

# Balance Sheets

as at 31 December 2005

	Notes	Group		Company	
		2005 R'000	2004 R'000	2005 R'000	2004 R'000
<b>Assets</b>					
Investment property	1	7 137	7 106	–	–
Plant and equipment	2	6 537	5 917	6 498	5 873
Investment in subsidiary company	3			7 628	7 367
Investment in associated company	4	–	921	–	500
Other investments	5	4 731	6 002	4 731	6 002
Deferred tax asset	6	3 413	2 190	3 413	2 190
Advances and other receivables	7	1 009 303	836 463	1 008 636	835 916
Cash and cash equivalents	8	148 126	153 771	148 126	153 771
<b>Total assets</b>		<b>1 179 247</b>	<b>1 012 370</b>	<b>1 179 032</b>	<b>1 011 619</b>
<b>Equity and liabilities</b>					
Share capital and premium	9	89 325	53 400	89 325	53 400
Reserves	10	29 065	21 614	28 884	21 369
Shareholders' interest		118 390	75 014	118 209	74 769
Subordinated loan	11	35 000	35 000	35 000	35 000
Deposit accounts	12	1 003 968	885 419	1 003 968	885 419
Accounts payable		13 413	12 355	13 379	11 849
Welfare and charitable funds	13	8 476	4 582	8 476	4 582
<b>Total equity and liabilities</b>		<b>1 179 247</b>	<b>1 012 370</b>	<b>1 179 032</b>	<b>1 011 619</b>
<b>Contingent liabilities</b>	20	<b>33 616</b>	<b>25 318</b>	<b>33 616</b>	<b>25 318</b>

# Income Statements

for the year ended 31 December 2005



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	Notes	Group		Company	
		2005 R'000	2004 R'000	2005 R'000	2004 R'000
Income earned from advances		81 531	76 721	81 531	76 721
Income earned from commodity and equity finance		14 166	878	14 166	878
Income paid to depositors		(57 092)	(46 132)	(57 092)	(46 132)
<b>Net income earned</b>		<b>38 605</b>	<b>31 467</b>	<b>38 605</b>	<b>31 467</b>
Release (charge) for credit losses	7.3	1 765	(216)	1 765	(216)
<b>Operating income</b>		<b>40 370</b>	<b>31 251</b>	<b>40 370</b>	<b>31 251</b>
Non-Islamic income		-	-	-	-
Income earned from non-Islamic activities	13	8 382	17 093	8 382	17 093
Less : income paid on subordinated loan		(2 099)	(1 225)	(2 099)	(1 225)
: attributable to the Iqraa Islamic Trust and the charitable fund		(6 283)	(15 868)	(6 283)	(15 868)
Other operating income	14	6 563	6 370	6 034	6 464
Income from associated company		-	70	-	-
<b>Total income</b>		<b>46 933</b>	<b>37 691</b>	<b>46 404</b>	<b>37 715</b>
Operating expenditure	15	36 748	30 084	36 241	29 963
<b>Net income before taxation</b>		<b>10 185</b>	<b>7 607</b>	<b>10 163</b>	<b>7 752</b>
Taxation	16	2 734	2 139	2 648	2 139
<b>Net income for the year</b>		<b>7 451</b>	<b>5 468</b>	<b>7 515</b>	<b>5 613</b>
Earnings per ordinary share (cents)	17	128.3	128.9		
Headline earnings per ordinary share (cents)	17	155.8	102.2		

