing companies such as: in-kind distribution (free shares) for 33 issuing companies, capital increase for 39 issuing companies, capital reduction for 3 companies, segmentation of 2 companies, 2 subscription rights, and 2 share swaps, dividing Egypt for petroleum and fertilizers manufacture (MobCo.), and

The total number of operations that has been settled through MCDR is 4784061, 102.670 of which in US dollars.

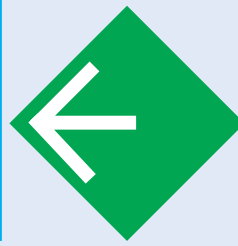
### Cash Dividends:

MCDR has distributed cash dividends for 572 securities; 225 of which with a total value of 18.8 billion EGP, and 347 bonds





Plans  
for 2014:



### Improvement of Risk management programs:

MCDR aims at reducing risks associated with the post- trading operations; therefore it has applied the system of delivery versus payment which is applied internationally

During 2013 IOSCO has issued regulations for institutions in the field of capital markets in order to unify all international regulations related to the following systems:

- Central Depositories' system (CSDs)
- Payment systems (PS)
- Securities settlement systems (SSS)
- CCPs
- TRs

The regulations include all the basic requirements that should be met by financial institutions in order to provide a mutual base for risk management all over the world.

MCDR is considered one of the most effective members in IOSCO and AMEDA, thus it takes upon itself applying the best practices for risk management by conducting a comprehensive assessment of all associated risks through evaluating the 24 principles issued by CPSS- IOSCO Committee. This will help in attracting foreign investments to the Egyptian market.

MCDR AIMS  
AT REDUCING  
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WITH THE  
POST- TRADING  
OPERATIONS;  
THEREFORE  
IT HAS  
APPLIED  
THE SYSTEM  
OF  
DELIVERY VERSUS  
PAYMENT  
WHICH IS  
APPLIED  
INTERNATIONALLY









# Statistics 2013



### **Operation of 2 new branches of banks:**

- El Baraka bank –Egypt  
(in front of future language school – Nasr city)
- Bank Misr (Talaat harb street – Alexandria)

### **Settlement of index stocks operations:**

This is the first open investment fund to be listed in MCDR and the Egyptian exchange. The process of issuing and cancelling index stocks will be done at MCDR as mentioned earlier.

### **Activation of E-signature:**

This will be done through issuing shareholders' list that is electronically certified.

### **Activation of smart cards in cash dividends:**

A new system will be applied regarding cash dividends; for the convenience of shareholders, MCDR in cooperation with CIB will issue a new smart card for this purpose.

This process is being finalized through CIB ATM machines.

### **Inauguration of the new headquarter in Alexandria:**

MCDR has purchased a new headquarter with a space of 436 square meters, in 88 Al horreya street, Alexandria.

The company's architects made the necessary plans for moving the infra structure to the new headquarter (including information networks, telephones and electricity) according to the transfer plan and the evacuation timings.

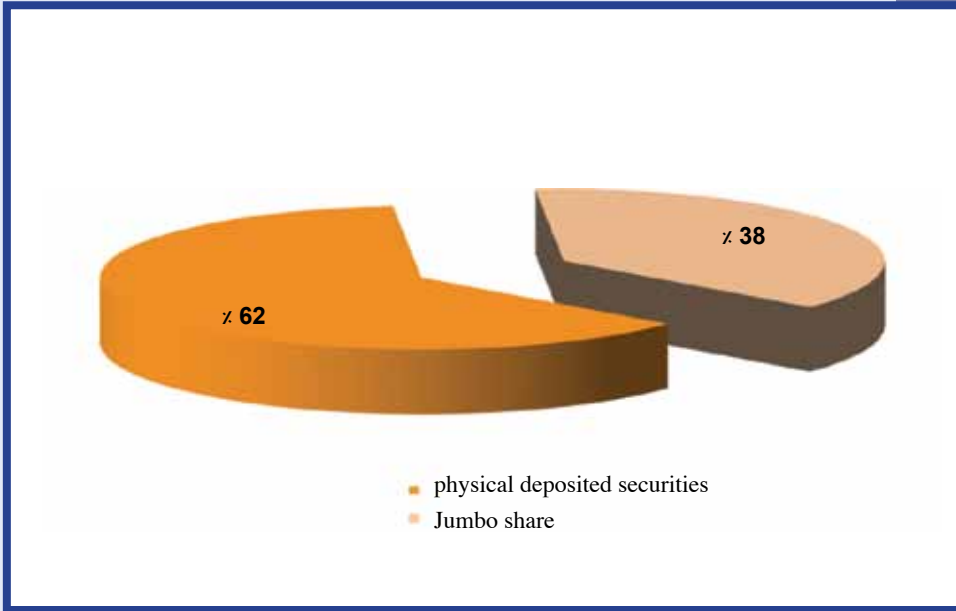
### **Inquiring via mobile phones and offering the opportunity**

