

Mosul Bank for Development and Investment  
Annual Report 2006

MBDI

## Index

- General Institute Invitation.
- Chairman of the Board Statement.
- Management Board Report.
- Auditor Report.
- Balance Sheet.
- Profits ,and losses accounts.
- Money distributions and sources statement.
- Contracts Statement.
- Trading papers Statement.
- Debtors Statement.
- Fixed assets Statement.
- Incoming expenses analyses Statement.
- Current accounts and credits Statement.
- Allocations Statement.
- Loaners Statement.
- Preservatives Statement.
- Mutual commitments to banking operations Statement.
- Banking activity revenue Statement.
- Financial investment revenue Statement.
- Management expenses Statement.
- Banking exchanging operations expenses Statement.
- Added Value Statement.
- Handed Commissions Statement.
- Tax Service Statement.
- Other revenue Statement.
- Services Statement.

The invitation addressed to the contributors to attend  
the general authority meeting

An invitation addressed to the contributors to attend the general authority meeting  
To/Contributors of Mosul Bank for Development and Investment (P.S.C.)

*Subject / Invitation to attend the General Authority meeting*

Dear respected Contributors:

According to articles (86, 87) of companies reissued rule no (21) of 1997 and management board resolution no (1) in the session no (1) hold on 16/2/2007 .

We are delighted to invite you to attend the annual General Authority meeting which will be held at 10:00 a.m. of Wednesday , 18/4/2007 at the bank's hall in Mogul- Markaz St. ; to look in the following agenda :

1. Listening to management annual report concerning the bank's activity during the financial year of 31/12/2006 and taking the necessary decisions around the subject
2. Listening to and arguing the accountant observer's report and undertaking the appropriate decisions on this subject.
3. observing and giving approvals to the final data and accounts of the ended year 31/12/2006
4. Approving the incoming profits up to 31/12/2006 and the paying mechanism for these profits.
5. Discussing the plan of raising the capital of the company according to article 55 / one and two of companies renewed rules no 21 of 1997
6. Discussing proposed plans for opening new branches
7. Discussing subjected investment projects and the mechanism of funding them
8. Employing anew accountant observer for 2007 and appointing his fees
9. Looking at releasing the Head of Management Board and the board members from their obligations and appointing their rewards.

So would you please attend the meeting or you may send on your behalf one of the contributors accompanied with their cards of invitation available in the bank or sending an agent with a stewardship approved from a legal writer showing shares certificate. The invitations on behalf and the agents papers would be credited to the general management/ contributors branch three days before meeting date noticing articles (91/94) of the companies rule mentioned above .

If it hasn't reached the quorum, the meeting would be postponed to Wednesday 25/4/2007 in the same place and time allocated before.

**Best Regards**

**Head of Management Board**

*Chairman of the Board Statement*

**On the Name of God the Most Gracious the Most Compassionate**

**Dear respected contributors:**

**Welcome....**

It is great pleasure and honor to attend your blessed meeting during the peak of this banking business.

At the beginning; I am so glad to to present the annual report to keep in touch with the achievements of our bank through 2006 and listening to your suggestions to improve our bank business for the future year 2007.

The year 2006 was, nevertheless, better or more progressed if compared with the years before in all points; where there were bad security situations and bad conditions all over the country in general. All that acted negatively in creating a state of back warding in all kinds of economical activities an that lead to falling back of investments. your bank, however ; has achieved some progress with the help of you to overcome those challenges .I'd like to refer to the fact that your bank's work, in spite of all difficulties, was so unique in different ways;

**Dear brothers:**

Establishing the new branch of international communications and external relations which helped the bank work and opining new funds and cash transaction and issuing external insurance papers for clients and some of which has been imported .We also improved the SWIFT System in the bank work this year and it will be activated in the coming year to fulfill the external bank's work swiftly and more accurately. and using a modern communicating system among the branches of the bank and the outer world .

At the end allow me to thank the Central Bank manager and the manager of Companies Register and all other gentlemen worked with them for their productive help with our bank1s management.

I also wish to present my gratitude to the bank staff for their work and act in presenting best banking services.

God Bless you All

**Head of Management Board**

## **Management Board Annual Report For the Bank's Activities of 2006**

### **Establishing the bank and the nature of it's activities ..**

1. Mosul Bank for Development and Investment was established as a private sharing company with Full Paid Up capital of 1 000 000 000 Iraqi Dinar (one billion Iraqi Dinar) totally paid according to the establishment certificate no . 7909 in 23/Aug./2001 issued by the companies register division . Mosul Bank has a license from the Central Bank of Iraq NO. 2/3/9909 on Nov. 3<sup>rd</sup>/2001.
2. Responding to the economical developments , the expanding of bank dealers ,covering internal and external services and raising bank competitive powering the Iraqi Market;the company increased the bank capital up to 20 000 000 000 Iraqi Dinar (20 Billion Iraqi Dinar):
  - A. First increase with the rate 100% from the first capital to be (2)Billion Dinar in February 2004.
  - B. Second increase with the rate 400%to be (10) Billion Dinar in September 2004.
  - C. Third increase with the rate 100% to be (20)Billion Dinar in November 2004.

### **Bank Activity**

Mosul Bank for Development and Investment presents banking services and managing foreign currency ,managing shares and stock circulating by mediation offices in the Iraqi Stock Exchange market .Also Portfolio and real estates investments managing by its branches net and banking relations with many local and regional banks .In spite of huge competition and negative internal circumstances which has been directly reflected on investment decreasing, retreating of economic market indexes , decreasing dealers base and improving services .Our bank is presenting banking services depending on high efficiency executive team with wide experience in banking field.

Due to the importance of the human factor in all levels in doing their work efficiently ,quickly , for all banking and financial activities; and in applying the planned training strategy arranged by the bank ; many internal training courses have been held for bank employers including the latest one on 4/12/2005with great success for the participated persons .Also many employers have been delegated for training courses in the Central Bank of Iraq and another one outside the country.

### **The Bank Objectives ...**

Mosul Bank for Development and Investment is looking for reaching a pioneer position at Iraqi market by improving present services to its clients ( companies or individuals ) also looking at future in an optimistic vision of growing locally , regionally and internationally by activating banking relations with the regional and international financial institutions and packing national savings to be used in different fields of investment .Also contributing high levels of services, improving and varying in financial services.

Many participations and meetings of financial and economical activities have been held inside and outside Iraq to watch latest development in the banking business; and to make use of the modern turns in financial administration, investments and using information technology to indulge in the modern fields and varying banking presented services and improving them.

### **Bank activity during year 2006**

In spite of the large competitiveness and internal bad conditions which lead directly and negatively on shrinking investments and backing off of the economical market indicators , in spite of that the bank managed with the staff efforts to expand dealers base and improve presented services levels

The bank policy used by the central bank of Iraq had great influence in achieving the following:

Achieving the economical targets for this year and gaining best results concerning Interests skeleton and getting positive results in controlling the inflation rate and in exchanging Iraqi Dinar .The bank also managed successfully in dealing with Credits managements and competing the banking work and giving best services to the clients including cash and credit funding .The bank increased the credit level within an improvement plan supervised by a crediting committee from the bank after a general study to the fluctuation in the interests rates and the expected revenue . At the same time maintaining the quality of the credit folder and collecting the acquired loans .

#### **Cash Credit:**

The Cash Credit increased up to 21276056555 Dinars of the rate 40%from 2005 which was 15255764054 Dinars.

