ARAB INTERNATIONAL DEVELOPMENT AND INVESTMENT COMPANY S.A.L.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT YEAR ENDED DECEMBER 31, 2013

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Deloitte.

Deloitte & Touche
Arabia House
131 Phœnicia Street
Ain Mreisseh, Beirut
P.O.Box 11-961
Lebanon

Tel: +961 (0) 1 364 700
Tel: +961 (0) 1 364 701
Fax: +961 (0) 1 367 087
Fax: +961 (0) 1 369 820
www.deloitte.com

BT 32047/DTT

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Arab International Development and
Investment Company S.A.L.
Beirut, Lebanon

We have audited the accompanying financial statements of Arab International Development and Investment Company S.A.L., which comprise of the statement of financial position as at December 31, 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial 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 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 the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

1. Due to banks in the off balance sheet amounting to LBP5.7billion include LBP4.8billion margin accounts that are financed by the Company on behalf of clients through bank borrowings. According to IFRS these borrowings should be recorded as liability in the statement of position with a corresponding debit to customer accounts in the amount of LBP4.8billion. Had these amounts been properly reflected in the financial statements, customers' overdrawn balances and banks' borrowings would have each increased by the above mentioned amount. Subsequent to the financial statements date, margin accounts balance has been fully settled.

Opinion

In our opinion, except for the effect of the risk related to the matter referred to in paragraph (1) above, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Arab International Development and Investment Company S.A.L. as of December 31, 2013 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Beirut, Lebanon
August 19, 2014

Deloitte & Touche
Deloitte & Touche

ARAB INTERNATIONAL DEVELOPMENT AND INVESTMENT COMPANY S.A.L.
STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	December 31, 2013 LBP'000	December 31, 2012 LBP'000
Current Assets:			
Cash and Central Bank	5	6,063,808	5,816
Banks and financial institutions	6	599,848	2,385,424
Accounts receivable	7	1,184,366	374,782
Prepayments and other assets	8	54,624	72,001
Total current assets		7,902,646	2,838,023
Property and equipment	9	1,642,736	1,247,470
Total Assets		9,545,382	4,085,493
LIABILITIES			
Current Liabilities:			
Due to banks and financial institutions		-	5,795
Credit balance with omnibus accounts	19	955,071	572,714
Due to shareholders		65,205	12,765
Accrued charges and other liabilities	10	377,983	384,636
Total current liabilities		1,398,259	975,910
Non-Current Liabilities:			
Provision for employees' end-of-service indemnity	11	164,904	158,041
Total liabilities		1,563,163	1,133,951
EQUITY			
Capital	12	7,500,000	1,452,900
Revaluation surplus	13	42,429	42,429
Legal reserve	14	307,002	307,002
Retained Earnings		30,311	1,248,396
Profit/(loss) for the year		102,477	(99,185)
Total equity		7,982,219	2,951,542
Total Liabilities and Equity		9,545,382	4,085,493
OFF BALANCE SHEET ACCOUNTS			
Customers' accounts at fair value	19	32,541,467	16,704,488

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

ARAB INTERNATIONAL DEVELOPMENT AND INVESTMENT COMPANY S.A.L.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year Ended December 31, 2013 LBP'000	2012 LBP'000
Service fees and brokerage commission revenue	15	2,917,472	2,137,671
Commissions and other financial charges	16	(1,598,477)	(1,133,249)
		1,318,995	1,004,422
Employees' benefits		(493,966)	(529,692)
Provision for doubtful debts	7	-	(310,202)
General and administrative expenses	17	(468,682)	(365,534)
Gain on exchange		12,320	13,719
Interest income		311,312	329,399
Interest expense		(547,887)	(241,297)
Loss of sales of shares		(29,615)	-
		(1,216,518)	(1,103,607)
Profit/(loss) before income tax		102,477	(99,185)
Less: Provision for income tax	10	-	-
Net profit/(loss) for the year		102,477	(99,185)
Other comprehensive income		-	-
Total comprehensive income/(loss)		102,477	(99,185)

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

ARAB INTERNATIONAL DEVELOPMENT AND INVESTMENT COMPANY S.A.L.
STATEMENT OF CHANGES IN EQUITY

	Notes	Capital LBP'000	Revaluation Surplus LBP'000	Legal Reserve LBP'000	Retained Earnings LBP'000	Profit/(Loss) for the Year LBP'000	Total LBP'000
Balance as at December 31, 2011		1,452,900	42,429	311,042	1,116,398	127,958	3,050,727
Allocation of 2011 income		-	-	-	127,958	(127,958)	-
Transfer from legal reserve		-	-	(4,040)	4,040	-	-
Total comprehensive loss for 2012		-	-	-	-	(99,185)	(99,185)
Balance as at December 31, 2012		1,452,900	42,429	307,002	1,248,396	(99,185)	2,951,542
Allocation of 2012 income		-	-	-	(99,185)	99,185	-
Transfer from retained earnings to capital	12	1,118,900	-	-	(1,118,900)	-	-
Capital injection	12	4,928,200	-	-	-	-	4,928,200
Total comprehensive income for 2013		-	-	-	-	102,477	102,477
Balance as at December 31, 2013		7,500,000	42,429	307,002	30,311	102,477	7,982,219