**for the investor to place his order to the investors' database**



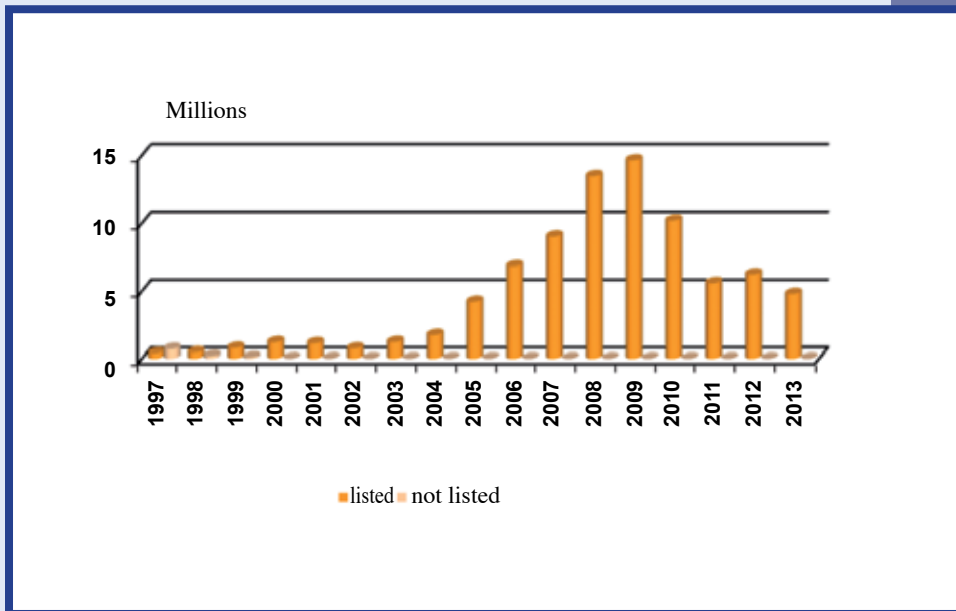


### Percentage of physical to non physical securities



Number of who issued stock certificates or temporary certificates is 929 issuers and issuers who have jumbo share are 259 .

### Number of settled transactions



2013 has witnessed significant decrease in the number of settled transactions for deposited securities . The total number of settled transactions were 4784061 , with a decrease of 23.2 % compared to the previous year .