The following table shows the use of cash credit

Year	Loans	Checked		Total
2006	10110129000	10164092555	1001835000	21276056555
2005	6896172500	7271741554	1087850000	152555764054

**Crediting Insurance:**

The Balance of this insurance increased up to 6547236282 Dinar in comparing with the previous year which was 3223307657 Dinar with an increasing rate of 100%

**Results of the bank work(Revenue and expenses ):**

The Bank managed to achieve the revenue of 5105856245 ID in comparing with the previous year which was 3410956111 and the expenses reached 2373133632 ID in comparing with the previous year which was 1468156729 ID and thus the total profits will become after counting out the taxes and reserves ,it will become as follows:

2732722613 ID Profit of /2006 which represent 13,66%from the capital while it was 1942799382 ID in 2005

**Revenues:**

There is also an increase in the interests added to the balance of the bank from outside the bank reached 187474233 ID .The following explains revenue distribution among bank activities :

Night Investment	1304050451	25,54%
Cash Insurance		
Loans	643884121	12,62%
Supervised	1336602432	26,17%
Notaries to be paid	151576341	2,96%
	2,132062,894	41,75%
Crediting insurance		
Insurance Notes	243279064	4,80%
Drafts	425957811	8,31%
Safatig	113607649	2,25%
Investments	152528432	3%
External Balances	187474233	3,65%
Selling and buying hard currency	365428123	7,15%
Others	181467588	3,55%
Total	5105856245	100%

**Administrative and Banking operations expenses:**

**The following is the Administrative and Banking operations expenses Statement:**

Administrative and Banking operations expenses Statement

34	Paid Banking Interests	60518376
34	Paid Banking Commissions	220995127
34	Decreasing of Investments value	500000000
35	Interests on open Drawn- Offs	9828572
	Total of the Statement	791 ,342 ,075

Administrative Expenses Statement

31	Salaries and fees	668155490
31	Insurance unit price	7307101
32	Goods Requirements	51392383
33	Services Requirements	269730427
37	Vanishings	106318230
38	Exchanging Expenses	476319236
39	Other Expenses	2568600
	Total of Statement	1581791557
	Total of Expenses	2373133632

**Credits balances:**

**Different credit Balances increased in the current reported year in local and foreign currencies as follows :**

	<b>Dinars</b>	<b>Dollar (Valued in ID)</b>
<b>Lent Current Credits</b>	<b>50992195618</b>	<b>5548511008</b>
<b>Deposited Credits</b>	<b>1639544374</b>	<b>233492849</b>
<b>Fixed Credits</b>	<b>541819900</b>	
<b>Other Credits</b>	<b>2806165536</b>	
<b>Total</b>	<b>55979725428</b>	<b>5782003857</b>



**Selling and buying Foreign currency:**

The Bank activity concerning the selling and buying the hard currency through the Central Bank of Iraq has achieved a profit of 235468263 Dinar in the Dollar auction and 29959860 Dinar in the bank's branches.

The bank invested the cash (Dinar & Dollar) of the bank as night investment in the Central Bank of Iraq and to gain interests reached 1304050451 ID.

**Fixed Assets :**

Concerning Fixed Assets (excluding the Vanishings and postponed revenue expenses)has increased up to 3882606891 ID in 31/12/2006 while it was 3338723572 ID in 2005.

**Uncertain to be paid debts :**

According to the interntional needs of baking and due to the rules of the Central Bank of Iraq and according to the instruction and rules ,the bank kept the level of the Uncertain to be paid debts indicaor of 3%from the Cash Insurance to become 914819782 ID while it was only 5500000000 Million ID in the previous year.

The amount of 1800000000 has been dedecated for the ommitted differences cash and instored.

**Cash Fluency:**

This sector includes the cash in the safe and in the Central Bank of Iraq and other banks and institutes.

As follows:

1	Cash in the Safe	2153785533
2	Central Bank of Iraq	24982197124
3	Central Bank of Iraq (hard currency Valued in ID)	2764640
4	Central Bank of Iraq ( Investment Account)	13000000000
5	Governmental Banks	577478767
6	Local Banks	74885250
7	Cash in Hard Currency (in the Safe ) valued in ID	2416637884
8	Cash in external banks valued in ID	5256190805
9	Cheques and Drafts under work	91314902
	Total	48555245905

### **Human Resources:**

The Bank has improved the working staff through encouraging well trained personnel and improved the performance of the staff. It also improved the bank accessibility to everything new and up to date technology where the Study Branch in the bank is currently training the employers by arranging training courses and creating the alternatives in the work ,in addition to the bank's efforts to indulge and participating in the courses and seminars held by the central bank of Iraq held in 2006 . In addition to that helping the employers to joining such courses outside the country.

### **Bank employers and total salaries and paid bonuses:**

A-The number of the employers of the bank reached (223)as in 2006 all of which are Iraqis and the total salaries and paid bonuses for them reached (668155490)ID in the same year and the bank's share of social insurance reached (7307101 0ID

B-The employers ranks in management as in 31/12/2006 are as follows ;

Management level.....	Number
Manager in charge	1
Deputy manager	1
Assistant Manager in charge	1
Accountant manager	1
Senior Accountant manager	1
Exutive manager	3
Branch Manager	7
Manager Assistant	12
<u>Other employers</u>	<u>198</u>
Total	223

C-Names and addresses of five mmbers of the bank who recieved the highest salaries from the Deputy Manager.

<u>Name</u>	<u>Job Title</u>
Mr.Abdulrahman Muhamad Basheer	Deputy manager
Mr. Jalal yehya Qasim	Assistant Manager in charge
Mr.Qaidar Abdul Rahman Abdullah	Senior Accountant manager
Mr.Salih Mahdi Al Azzawi	Exutive manager for Baghdad branch
Mr. Nadhim Abdulrazzaq Alabdaly	Andalus branch Manager

### **New Branches:**

In applying the expanding plan of the bank, it has been studied and applied the plan of opening new branches in other governerates and taking the approval of the central bank of Iraq and thus two branches are operated in 2006 they are;

- 1- Sulaymanyah Governerate / Sulaymanyah Branch
- 2- Salah Aldin Governerate/ Tikrit Branch

In Addition to the former branches and they are:

- 1- Nineveh Governorate/Main Branch
- 2- Nineveh Governorate/Salam Branch
- 3- Nineveh Governorate/Andalus Branch
- 4- Nineveh Governorate/Babaltob Branch
- 5- Nineveh Governorate/Baghdad Branch
- 6- Notthern cement factory branch
- 7- Drugs Branch

**Management Board:**

**A – Management Board Members**

<u>Name</u>	<u>Job Title</u>
1. Mr.Qusay Yehyah Qasim	/ Board Manager
2. Mr.Gazi muhamad Mahmood	/ management Board Deputy
3. Mr.Sakeeb Abdulbaqi Alsarraf	/ member/Deputy manager
4. Mr.Ali Hussain Muhamad	/ Member
5. Mr.Dhiaa Ibraheem Al Dabbagh	/ Member
6. Mr.Qutaiba yehya Salih	/ Member
7. Mr. Adil Abdulqadir	/ Member

**B-management board meetings:**

The number of metings was 10 sessions in this year

**C-** None of the mentioned board members get any bonuses through 2006or cash gifts excepting the one allocated by the general institute meeting held in 28/6/2006 of 2005.

**D-Deputy Manager :**

This Manager recieved the sallaries and bonuses of 10000000 ID in 2006.

**E-** Acommittee has been held to check the accounts in the latest general meeting according to the instructions of the Central Bank of Iraq with the following members;

- 1- Mr. Ali Hussain Muhamad /Manager
- 2- Mr. Hasan Ibraheem Hassan /Member
- 3- Mr. Nabeel Muhamad Mahmood/Member

### **The Bank Possessions:**

Following the instruction of the Management Board of possessing bank's branches buildings lead proved to be a successful policy after the great increase in estates prices market from the original book values, and the following table shows the banks estates values :

Estate	Book Value	Market Value
General Management Building and the main branch/Mosul	184,267,000	750,000,000
Baghdad Branch Building	1,675,000,000	2,500,000,000
Andalus branch Building /Majmoua Al Thaqafyah	225,000,000	500,000,000
Salam Branch Building /Mosul Al Jadeeda	87,000,000	350,000,000
Management Board Subordinate Building	114,000,000	200,000,000
Piece of land in Dawasa Area	55,000,000	400,000,000
Buildind in Danadan Area	194,820,050	250,000,000
Total	2,340,267,000	4,700,000,000

### **External relations:**

The Bank tried hard to creat banking relation with the agents of the bank and getting easier requirements to manage the bank International work.The Bank managed to get the approval from the Aabic Investment Co. –al Wahda In Bahrain and increasing the investment level up to the double.