# Cash Flow Statements

for the year ended 31 December 2005

	Notes	Group		Company	
		2005 R'000	2004 R'000	2005 R'000	2004 R'000
<b>Cash flow from operating activities</b>					
Cash generated from operations	19.1	14 070	8 670	13 761	8 879
Changes in working capital	19.2	(47 899)	(181 769)	(47 295)	(181 870)
Taxation paid	19.3	(5 101)	(8 564)	(5 027)	(8 128)
		<b>(38 930)</b>	<b>(181 663)</b>	<b>(38 561)</b>	<b>(181 119)</b>
<b>Cash flow from investing activities</b>					
Additions to investment property	19.4	(3 517)	(3 619)	–	–
Additions to plant and equipment	19.5	(2 801)	(2 520)	(2 801)	(2 520)
Proceeds from disposal of investment property		3 625	707	–	707
Proceeds from disposal of plant and equipment		53	50	53	50
Proceeds from disposal of investments		–	2 036	–	2 036
Increase in investment in subsidiary		–	–	(261)	(4 163)
Increase in investment in associated company		–	(30)	–	(30)
		<b>(2 640)</b>	<b>(3 376)</b>	<b>(3 009)</b>	<b>(3 920)</b>
<b>Cash flow from financing activities</b>					
Proceeds from ordinary shares issued		36 000	13 000	36 000	13 000
Subordinated loan raised		–	35 000	–	35 000
Share issue expenses		(75)	(450)	(75)	(450)
		<b>35 925</b>	<b>47 550</b>	<b>35 925</b>	<b>47 550</b>
Net cash outflow for the year		<b>(5 645)</b>	<b>(137 489)</b>	<b>(5 645)</b>	<b>(137 489)</b>
Cash and cash equivalents at beginning of year		<b>153 771</b>	<b>291 260</b>	<b>153 771</b>	<b>291 260</b>
<b>Cash and cash equivalents at end of year</b>		<b>148 126</b>	<b>153 771</b>	<b>148 126</b>	<b>153 771</b>

# Statements of Changes in Shareholders' Equity

for the year ended 31 December 2005



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	Share capital and premium R'000	Investment risk reserve R'000	Accumulated losses R'000	General credit risk reserve R'000	Regulatory credit risk reserve R'000	Shareholders' interest R'000
<b>2005</b>						
<b>Group</b>						
<b>Balance at 31 December 2004</b>	53 400	2 605	(17 247)	600	35 656	75 014
Net income for the year			7 451			7 451
Proceeds from shares issued	36 000					36 000
Share issue expenses	(75)					(75)
<b>Balance at 31 December 2005</b>	<b>89 325</b>	<b>2 605</b>	<b>(9 796)</b>	<b>600</b>	<b>35 656</b>	<b>118 390</b>
<b>Company</b>						
<b>Balance at 31 December 2004</b>	53 400	2 605	(17 492)	600	35 656	74 769
Net income for the year			7 515			7 515
Proceeds from shares issued	36 000					36 000
Share issue expenses	(75)					(75)
<b>Balance at 31 December 2005</b>	<b>89 325</b>	<b>2 605</b>	<b>(9 977)</b>	<b>600</b>	<b>35 656</b>	<b>118 209</b>

# Statements of Changes in Shareholders' Equity

for the year ended 31 December 2005 (continued)

	Share capital and premium R'000	Revaluation reserve R'000	Investment risk reserve R'000	Accumulated losses R'000	General credit risk reserve R'000	Regulatory credit risk reserve R'000	Shareholders' interest R'000
<b>2004</b>							
<i>Group</i>							
<b>Balance at 31 December 2003</b>	40 850	615	–	(19 510)	–	35 656	57 611
Net income for the year				5 468			5 468
As was previously reported				4 954			4 954
Effect of transition to IFRS				658			658
Straightlining of leases				(144)			(144)
Transfer between reserves			2 605	(3 205)	600		–
Proceeds from shares issued	13 000						13 000
Share issue expenses	(450)						(450)
Reversal of surplus arising from revaluation of investments		(615)					(615)
<b>Balance at 31 December 2004</b>	<b>53 400</b>	<b>–</b>	<b>2 605</b>	<b>(17 247)</b>	<b>600</b>	<b>35 656</b>	<b>75 014</b>
<i>Company</i>							
<b>Balance at 31 December 2003</b>	40 850	615	–	(19 900)	–	35 656	57 221
Net income for the year				5 613			5 613
As was previously reported				5 099			5 099
Effect of transition to IFRS				658			658
Straightlining of leases				(144)			(144)
Transfer between reserves			2 605	(3 205)	600		–
Proceeds from shares issued	13 000						13 000
Share issue expenses	(450)						(450)
Reversal of surplus arising from revaluation of investments		(615)					(615)
<b>Balance at 31 December 2004</b>	<b>53 400</b>	<b>–</b>	<b>2 605</b>	<b>(17 492)</b>	<b>600</b>	<b>35 656</b>	<b>74 769</b>