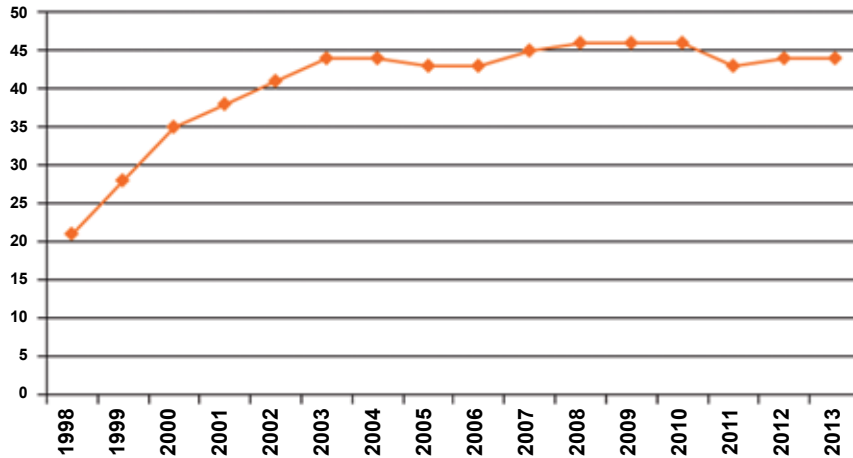




## Development in the number of cash distribution windows

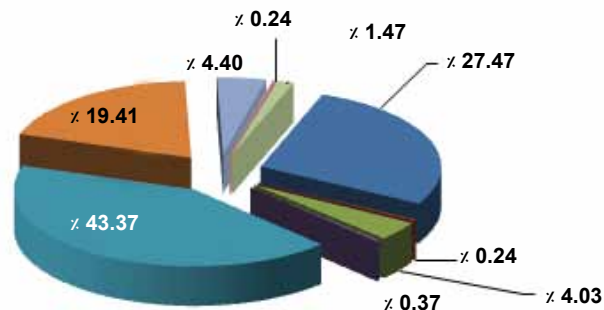


Number of cash distribution windows



By the end of 2013 , number of cash distribution windows reached 44 all over Egypt .

## Corporate actions executed through MCDR



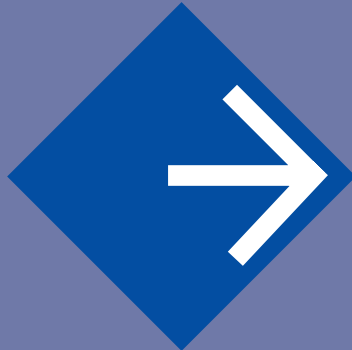
- cash payment
- split
- free shares
- decrease
- Returns on bonds
- redemption
- subscription
- swap
- delist

By the end of 2013 , corporate actions executed by MCDR on behalf of the issuers were 819 with an increase of approximately 1.6% compared to previous year .





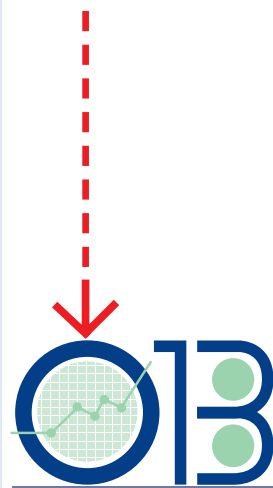




FINANCIAL  
STATEMENTS  
AND AUDITORS'  
REPORT THEREON

2013





statements, whether due to fraud or error, In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

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

### *Opinion*

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of as of , and its separate financial performance and its separate cash flows for the year then ended in accordance with Egyptian Accounting Standards and in the light of relevant Egyptian laws and regulations, and the Egyptian Financial Supervisory Authority Chairman's Decree (Ex. Capital Market Authority) No. (29) dated 5 August 2004.

### **Report on Other Legal and Regulatory Requirements**

The company maintains proper books of accounts that include all that is required by the Law and the company's Articles of Association, and the financial statements are in agreement therewith. The physical count of stocks was carried out by the company's management in accordance with normal procedures.

The financial information included in the Board of Directors' report, which has been prepared in accordance with the requirements of Law No. 159 of 1981 and its Executive Regulations, is in agreement with the relevant information in the company's books.



AN AUDIT ALSO INCLUDES EVALUATING THE APPROPRIATENESS OF ACCOUNTING POLICIES USED AND REASONABLENESS OF ACCOUNTING ESTIMATES MADE BY MANAGEMENT, AS WELL AS EVALUATING THE OVERALL PRESENTATION OF THE SEPARATE FINANCIAL STATEMENTS

**Auditors**

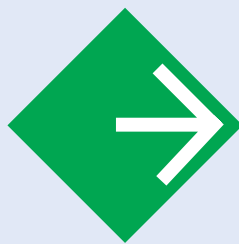
**A.M. Sallouh**  
Abdelmonem A. Sallouh  
Chartered Accountant  
R.A.A. 2347  
EFSA 361  
United Accountants

**Mohamed El-Sayed El-Hadi**  
Fellow of the Egyptian Society of Accountants and Auditors  
Fellow of the Egyptian Society of Taxation  
R.A.A. 3960  
EFSA 46  
BDO Khaled & Co.