In Addition to the prior banks agents ,the bank hel an agreement with the International Trade and Funding Bank–Syria and getting mutual relation with this Co.and making this bank as Regional Correspondance to the main branch and Signing contracts of understanding with France bank-Lebanon o expand the regional banking net .

Currently the bank is negotiating posaitavely with secured funing institutes to undergo the external money transactions due to the increase of the work in reconstructing Iraq.

### **External Transactions ;**

Due to the client`s need in the bank m, many banking documentary funds has been established and new external and external transaction insurance notes are issued in the international and external branch . In Doing this , new funding notes imported into Iraq and many insurance notes issued as well for foreign client`s benefactors within Iraqi clients demands. Also transferring cash from and to Iraq through the bank`s agents to the whole world and according to the rules of the Central Bank of Iraq .

We can say now that the external transactions operatons in your bank was success and we hope to improve it through booting SWIFT system which is now in the final preparations .This system will enable the bank to communicate with international banks directly to control the bank`s business externally

Mosul Bank for Development and Investment is doing the best to improve the bank's staff through bringing efficiencies , improving expertise ,upraising employers levels of performance ,reinforce their abilities in banking business and keeping them in touch with the latest modern information by indulging them with training courses internally and externally to be able to present best banking services and improving their acting behaviors to get the satisfaction of bank's customers .The study and development branch in the bank is also trains many employers by making them participate in training courses held by the Central Bank of Iraq in Baghdad or other governorates. The bank also participated in the training courses held by the Azhar Co. for Banking Bails inside and outside the country. The Studies branch of Mosul Bank for Development and Investment has also organized many other courses for the staff and presenting different banking information scientifically through using academic efficiencies and experts of banking business .and the following shows the kind of training courses held by the bank:

**Training Courses:**

**Training Courses Inside the country:**

Training Courses Inside the Country		
	Number	Persons Participated
Banking operation course	18	72
Computing Courses	4	32
Lectures/Seminars	10	16

**Training Courses outside the Country:**

One Training course in Amman –Izdihar Co for banking Bails

Head of Management Board

Qusay Yehaya Qasim

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Management board banking actions report and**  
**financial data accounting observer report in 31\dec.\2006**

**Contents**

**First : Auditor's report**

**1-5**

**Second :Financial data**

**Statement no**

- General balance A
- Profits and losses accounts B
- Capitals using sources comm.. C

**Third : Statements belonging to financial comm.**

**Statement no**

- Money 1
- Investments 2
- Discounted Trading papers 3
- Loans and delayed payments 4
- Debtors 5
- Fixed Assets 6a
- Postponed incoming expenses analyses 6b
- Current accounts and credits 7
- Allocations 8
- Loaners 9
- Preservatives 10
- Mutual commitments to banking operations 11
- Mutual accounts 12
- Banking activity revenue 13
- Financial investment revenue 14
- Banking operations expenses 15
- Management expenses 16
- Other revenue 17
- Transactions expenses 18
- Other expenses 19

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Management board banking actions report and**  
**financial data accounting observer report in 31/dec.\2006**

**Contents**

<b><u>Fourth: National accounts Statement</u></b>	<b><u>Statement no</u></b>
• Total added value in cost price coom	A
• Distributing total added value in cost price coom	B
<b><u>Fifth: Statements For national accounts comm.</u></b>	<b><u>Statement no</u></b>
• Gained commissions	1
• Accounted service fees contents	2
• Other revenues	3
• Goods requirements	4
• Service requirements	5
<b><u>Sixth : Banking activity management board report</u></b>	

**Respected Management Board Members**

**Mosul Development and Investment Bank (Private joint-stock company)**

**Mosul-Nineveh**

**Accounting Monitor Report**

**Endorsement no: 15**

**Date 1\4\2006**

We have detected the general balance of Mosul Development and Investment Bank(Private joint-stock company)\_Mosul-Nineveh as in 31\dec.\2006,profit-losses accounts , distribution for the ended year on the mentioned date and the bank annual report which is arranged according to companies` rules and conditions no (21) of 1997 and the instructions emerged from it .

We have obtained the necessary manifestations and information which have been necessary to fulfill our mission legally and according to checking procedures including necessary tests for bank activity within our specialization ; so we would like to show the following:

**First :Bank Activity :**

1. the balance of "Current operations exes" which is (30,038,459,088)Dinar has been increased over the past year balance which is (700,875,547)Dinar which represent developing estimated rate of (23%) , and in the same time "total bank activity" reached (2,732,722,613)Dinar after putting in consideration (other transactions revenues) ,(other transactions expenses)through the relevant year as it is shown below :

<b>Million Dinar</b>	<b>%</b>	
<hr/>		
<b><u>Trading Activity Revenue</u></b>		
3,441	70%	Exchanging activity revenue
1,491	30%	Investments revenue
<hr/>		
4,932	100%	
<hr/>		
1,894		Discounted: Trading activity expenses
<hr/>		
3,038		Trading operations exes
173		Added: other exchanged revenues
478		Discounted: Total and other transactions expenses
<hr/>		
2,733		Total Activity
<hr/>		

This shows that "Investments Revenue" represents 30%from the total "current activity revenue"which was 24% in 2005



2. Profit balance represent the rate 9,3% up to 31\12\2006 to the origin capital which was 7% up to 31,12,2005

### **Second : Portfolios:**

Bank market value for "Portfolio" shares as in 31\12\2006 reached (4,413,010,367)Dinar carrying the rate 22% from the capital and 4,9% from total assets where the long period investments reached (400,000,000)Dinars in 2006and kept the short period investments up to (4,013,010,3670 Dinars .,while the balance allocated for the decreasing in investments improved up to (510,043,005) mDinars which is 12%from the investment balance.

### **Third : Bank Financial Position :**

#### **A-The Capital:**

The capital has not been increased through 2006 which is 20 billion since 31/12/2005

#### **B-Cash insurance**

Currency insurance has been increased from the comparing year on the balance date and reached (6,214,711,121)Dinar and this increase came from :

Million Dinar	%	
434	7%	Sold and discounted trading papers balances shortage
5,808	93%	Increase in loans and paying in
6,242	100%	

The Cash insurance represented the rater 25,4% from the total assets.

### **C-Credit and current accounts:**

Credits and current accounts increased in 2006 due to the increase in debted current accounts and according to the insurances gained with the amount of (12,173,786,061) Dinars and the following diagram shows that:

Million Dinar	%	
12,835	105%	Current and deposit accounts increase
(0.726)	(6%)	Shortage in Credits Accounts
0,611	5%	Received insurances for banking actions increase
(0,456)	(4%)	Shortage in internal drafts
<hr/> 12,174	<hr/> 100%	

### **D-Currency flow within the year:**

The sources and currency using Statement –attached comm.(c)-explains in details the allowed used currency in the under accounting year which reached (62,218) million Dinar while the actual used currency reached (13,663)million Dinar ,and so the currency balance became (48,555) million Dinar on 31/12\2006

### **Fourth : Internal checking :**

The report we presented and the data and final accounts of the year 31/12/2005;and for the increase taken place in the banking insurance activities, credits and deposit accounts ;we insisted on the importance of the internal monitoring system; we assure it is important to take care of internal checking to follow up with the size of the bank's activity in 2006.Also due to the increase of the bank`s branches up to (8) and the increase in credit banking dealings and in the deposited one . we assure it is important to take care of internal supervising and support it with a qualified staff to follow up with the size of the bank's activity

### **Fifth : Accounting policies:**

#### **1- Incoming and expenses:**

They are accounted according to the principle of deserving and the bank uses international standards in it`s accounting operations. ring the delivery date.