**Cairo. 14 August 2014**







## Auditors' Report

**TO THE SHAREHOLDERS OF  
MISR FOR CENTRAL CLEARING, DEPOSITORY AND  
REGISTRY - S.A.E.  
MEMBERS OF SETTLEMENT GUARANTEE FUND**

### **Report on the Separate Financial Statements**

We have audited the accompanying separate financial statements of Misr for Central Clearing, Depository and Registry - S.A.E. – which comprise the separate balance sheet as of 31 December 2013, and the separate statements of income, changes in equity and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### *Management's responsibility for the Separate Financial Statements*

These separate financial statements are the responsibility of the company's management as management is responsible for the preparation and fair presentation of the separate financial statements in accordance with Egyptian Accounting Standards and in the light of relevant Egyptian laws and regulations and the Egyptian Financial Supervisory Authority Chairman's Decree (Ex. Capital Market Authority) No. (29) dated 5<sup>th</sup> August 2004, the management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error, this responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these separate financial statements based on our audit, We conducted our audit in accordance with Egyptian Standards on Auditing and in the light of relevant Egyptian laws and regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance that the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements, The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial



THESE SEPARATE  
FINANCIAL  
STATEMENTS ARE  
THE RESPONSIBILITY  
OF THE COMPANY'S  
MANAGEMENT AS  
MANAGEMENT IS  
RESPONSIBLE FOR  
THE PREPARATION AND  
FAIR PRESENTATION  
OF THE SEPARATE  
FINANCIAL STATEMENTS  
IN ACCORDANCE WITH  
EGYPTIAN ACCOUNTING  
STANDARDS AND IN THE  
LIGHT OF RELEVANT  
EGYPTIAN LAWS



**SEPARATE STATEMENT OF INCOME**  
For the year ended 31 December 2013

	<i>Note</i>	<i>31/12/2013</i> <i>L.E.</i>	<i>31/12/2012</i> <i>L.E.</i>
Services revenue	24	85,425,698	87,563,629
Cost of services	25	<u>(84,272,786)</u>	<u>(75,223,329)</u>
Gross profit		1,152,912	12,340,300
Interest income		58,273,877	66,084,142
Treasury bills return and gain on sale of investments at fair value through profit & loss		36,501,547	27,374,162
Held to maturity investments return		47,520,962	31,187,304
Other income	26	<u>11,869,248</u>	<u>5,118,906</u>
		155,318,546	142,104,814
General and administrative expenses	27	(69,852,001)	(66,461,850)
Provisions		(16,962,683)	(16,000,000)
Impairment of investment in associates		-	(6,000,000)
Impairment of available for sale investments		(1,879,107)	-
Profit for the year before taxes		<u>66,624,755</u>	<u>53,642,964</u>
Income Tax	28	<u>(11,704,265)</u>	<u>(8,657,665)</u>
Net profit for the year		<u><u>54,920,490</u></u>	<u><u>44,985,299</u></u>
<b>Net profit for the year represents :</b>			
Net profit for central clearing and depository activities		33,313,487	25,609,634
Net profit for settlement guarantee fund		<u>21,607,003</u>	<u>19,375,665</u>
		<u><u>54,920,490</u></u>	<u><u>44,985,299</u></u>