## **2 Finishing and vanishings :**

Assets vanishings and finishing postponed revenue expenses could be accounted on the bases of fixed shares within the issued rate according to the rule no (9) of 1994 ( private sector rule of vanishing and finishing) Insisting on keeping records for fixed assets.

## **3 Mutual Borrowing and lending accounts:**

In support to our report of final accountings of 2005 we did not get an approval for the loaned balances .Working with the instruction of the Central Bank of Iraq instructions; it has been(compromised) between mutual borrowing accounts and lending accounts ,as in 31\dec.\2006

## **4 Foreign currency transaction prices:**

Prices has been named for all the assets and needed things in foreign currency as in balance price date (1480)Dinar for every American Dollar Except for Baghdad branch which allocated the price . (1325) Dinar for every American Dollar So we recommend to make a united price bases to be applied in all of the branches.

## **5 Suspected to be paid debts locator:**

The amount (941,819,782) Dinar has been accounted for the Suspected to be paid debts up to 31\12\2006 as in allocation report no (8) and according to the guide list in the book of the Central Bank of Iraq no 9/2/3308 in 27/12/2005

## **Sixth Money Laundry and Terrorism Funding:**

Through checking our accounting records and observing the banking operations through this checked year we did not find any indicator that the bank is practicing money laundry that is connected to terrorism.

## **Seventh The Abundant of the Capital:**

Through checking our accounting records and observing the banking operations done and funded and through observing the checking report we found that the spent capital in the current time annually is 15% .This is to be revalued within the bank progress.

According to our opinion and to what we have achieved through our test ,and according to what is mentioned in the bank's records and information ; we concluded

- 1 The used record group by the bank was in match with recording system needs, and it has covered the needs , expenses and the revenue of the bank
- 2 The inventory for fixed and currency belongings has been done well with our supervision .The inventory results matched with records . These assets have been valued according to the bases accounted and used in the former year
- 3 The yearly report reflexes according to what it conclude of financial information and accounts the full image of the bank's history through the current under accounting year. The report doesn't conclude any thing against the rules and prevailing legalizations
- 4- The final data and accounts have been arranged according to rules and conditions of accounting and legalizations and they match with the records and organized according to companies rules and conditions issued for this subject , and of course the rules of the Central Bank of Iraq  
The attached general balance expresses the bank's financial post on 30\dec.\2006,and result accounts shows the bank's activities profits for the ended year on the date mentioned

Nawfal Mahmood Al Qassab

Charter accountants

Mosul 27/2/2007

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**General Balance 31\dec.\2006**

**Statement –A-**

Statement no	Accounting Guide No.		2005 <u>I.D.</u>	2006 <u>I.D</u>
<b><u>Assets</u></b>				
<b><u>Dealt assets</u></b>				
1	18	Money ( in the box and in Banks)	39,222,758,681	48,555,254,905
2	15	Investments	4,013,010,367	4,413,010,367
	14	Money crediting	-----	-----
3	144	Sold and discounted trading papers	2,564,375,504	2,998,574,254
4	14 except 144	Loans and Paying in advance	14,167,914,054	19,975,429,425
5	16	Borrowers	16,732,289,558 <u>16,548,500,132</u> 76,516,558,738	22,974,000,679 <u>10,547,063,715</u> 86,489,329,666
<b><u>Fixed assets</u></b>				
6	11	List-in the book value( after Discounting the vanishing)	1,470,459,681	3,366,172,035
		Postponed revenue expenses	23,573,102	67,464,156
6	12	Under work projects	1,844,7690,789	448,970,700
<b>Total of assets</b>			<u>3,338,723,572</u> <u>79,855,282,310</u>	<u>3,882,606,891</u> <u>90,371,936,557</u>
<b><u>Mutual accounts</u></b>				
11	19 191	Customers obligations towards Banking operations (after Discounting insurances)	----- <u>2,726,216,100</u>	----- <u>5,434,489,132</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**General Balance 31\dec.\2006**

**Statement –A-**

Statement no	Accounting Guide No.	2005 I.D.	2006 I.D.	
<b><u>Funding sources</u></b>				
<b><u>Short periods funding sources</u></b>				
7	25	Current accounts	49,283,439,905	61,457,225,96
8	22	Allocations	843,156,222	1,837,904,656
9	26	Debetors	7,712,683,439	2,736,988,968
			57,838,279,566	66,032,199,590
<b><u>Long periods funding sources</u></b>				
10	211	Paid and Named- Capital	20,000,000,000	20,000,000,000
	22	Reserves	2,017,002,744	4,339,816,967
		Total Shareholders rights	22,017,002,744	24,339,816,967
		Funding sources	79,855,282,310	90,371,963,557
29	<b><u>Mutual Accounts</u></b>			
		Bank obligations for exchanging operations	2,726,216,100	5,434,489,132
11	291	(After discounting insurances)		

Accounting Manager  
Keidar Abdul Rahman Abdullah

Officer in charge  
Shakeeb Abdul Baqi Al Sarraf

Head of Management Board  
Qusay yehyah Qasim

Nawfal Mahmood Al Qassab

Charter accountants

Subjected to our report no 13/36 in 27/2/1007

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Profits , losses and money distribution accounts 31\dec.\2006**

**Statement –B-**

Statement no	Accounting Guide No.	2005 <u>I.D.</u>	2006 <u>I.D.</u>
<b><u>Trading activity revenue</u></b>			
13	44	Banking operations revenue	3,441,180,110
14	46	Investments Revenue	1,491,524,684
		2,594,812,854 805,372,614	
		3,400,185,468	4,932,704,794
<b><u>Discounting: trading activity revenue</u></b>			
16	34 -35	Banking operations expenses	791,342,075
6	37	Finishing and vanishings	106,318,230
16	31-33	Management expenses	996,585,401
		351,823,300 70,661,363 640,117,264	
		<u>1,062,601,927</u>	<u>1,894,245,706</u>
		2,337,583,541	3,038,459,088
<b><u>Current operations exes</u></b>			
<b><u>Adding :Other transformational revenue</u></b>			
17	43	Servicing activity revenue	152,528,432
17	49	Other different revenues	20,623,019
		4,832,128 5,938,515	
		10,770,643	173,151,451
<b><u>Discounting: Other transformational expenses</u></b>			
18	38	Transformational expenses	476,319,326
19	39	Other expenses	2,568,600
		401,239,014 4,315,788	
		<u>405,554,802</u>	<u>478,887,926</u>
		1,942,799,382	2,732,722,613
<b><u>Able to be sold exes</u></b>			
<b><u>Distributed as follows:</u></b>			
		Suspected to be gathered debts allocations	-----
		Taxes allocations	282,122,282
		Legal capital reserve	409,908 329
		( according to the law of the Central Bank of Iraq)	332,135,332
		Undistributed profits(accumulated exes)	464,562,844
		<u>1,328,541,732</u>	<u>1,858,251,377</u>
		<u>1,942,799,382</u>	<u>2,732,722,613</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**