## SEPARATE BALANCE SHEET At 31 December 2013

	<i>Note</i>	<i>31/12/2013</i> <i>L.E.</i>	<i>31/12/2012</i> <i>L.E.</i>
<b>LONG TERM ASSETS</b>			
Fixed assets	5	140.105.938	149.783.984
Projects under construction	6	4.937.064	4.273.012
Investment in subsidiary	7	8.850.000	8.850.000
Investment in associates	8	1.451.750	2.903.500
Held to maturity investments	9	141.283.254	85.314.409
Available for sale investments	10	224.284	2.103.391
Investment in Investor Protection Fund	11	2.115.154	2.115.154
Intangible assets	12	2.500.000	2.500.000
Advance payments for finance lease	31/2	5.814.293	7.928.577
Total long term assets		<u>307.281.737</u>	<u>265.772.027</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	13	93.123.612	95.821.768
Investment at fair value through profit and loss	14	101.778.730	98.266.980
Cash and bank balances	15	65.183.711	81.954.252
Bank balances – coupons dividends	16	2.010.403.232	1.900.351.667
Total current assets		<u>2.270.489.285</u>	<u>2.176.394.667</u>
<b>CURRENT LIABILITIES</b>			
Dividends coupons payable – customers	16	2.010.403.232	1.900.351.667
Trade and other payables	17	74.662.126	61.592.096
Provisions for risks and claims	18	16.331.235	15.701.617
Taxes payable		3.660.699	3.542.315
Total current liabilities		<u>2.105.057.292</u>	<u>1.981.187.695</u>
Working capital		<u>165.431.993</u>	<u>195.206.972</u>
Total investment		<u>472.713.730</u>	<u>460.978.999</u>
<b>Financed as follows:</b>			
<b>EQUITY</b>			
Depository and Registry activities:			
Share capital	19	184.800.000	184.800.000
Legal reserve	20	2.946.156	1.280.482
Retained earnings		31.858.847	24.329.152
Total equity for depository and registry activities		<u>219.605.003</u>	<u>210.409.634</u>
<b>Settlement Guarantee Fund</b>			
General accumulation	22	178.869.355	181.999.196
Special accumulation	23	49.026.654	46.750.013
Legal reserve	20	2.049.133	968.783
Retained earnings		20.526.653	18.406.882
Total equity for settlement guarantee fund		<u>250.471.795</u>	<u>248.124.874</u>
Total equity		<u>470.076.798</u>	<u>458.534.508</u>
Long term liabilities			
Deferred income from sale lease back	31/1	530.748	723.748
Deferred tax liabilities	32	2.106.184	1.720.743
Total long term liabilities		<u>2.636.932</u>	<u>2.444.491</u>
Total finance of investment		<u>472.713.730</u>	<u>460.978.999</u>
<b>CONTRA ACCOUNTS</b>	29	<u>1.012.164.104.988</u>	<u>937.800.473.534</u>



**SEPARATE STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 December 2013

<i>Settlement Guarantee Fund</i>					
<i>General accumulation L.E.</i>	<i>Special accumulation L.E.</i>	<i>Legal Reserve L.E.</i>	<i>Retained Earnings L.E.</i>	<i>Total L.E.</i>	
179,275,071	45,413,676	2,501,596	15,904,351	450,463,206	
-	1,357,732	-	(1,357,732)	-	
2,724,125	-	-	-	2,724,125	
-	-	-	(14,546,619)	(37,115,131)	
-	2,501,596	(2,501,596)	-	-	
-	-	-	-	-	
-	-	-	19,375,665	44,985,299	
-	(2,522,991)	-	-	(2,522,991)	
-	-	968,783	(968,783)	-	
181,999,196	46,750,013	968,783	18,406,882	458,534,508	
-	2,276,641	-	(2,276,641)	-	
(3,129,841)	-	-	-	(3,129,841)	
-	-	-	(16,130,241)	(40,248,359)	
-	-	-	21,607,003	54,920,490	
-	-	1,080,350	(1,080,350)	-	
178,869,355	49,026,654	2,049,133	20,526,653	470,076,798	