**Money distributions and sources Statement 31\dec.\2006**

**Statement –C-**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>Money balance as in 1\1\2006</b>	39,222,758,681	
<b><u>Adding : Money sources</u></b>		
<b><u>Money earned from cycling money</u></b>		
Total profits		2,732,722,613
<b><u>Unfinancial points</u></b>		
37 Total vanishing and finishing		106,318,230
<b><u>Other Financial sources</u></b>		
21 Addition in the money capitals		----- 585,840,044
22 Addition in specifications		12,173,786,061
25 Current accounts and credits surplus		6,011,436,417
16 Loaners shortage		<u>18,761,062,522</u>
		<u>38,563,852,617</u>
		61,015,680,147
<b><u>Adding : Money uses</u></b>		
12 Under work projects shortage	<u>22,995,704,954</u>	1,395,720,089
	62,218,461,635	=====
<b><u>Discounting : Money uses</u></b>		
11 Fixed assets excess (excess postponed expenses)		2,045,921,638
14 Money Insurance		6,241,711,121
15 Addition in Investment		400,000,000
22 Shortage in the Reserves		-----
26 Shortage in the debtors		4,975,694,471
		<u>11,617,405,592</u>
		=====
<b>Money as in 31\12\2006</b>	<u>(13,663,206,730)</u> 48,555,254,905 =====	



**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**

**Money statement 31\dec.\2005**

**Statement no (1)**

Accounting Guide No.	2005 <u>I.D.</u>	2006 <u>I.D.</u>
181 Money in the box	3,893,433,387	2,153,785,533
182 Permanent paying in advance	50,000,000	----
183 Money in local banks	32,680,067,421	38,637,325,781
184 Legal credits in the Central Bank of Iraq	-----	-----
185 Cheques and under collecting drafts	12,476,123	91,314,902
186 Foreign money notes	1,875,170,230	2,416,637,884
187 Money in external banks	<u>711,611,520</u>	<u>5,256,190,805</u>
	<u>39,222,758,681</u>	<u>48,555,254,905</u>

**Investments statement 31\dec.\2006**

**Statement no (2)**

Accounting Guide No.	2005 <u>I.D.</u>	2006 <u>I.D.</u>
1523 Long Period Investments	-----	400,000,000
<b>153 Short periods financial investment</b>		
154 Short periods financial investment\ Financial sector	-----	-----
1536 Short periods financial investment\ Private sector \companies	4,013,010,367	4,013,010,367
1537 Short period's financial investment\ private sector \persons \sharing	-----	-----
	<u>4,013,010,367</u>	<u>4,413,010,367</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**

**Sold and discounted trading papers statement 31\dec.\2006**

**Statement no (3)**

Accounting Guide No.	2005 <u>I.D.</u>	2006 <u>I.D.</u>
<b>144 Sold and discounted trading papers</b>		
1441 Discounted promissory notes	1,087,850,000	1,001,835,000
1445 Sold internal drafts	1,476,525,504	1,996,736,254
	<u>2,564,375,504</u>	<u>2,998,571,254</u>

**Loans and paying in advance statement 31\dec.\2006**

**Statement no (4)**

Accounting Guide No.	2005 <u>I.D.</u>	2006 <u>I.D.</u>
142 short periods given loans		
1426 bounded periods loans\private sector\ companies	250,000,000	250,000,000
1427 short periods loans\private sector\ persons	5,689,635,000	6,113,156,500
1429 short periods loans\private sector\ persons\foreign currency	956,537,500	841,147,500
	6,896,172,500	7,204,304,000
<b>143 Lending current accounts</b>		
1437 Different current accounts \ Private Sector\persons	<u>7,271,741,554</u>	<u>9,838,237,145</u>
1439 Foreign lent current accounts	-----	27,063,280
1491 Employers Loans	-----	<u>2,905,825,000</u>
	<u>7,271,741,554</u>	<u>12,771,125,425</u>
	<u>14,167,914,054</u>	<u>19,975,429,425</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Debtors Statement as in 31\Dec.\2006**

**Statement no (5)**

Accounting Guide No.	2005 <u>I.D.</u>	2006 <u>I.D</u>
<b>161 Trading activities borrowers</b>	16,600,000	
1617 Private Sector Debtors	-----	47,113,346
<b>164 Debited mutual accounts</b>		
1631 Debited mutual accounts	11,646,716,389	20,406,075,244
1633 Bank Branches Debts	--	(12,883,353,419)
1634 Debited mutual accounts in Hard Currency	--	1,920,022,445
	11,646,716,389	9,442,744,270
<b>166 Different borrowed accounts</b>		
1661 Insurances with the others \Shares subscribing	4,502,000,000	2,000,000
1662 Deserved incomings	12,719,969	60,082,199
1663 Expenses paid in advance	5,568,625	52,771,006
1665 Money differences	155,703,481	504,332,081
1666 Law expenses	1,750,000	1,765,000
1669 Suspended moneys \different borrowers	2,795,875	---
	4,680,537,950	620,950,286
<b>167 Paying in advance</b>		
1671 Paying in advance for activities	120,000	125,000
1672 Employers paying in advance	42,542,250	63,437,500
1673 Employers marital paying in advance	350,000	125,000
	43,012,250	63,687,500
<b>169 Other borrowing accounts</b>		
1691 Late to be paid borrower's debts	161,633,543	---
16911 Late Loans	---	100,000,000
16912 Unpaid and deserved Drafts	---	111,799,000
16913 Unpaid debts	---	144,889,101
16917 The Unpaid debts	---	16,429,912
	<u>161,633,543</u> `	<u>372,568,313</u>
	<u>16,548,500,132</u>	<u>10,547,063715</u>

**Fixed assets and their vanishing statement as in 31\dec.\2005 statement no (A-6)**

Accounting guide no						
Movement in a year	Lands 111 Dinar	Building facilities Dinar	Equipments and machines Dinar	Transportation and movement Dinar	Furniture and properties Dinar	Total Dinar
<u>Cost</u>						
balance in 1\1\2005	368,000,000	496,352,350	26,358,550	37,777,020	142,846,190	1,071,334,110
Additions through a year	464,000,000	0	4,716,000	12,202,300	53,690,475	534,608,775
Discrimination in a year	0	0	105,800	11,155,200	0	11,261,000
Balance in 31\12\2005	832,000,000	496,352,350	30,968,75	38,824,120	196,536,665	1,594,681,885
<u>Accumulated vanishing property</u>						
balance in 1\1\2005	0	11,877,430	2,954,069	8,270,455	48,296,002	71,397,956
Adding:vanishing through the current year	0	14,882,620	5,779.42	6,097,851	29,051,367	55,811,262
Minus:unliklihood accumulated vanishing	0	0	12,344	2,974,670	0	2,987,014
Balance in 31\12\2005	0	26,760,050	8,721,149	11,393,636	77,347,369	124,222,204
<u>Booking value as in 31\12\2005</u>	823,000,000	469,592,300	22,247,601	27,430,484	119,189,296	1,470,459,681

**Settled and postponed incoming expenses analyses Statement as in 31\12\2005 Statement no (B-6)**

Acc. guide no	Inventory kind	cost in the foundation year	Addition of 2004	Addition of 2005	Cost in 31\12\2005	Settlements of 2002Dinar	Settlements of 2003Dinar	Settlements of 2004Dinar	Settlements of 2005Dinar	Total settlements	Balance 31\12\ 2005
1181	Establishment expenses	12,159,050	0	0	12,159,050	2,431,810	2,431,810	2,431,810	2,431,810	9,727,240	2,431,810
1182	Pre working expenses	41,559,890	1,071,950	0	42,631,840	4,925,378	8,217,858	8,360,785	8,403,663	29,907,684	12,724,156
1186	Decorations and fixing	17,811,383	2,454,500	578,000	20,843,883	1,855,696	2,972,170	3,584,253	4,014,628	12,426,747	8,417,136
	Total	71,530,323	3,526,450	578,000	75,634,773	9,212,884	13,621,838	14,376,848	14,850,101	52,061,671	23,573,102

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Current accounts and credits statement of 31/dec./2006**

**Statement no (7)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>251 loaning current accounts</b>		
2511 loaning current accounts\governmental sector	26,187,409,039	23,852,852,615
2514 loaning current accounts\socialist sector	135,867,685	115,916,719
2515 loaning current accounts \merged sector	37,143,710	3,954,834
2516 loaning current accounts\private sector\companies	2,851,017,656	11,184,296,289
2517 loaning current accounts\ private sector\personnel	8,499,184,230	15,534,061,842
2519 depended and reserved cheques	----	----
25191 depended cheques ( legalized)	919,269,569	335,496,150
25192 reserved cheques by calls	118,689,500	529,962,971
25193 depended cheques-Dollar	34,166,900	----
25194 reserved cheques by calls ih hard currency	---	50,000
25195current foreign credits\merged	1,905,700	185,000
	38,784,653,989	51,556,776,420
<b>252 Saving accounts</b>		
2521 Deposit account-Dinar	1,576,639,793	1,639,544,374
2524 Deposit account-Dollar	-----	---
	1,576,639,793	1,639,544,374
<b>253 Periodical and ready in demand accounts</b>		
2531 Fixed and warning credits	146,355,000	---
25314 Fixed credit in foreign currency-Dollar	---	109,925,000
25317 Fixed credit in foreign currency-Dollar	---	431,894,900
2533 Savings credits in foreign currency-Dollar	---	---
2534 Foreign currency Savings credits	5,423,769,861	3,890,924,930
2535 Foreign currency saving credits \companies	46,270,210	233,492,849
2536 Foreign currency\companies	1,377,579,345	1,585,131,198
2537 Foreign deposited credits \governmental	55,295,900	72,269,880
2538 Current accounts\in foreign currency	147,500	148,000
	7,049,417,816	6,323,786,757
<b>255 Handed and taken insurances in return of banking operations</b>		
2551 Insurances for issued credits	---	78,440,000
2552 Insurances for security notes	497,091,575	889,231,630
2556 Fixed credits= Partners	4,777,525	145,075,520
	501,869,100	1,112,747,150
256 Internal drafts and cheques	1,365,099,607	703,338,679
2562 Drawn disks on the bank account		(3,390,000)
2563 Drawn cheques on the bank account	5,759,600	124,422,586
	<u>1,370,859,20</u>	<u>824,371,265</u>
	<u>49,283,439,905</u>	<u>61,457,225,966</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Allocations statements in 31\dec.\2006**

Accounting guide no	balance 1\12\2006 Dinar	Addition during the year Dinar	Discounts during the year Dinar	Balance 31\12\2006 Dinar
222 Uncertain to be collected debts locator	550000,000	364,819,782	----	914,819,782
224 Taxes Allocations	282,122,217	409,908,392	282,122,217	409,908,392
22 Different allocations	-----	-----	-----	-----
2251 Financial investment value falling down locator	10,034,005	500,000,000	---	510,034,005
2257 internists for the unsettled debts	-----	3,142,477	-----	3,142,477
	842,156,222	1,277,870,651	282,122,217	1,837,904,6565

**Accounting taxes allocation**

**Dinar**

2,732,722,613	Activity surplus according to notice (b)attached
2,732,722,613	Safe drafts interests
<u>409,908,392</u>	Taxes allocations of 2006
	15% from Activity surplus for taxes

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Debtors statements in 31\dec.\2006**

**Statement no (9)**

Accounting Guide No.	2005 <u>I.D.</u>	2006 <u>I.D.</u>
<b>261 Trading activity Debtors</b>		
2611 Governmental sector Debtors	----	94,435,500--
2613 Financial sector Debtors\banks	----	--
2616 Private sector Debtors/Societies and Co.	---	266,000,000
2617 Private sector Debtors \personnel	1,014,101	2,140,452
26171 Current accounts balances\closed	200,575	326,575
	1,214,676	362,902,527
<b>263 Exchanging loaning accounts</b>	7,161,310,853	1,503,278,740
<b>266 Different loaning accounts</b>		
2661 Handed insurances	6,232,150	721,590
2662 Revenue handed in advance	344,573,805	225,833,783
2663 Eligible expenses	13,691,330	9,081,100
26631 Eligible interests	1,284,136	6,343,001
26632 Eligible managing expenses	---	---
26663 Eligible financial stamps fees	774,300	---
2668 Increase in the box	---	---
26881 Increase in the box-Dinar	---	---
26882 Increase in the box-Dollar	---	---
2669 Other different loaners accounts	---	---
26695 Handed sums in return of companies registering	63,000,000	21,000,000
26696 Companies shares subscribing paid in	3,638,336	506,503,593
26698 Accounts under settlement	---	16,000
	433,194,057	769,499,067
267 Discounts for the others	-----	-----
2671 Discounts from the employers for the others	143,502	161,750
<b>268 Distributing benefits loaners</b>	42,273,628	34,181,721
<b>269 Other loaning accounts</b>		
2694 Money compensations	304,693	1,583,583
2695 Late customers accounts and compensations	26,675,321	22,254,214
2696 Detained accounts according to legal authorities	42,296,113	42,438,318
2698 Other loaners for the management's account	5,270,596	689,048
	<u>74,546,723</u>	<u>66,965,163</u>
	<u>7,712,683,439</u>	<u>2,736,988,968</u>



**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Reservation Statement of 31\dec.\2006**

**Statement no (10)**

Reserve kind	One year Reserve	shares reserve handed for free	capital legal reserve	surplus accumulation	total
]Accounting guide n	213	2144	2141	217	
Operation in a year	Dinar	Dinar	Dinar	Dinar	Dinar
Opening balance	70,020,191	12,502,509	605,938,312	1,328,541,734	2,017,002,746
Addition in one year	---	---	464,562,844	1,858,251,377	2,322,814,221
Handed benefits(cap)	---	---	---	---	---
Balance in 31\12\2006	70,020,191	12,502,509	1,070,501,156	3,186,793,111	4,339,816,967

**Reserves accounting**

**A-Capital legal reserve accounting**

**Dinar**

2,732,722,613 activity surplus according to notice (b) attached

**Minus :allocations**

409,908,392	Taxes allocations
-------------	-------------------

2,322,814,221 activity surplus after locating allocations  
 464,562,844 Capital legal reserve which represents 20% of.  
 activity surplus after locating allocations

**B-Accumulated surplus accounting**

**Dinar**

2,322,814,221 activity surplus after locating allocations as mentioned upwards  
 464,562,844 Discounting: Capital legal reserve

1,858,251,377 **Accumulated surplus**

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Mutual commitments towards banking operations statement of 31\dec.\2006**

**Statement no (11)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>192\292 Footnoted security notices</b>		
1921\2921 Internal footnoted security notices	3,196,239,950	5,810,265,082
1924\2924 Customers obligations Towards K.H.of foreign currency	31,845,250	736,971,200
2551 Discounting: insurances in return of issued Security notes	---	(78,440,000)
2552 Discounting: insurances in return of insurance notes	( 497,091,575)	(889,231,630)
2556 Discounting: insurances in return of insurance notes In hard currency	---	(145,075,520)
	<u>2,726,216,100</u>	<u>5,434,489,132</u>

**Mutual banking accounts statement of 31\dec.\2006**

**Statement no (12)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>193\293 Booked Value Accounts</b>		
1931\2931 Clients Obligations towards Issued used funds	---	181,377,182
<b>196\296 Conducted fees for operation accounts</b>		
1966\2966 In Return of Shares Conducts		9,361,000
1969\2969 Conducted checks	71,719,350	831,926,527
<b>Mutual security accounts</b>		
1983\2983 Mortgaging in return of banking facilities	21,286,885,000	29,594,060,000
199\299 Mutual accounts in symbolic value	-----	-----
1991\2992 Symbolic mortgaging in the bank credit	3	4
1992\2992 Important documents in the bank credit	103	82
1993\2993 Contracts and banking facilities documents	1,863	2,173
	<u>21,358,606,319</u>	<u>30,616,726,968</u>