	<i>Depository and Registry activities</i>			
	<i>Share Capital L.E.</i>	<i>Legal Reserve L.E.</i>	<i>Retained Earnings L.E.</i>	
Balance at 1 January 2012	154,000,000	7,559,562	45,808,950	
Transferred to special accumulation	-	-	-	
General accumulation increase	-	-	-	
Dividends declared	-	-	(22,568,512)	
Transferred from legal reserve	-	(7,559,562)	7,559,562	
Stock dividends	30,800,000	-	(30,800,000)	
Net profit for the year	-	-	25,609,634	
Used from special accumulation	-	-	-	
Transferred to legal reserve	-	1,280,482	(1,280,482)	
Balance at 31 December 2012	184,800,000	1,280,482	24,329,152	
Transferred to special accumulation	-	-	-	
General accumulation decrease	-	-	-	
Dividends declared	-	-	(24,118,118)	
Net profit for the year	-	-	33,313,487	
Transferred to legal reserve	-	1,665,674	(1,665,674)	
Balance at 31 December 2013	184,800,000	2,946,156	31,858,847	

## SEPARATE STATEMENT OF CASH FLOW

For the year ended 31 December 2013

	Note	31/12/2013 L.E.	31/12/2012 L.E.
<b>OPERATING ACTIVITIES</b>			
Net profit for the year before taxes		66,624,755	53,642,964
Adjustments for the following items:			
Depreciation	5	14,752,605	15,120,468
Gain on Foreign exchange		(3,280,529)	(1,331,319)
Interest income		(58,273,877)	(66,084,142)
Treasury bills return and gain from selling investments at fair value through profit & loss		(36,501,547)	(27,374,162)
Held to maturity investments' return		(47,520,962)	(31,187,304)
Amortization of finance lease advance payment	31/2	2,114,284	2,114,284
Adjustments of taxes on treasury bills return		(7,658,125)	(5,482,330)
Provisions provided during the year		16,962,683	16,000,000
Used provisions		(297,363)	-
Gain from sale lease back	26	(193,000)	(268,000)
Amortization of bonds' premium / discount		942,955	455,728
Impairment of investment in associates		-	6,000,000
Impairment of Available For Sale investments		1,879,107	-
<b>Operating loss before working capital changes:</b>		(50,449,014)	(38,393,813)
Trade and other receivables		(13,900,456)	(8,819,927)
Trade and other payables		12,797,849	2,746,899
Loans collected from brokerage companies		-	33,401,372
Paid Taxes		(2,979,405)	(1,048,325)
Prior years tax differences		-	(5,650,000)
Dividends paid to employees and Board of Directors		(7,478,806)	(8,339,037)
Gain on foreign exchange		3,280,529	1,331,319
Net cash used in operating activities		<u>(58,729,303)</u>	<u>(24,771,512)</u>
<b>INVESTING ACTIVITIES</b>			
Interest income		58,273,877	66,084,142
Treasury bills return and gain from selling investments at fair value through profit & loss		36,501,547	27,374,162
Held to maturity investments return		47,520,962	31,187,304
Purchase of Held to maturity investments		(56,911,800)	(286,368)
Projects under construction payment		(664,052)	-
Purchases of fixed assets	5	(5,074,559)	(3,673,886)
Proceeds from sale of fixed assets		-	75,000
Decrease in Investments in associate		1,451,750	-
Investments at fair value through profit and loss		19,035,642	(58,966,078)
Net cash from investing activities		<u>100,133,367</u>	<u>61,794,276</u>
<b>FINANCING ACTIVITIES</b>			
Dividends paid to shareholders & settlement guarantee fund members		(32,497,372)	(29,341,092)
Decrease)/Increase in general accumulation)		(3,129,841)	2,724,125
Decrease in special accumulation		-	(2,522,991)
National Investment Bank loan		-	(60,000,000)
Net cash used in financing activities		<u>(35,627,213)</u>	<u>(89,139,958)</u>
<b>Increase /(Decrease) in cash and cash equivalent</b>		5,776,851	(52,117,194)
Cash and cash equivalent at the beginning of the year		83,048,076	135,165,270
Less: Restricted time deposits	15	<u>(5,390,272)</u>	<u>(5,075,024)</u>
Cash and cash equivalent at the end of the year	15	<u>83,434,655</u>	<u>77,973,052</u>