Mosul Development and Investment Bank (Private joint-stock company)-Nineveh  
**Banking actions Revenue statement of 31/dec.\2006 Statement no (13)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>441 Foreign currency revenue</b>		
4412 Selling and buying foreign currency revenue	576,511,140	117,182,310
44122 Selling and buying foreign currency revenue	---	235,468,263
4413 Selling and buying foreign notes revenue	31,166,911	12,777,550
	<b>607.687.051</b>	<b>365.428.123</b>
<b>442 Internal loaning and lending revenue</b>		
4421 Given loans interests	497,166,651	643,884,121
4422 Lent current account interests	549,744,650	1,336,602,432
4423 Cutting and collecting trading leaves revenue	---	---
44231 Deducted drafts and promissory notes interest	136,274,226	138,541,281
44232 Discounted drafts comm..	13,373,100	13,035,060
44233 Debentures deducted fees revenue	24,000	59,100
44237 Shares and debentures revenue	2,000	---
4424 Diif. advanced payment revenue(internists)	---	---
44243 Advanced payments in return of Mortgaged financial papers	13,645,276	3,846,000
44246 Personal advanced payment revenue	478,199	3,756,632
44247 Different payments and fees comm..	705.000	1.506.000
	<b>1,211,413,102</b>	<b>2,141,230,626</b>
<b>443 Drafts commissions</b>		
4431 Internal sold drafts comm..	368,174,134	401,894,190
4432 External drafts comm..	2,427,745	23,832,621
4433 Interests of delayed drafts payment- I.D.	448,117	231,000
4434 Interests of delayed drafts payment-Dollar	---	---
	<b>371,049,996</b>	<b>425,957,811</b>
4441 Issued Funding Internists	---	2,382,661
<b>445 Security notes revenue</b>		
4451 Internal Security notes revenue	121,853,594	241,471,689
4452 External Security notes revenue	---	1,807,375
	<b>121,853,594</b>	<b>243,279,064</b>
<b>447 Different banking commissions</b>		
4471 Issuing vouchers and crediting cheques	127,320,262	113,607,649
4473 Debentures and shares intermediation comm.	25,482,619	5,819,945
4479 Other banking comm..	105,082,487	98,727,331
	<b>257,885,368</b>	<b>218,154,925</b>
<b>448 Recuperative expenses</b>		
4482 Recuperative communications expenses	8,505,626	11,163.355
4483 Recuperative money transactions expenses	37,950	169,600
4485 Banking printed matters sales-I.D.	16,345,367	33,413,945
4486 Banking printed matters sales-Dollar	43,800	---
<b>449 Other banking operations revenue</b>	<b>24,932,743</b>	<b>44,746,900</b>
4493 Keeping credits and debentures revenue	-----	-----
	<b><u>2,594,812,854</u></b>	<b><u>3,441,180,110</u></b>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Investments Revenue statement**  
**of 31\dec.\2006**

**Statement no (14)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>462 Internal money investments</b>		
4621 Sated drafts interests	62,504,600	---
4622 Others money savings interests	11,666,160	---
4624 Internal sharing interests	<u>357,138,737</u>	---
	<u>431,309,497</u>	---
 463 Money investment revenue		
4631 External Current Accounts Interests	---	73,076,450
 4632 Night Investment Interests	374,063,117	1,304,050,451
4633 Money investment interests	---	114,397,783
	<u>347,063.117</u>	<u>1,491,524,684</u>
	<u>805,372,614</u>	<u>1,491,524,684</u>

Note: The accounted internal participation revenue is merely profits collected from selling money investment shares ( Private companies shares)

**Banking actions expenses statement of 31\dec.\2006**

**Statement no (15)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>342 Paid banking interests</b>		
3421 Deposit account interests	68,300,711	52,801,486
3422 Fixed credits interests	10,872,511	7,458,7
3423 Internal lending interests	----	---
3426 Foreign currency credits interests	----	258,125
	79,173,222	60,518,376
 <b>343 Paid banking commissions</b>	266,159,129	220,995,127
 3553 Declining of financial investments	5,962,000	----
3554 Open drawing out interests	528,949	9,828,572
	<u>6,490,949</u>	<u>2,310,709</u>
	<u>351,823,300</u>	<u>791,342,075</u>
	=====	=====

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Management expenses statement**  
**of 31\dec.\2006**

**Statement no (16)**

Accounting Guide No.	2005 I.D.	2006 I.D.
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**31 Fees and wages**

**312 Employers monetary  
Fees and wages**

3121 Named wages	156,095,594	197,148,778
3123 Extra workers fees	10,139,292	24,765,778
3124 Encouraging bonuses	71,763,257	104,182,137
3125 Temporary occupational allocations	33,137,973	32,776,337
3126 Compensational allocations	62,394,205	59,827,144
3129 Other allocations	128,258,316	249,455,317
	461,788,637	668,155,316

**351 Workers social security participations**

3151 Bank's share for the social security	<u>3,208,141</u>	<u>7,307,101</u>
Wages and fees total sum	<u>464,996,778</u>	<u>675,462,591</u>

**32 Goods requirements**

322 Fuel and oils	8,421,950	29,737,600
325 Others		
3251 Requirements and missions	8,688,104	6,994,933
3252 Stationary	12,494,814	11,355,389
	21,182,918	18,350,322

**326 Workers supplies**

**327 Water and Electricity**

3271 Water	150,750	274,820
3272 Electricity	1,724,759	3,029,641
	<u>1,875,509</u>	<u>3,304,461</u>
<b>Total goods requirements</b>	<u>31,480,377</u>	<u>51,392,383</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Management expenses statement**  
**of 31\dec.\2006**

**Statement no (16)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>33 Services requirements</b>		
331 Maintenance services		
3312 Building and facilities maintenance	283,650	7,742,750
3313 Macines and equipments maintenance	1,015,765	9,411,220
3314 Transportation vehicles maintenance	1,508,900	3,451,450
3316 Bureaus and furniture maintenance	3,441,512	5,229,740
	6,249,836	25,835,160
<b>332 Researches and consultation Services</b>	325,000	450,000
<b>333 Publication, printing and added values</b>		
3331 Publication	2,351,250	3,214,800
3332 Issuing and printing	3,470,300	3,703,800
3333 Hospitality	5,668,448	5,593,369
3335 Celebrations	---	172,000
3336 Meetings and seminars	---	664,000
	11,489,998	13,347,965
<b>334 Transportation delegations and communication</b>		
3341 Workers Transportation	13,256,400	15,133,425
3342 Transporting goods	8,938,500	6,170,500
3343 Traveling and delegations	31,323,450	51,905,800
3344 Public calls	14,519,710	41,444,540
	68,038,060	114,654,265
<b>335 Fixed assets rents</b>		
3352 Building and facilities renting	<u>3,767,500</u>	<u>23,550,000</u>
3356 Furniture and Bureaus requirements Renting	---	150,000
<b>What follows</b>	<u>89,870,394</u>	<u>177,987,390</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Management expenses statement**  
**of 31\dec.\2006**

**Statement no (16)**

	2005	2006
Accounting	I.D.	I.D.
Guide No.	I.D.	I.D.
Former	89,870,394	177,987,390

**336 Different services expenses**

3361 Subscriptions	2,453,000	29,997,692
3362 Insurance installments	5,874,620	10,179,245
3363 Other workers services bonuses	26,619,600	33,095,550
3365 Legal services	38,000	2,895,000
3366 Banking Services	---	400,000
3367 Training and qualifying	192,200	415,000
3368 Accounting checking fees	3,100,000	3,500,000
3369 Other services expenses	15,492,295	11,267,550
	<u>53,469,715</u>	<u>91,743,037</u>
Total services requirements	<u>143,640,109</u>	<u>269,730,427</u>
Total management expenses	<u>640,117,264</u>	<u>996,585,401</u>

**Other revenue statement of 31\dec.\2006**

**Statement no (17)**

	2005	2006
Accounting	I.D.	I.D.
Guide No.	I.D.	I.D.

**43 Services activity revenue**

437 Different services revenue	797,728	152,528,432
438 Fixed inventories rents	4,034,400	---
	<u>4,832,128</u>	<u>152,528,432</u>
49 Other Revenue sources		
491 Former years revenue	1,330,700	15,078,282
492 Accidental revenue	4,607,815	5,544,737
493 Capital revenue	-----	-----
	<u>5,938,515</u>	<u>20,623,019</u>
	10,770,643	173,151,451

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
**Drafting expenses statement**  
**of 31\dec.\2006**

**Statement no (18)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<hr/>	<hr/>	<hr/>
<b>383 Different drafting expenses</b>		
3831 Others donations	-----	5,000,000
3832 Compensations and charges	261,314	-----
3833 Not guaranteed to be paid debts	350,000,000	289,756,001
3834 Private services expenses	-----	-----
3837 Cancelled Loans	-----	180,000,000
 <b>384 taxes and fees</b>		
3846 Different taxes and fees	50,475,700	1,563,325
385 Aids		
3851 Employers aids	515,000	-----
3852 Aids for others	<u>5,000</u>	-----
<b>Total drafting expenses</b>	<u>401,239,014</u>	<u>476,319,326</u>

**Other expenses statement of 31\dec.\2006**

**Statement no (19)**

Accounting Guide No.	2005 I.D.	2006 I.D.
<hr/>	<hr/>	<hr/>
39 Other expenses		
391 Past year expenses	1,895,202	2,293,600
392 Previous Years Expenses	-----	275,000
393 Capital losses	<u>2,456,583</u>	-----
	4,315,788	2,568,600



**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
National accounting data statement

**Total added cost prices values list of 31\dec.\2006**

list No 1

Statement no	Accounting Guide No.	2005 I.D.	2006 I.D.
<b><u>(1)Product Total cost price value</u></b>			
1	Comms.( Disclousure no 1)	76,371,3941	904,143,621
2	Accounted service tax (D.2)	1,119,288,897	2,066,343,090
3	Other revenue sources (D.3)	<u>16,389,167</u>	<u>33,413,945</u>
		<u>1,899,392,005</u>	<u>3,003,900,656</u>
<b><u>(2)Production requirement value</u></b>			
4	Goods req. 32	3,1480,377	51,392,383
5	Services req. 33	<u>126,768,917</u>	<u>218,220,535</u>
		<u>158,249,294</u>	<u>269,612,918</u>
		1,741,142,711	2,734,287,738
<b><u>(3) Product Total Added cost price value (1)-(2)</u></b>			
	Minus: indirect taxes	50,457,700	1,563,325
	Plus: aids	<u>520,000</u>	-----
	<b>Product Total added cost Products price value</b>	<u>1,691,205,011</u>	<u>2,732,724,413</u>

**Total added cost prices values list of 31\dec.\2006**

Accounting Guide No.		2005 I.D.	2006 I.D.
<b><u>1- Workers compensation</u></b>			
31	(a) employers payments and wages	464,996,778	675,462,591
326	(b) bonuses-workers supplies	-----	-----
		<u>464,996,778</u>	<u>675,462,591</u>
<b><u>2- operation surplus</u></b>			
	Total benefit	1,155,546,870	1,950,943,592
	3- discounts and losses	<u>70,661,363</u>	<u>106,318,230</u>
	<b>Total added cost prices values</b>	<u>1,691,205,011</u>	<u>2,732,724,413</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
National accounting data statement  
**Collected Commissions Statement of 31\dec.\2006**

Statement No 1 Accounting Guide No.	2005 I.D.	2006 I.D.
<b>443 Internal lending and Advanced payments interests</b>		
4423 Bit trading papers Interests	---	---
44232 Discounted drafts commissions	<u>13,373,100</u>	13,035,060
44233 Under collection Commissions	---	59,100
44247 Different lending fees and comm..	<u>---</u>	<u>1,506,000</u>
	<u>13,373,100</u>	14,600,160
<b>443 Drafts Commissions</b>		
4431 Internal Drafts Comm.	368,174,134	401,894,190
4432 External Drafts Comm.	2,427,745	32,832,621
	370,601,879	425,726,811
4441 Issued Funding Commissions	----	2,382,661
<b>445 Security notes Revenue</b>		
4451 Internal security notes revenue	121,853,594	241,471,689
4452 External security notes revenue	---	1,807,375
	121,853,594	243,279,064
<b>447 Different banking commissions</b>		
4471 Disk issuing and Counting cheques comm..	127,320,262	113,607,649
4473 Intermediation comm.. for selling shares and debentures	25,482,619	5,819,945
4479 Other banking comm..	105,082,487	98,727,331
<b>Total Collected comm..</b>	<u>257,885,368</u>	<u>218,154,925</u>
	<u>763,713,941</u>	<u>904,143,621</u>

**Mosul Development and Investment Bank (Private joint-stock company)-Nineveh**  
National accounting data statement  
**Services Tax Statement of 31\dec.\2006**

Statement No 2

Accounting Guide No.	2005 I.D.	2006 I.D.
<b>(1) Collected Interest</b>		
<b>442 Internal loans and advanced payment Revenue</b>		
4421 Given Loans Interests	497,166,651	643,884,121
4422 Lent current account Interests	549,744,650	1,336,602,432
4423 Bit trading papers Interests	---	---
44231 Discounted draft Notes and Promissory notes Interest	136,274,226	138,541,281
4424 Advanced payments interests	14,828,475	7,602,632
	1,198,014,002	2,126,630,466
<b>443 Drafts Commissions</b>		
4433 Late Sold Drafts payment Interests	448,117	231,000
	1,198,462,119	2,126,861,466
<b>(2) Paid Interests</b>		
<b>342 Paid banking Interests</b>		
3421 Deposited Accounts interests	68,300,711	52,801,486
3422 Fixed Credits Interests	10,872,511	7,458,765
3423 Internal lending interests	---	---
3426 Foreign currency credits interest	---	258,125
	79,173,222	60,518,376
	1,119,288,897	2,066,343,090

**Mosul Development and Investment Bank (Private joint – stock company)-Nineveh**  
National accounting data statement  
**Other Revenue statement of 31\dec.\2006**

Disclousure no 3

Accounting Guide No.	2005 I.D.	2006 I.D.
448 Recuperative expenses		
4485 banking printed matters sales\I.D.	16,345,367	33,413,945
4486 banking printed matters sales \Dollar	43,800	-----
	16,389,167	33,413,945

**Wares prerequisites statement  
for national accounting data  
of 31\dec.\2006**

Statement no 4

Accounting Guide No.	2005 I.D.	2006 I.D.
32 Wares Prerequisites	31,480,377	51,392,383
326 Subtracting: Workers supplies	-----	-----
	31,480,377	51,392,383

**Services Prerequisites statement**  
**For national accounting data purposes**

**End of the year 31\dec.\2006**

Statement no 5

<b><u>Accounting</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>
<b><u>Guide no.</u></b>	<b><u>I.D.</u></b>	<b><u>I.D.</u></b>
33 Services requirements	143,640,109	269,730,427
Minus:		
3316 Subscriptions	2,453,000	29,997,692
3362 Insurance Installments	5,874,620	10,179,245
	8,327,620	40,176,937
	<hr/>	<hr/>
	135,312,489	229,553,490
4482 Recuperative calls expenses	8,505,622	11,163,355
4483 Recuperative money transactions expenses	37,950	169,600
	<hr/>	<hr/>
	126,768,917	218,220,535
	<hr/>	<hr/>