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

ARAB INTERNATIONAL DEVELOPMENT AND INVESTMENT COMPANY S.A.L.
STATEMENT OF CASH FLOWS

	Notes	Year Ended December 31, 2013 LBP'000	2012 LBP'000
Cash flows from operating activities:			
Profit/(loss) for the year		102,477	(99,185)
Adjustments to reconcile profit/(loss) for the year to net cash used in operating activities:			
Depreciation	9	60,100	60,436
Provision for doubtful debts	7	-	310,202
Provision for end-of-service indemnity	11	8,131	53,853
Settlements of end-of-service indemnity	11	(1,268)	(1,195)
(Increase)/decrease in accounts receivable		(809,584)	649,331
Decrease in prepayments and other assets		17,377	8,723
Increase/(decrease) in credit balance with omnibus accounts		382,357	(1,183,295)
Decrease in accrued charged and other liabilities		(6,653)	(254,393)
Net cash used in operating activities		(247,063)	(455,523)
Cash flows from investing activities:			
(Acquisition)/disposal of property and equipment		(455,366)	4
Net cash used in investing activities		(455,366)	4
Cash flows from financing activities:			
Increase in capital	12	4,928,200	-
Increase in due to shareholders		52,440	6,977
Net cash generated from financing activities		4,980,640	6,977
Net increase/(decrease) in cash and cash equivalents		4,278,211	(448,542)
Cash and cash equivalents -- beginning of year		2,385,445	2,833,987
Cash and cash equivalents -- end of year (Note 18)		6,663,656	2,385,445

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

1. COMPANY'S ACTIVITIES AND ORGANIZATION

The Company is a joint stock Company established on March 3, 1979 and registered under No. 39364 in the commercial register. It is listed under number 5 in the list of financial institutions. The Central Bank of Lebanon licensed the Company as a brokerage firm under decision # 6213 dated June 28, 1996.

The Company's objective is to render brokerage and financial services in respect of stock/forex exchange transactions in Lebanon and abroad.

2. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 Application of New and revised IFRSs

In the current year, the Company has applied the following new and revised Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective with a date of initial application of January 1, 2013 and that are applicable to the Company:

New and revised standards with no significant impact on the Company's financial statements:

Amendments to IFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*

The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In May 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued comprising IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements*, IFRS 12 *Disclosures of Interests in Other Entities,* IAS 27 (as revised in 2011) *Separate Financial Statements* and IAS 28 (as revised in 2011) *Investments in Associates and Joint Ventures*. Subsequent to the issue of these standards, amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the first-time application of the standards.

Amendments to IAS 1 ***Presentation of Items of Other Comprehensive Income***

The amendments require to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. Income tax on items of other comprehensive income is required to be allocated on the same basis.

Parts of the Annual Improvements to IFRSs 2009 – 2011 Cycle

Amendments to IAS 32 *Financial Instruments* clarify that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction should be accounted for in accordance with IAS 12 *Income Taxes*.

Amendments to IAS 1 *Presentation of Financial Statements* specify that related notes are not required to accompany the third statement of financial position (as at the beginning of the preceding period) when presented. A third statement of financial position is required to be presented when an entity applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that have a material effect on the information in the third statement of financial position.

New standard with impact on the Company's financial statements disclosures:

IFRS 13 ***Fair Value Measurement***

IFRS 13 establishes a single framework for measuring fair value, and requires disclosures about fair value measurement. The Standard defines fair value on the basis of an 'exit price' notion and uses a "fair value hierarchy", which results in a market-based, rather than entity-specific, measurement. IFRS 13 is applicable for both financial and non-financial items for which other IFRSs require or permit fair value measurement and disclosures about fair value measurements, except in specified circumstances. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Company has not made any new disclosures required by IFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of IFRS 13 has not had any material impact on the amounts recognized in these financial statements.

2.2 New and revised IFRSs in issue but not yet effective

The company has not applied the following revised IFRSs that have been issued but not yet effective:

- Amendments to IAS 36 *Recoverable Amount Disclosures for Non-Financial Assets* modify the disclosure requirements in IAS 36 *Impairment of Assets* regarding the measurement of the recoverable amount of impaired assets and require additional disclosures about the measurement of impaired assets (or group of impaired assets) with a recoverable amount based on fair value less costs of disposal. Effective for annual periods beginning on or after January 1, 2014.

- Amendments to IFRS 10, IFRS 12 and IAS 27 *Investment Entities* – Amendments define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. Effective for annual periods beginning on or after January 1, 2014.

- Amendments to IAS 32 *Offsetting Financial Assets and Financial Liabilities* – Amendments clarify the requirements relating to the offset of financial assets and financial liabilities. Effective for annual periods beginning on or after January 1, 2014.
- Amendments to IAS 39 *Novation of Derivatives and Continuation of Hedge Accounting* allow the continuations of hedge accounting when a derivative is novated to a clearing counterparty and certain conditions are met. Effective for annual periods beginning on or after January 1, 2014.
- IFRS 9 *Financial Instruments* (2013) – General Hedge Accounting. On November 19, 2013 a new version of IFRS 9 was issued which includes the new hedge accounting requirements and some related amendments to IAS 39 *Financial Instruments: Recognition and Measurement* and IFRS 7 *Financial Instruments: Disclosures*. IFRS 9 (2013) also replicates the amendments in IAS 39 in respect of novations. The mandatory effective date will be set when the IASB completes the impairment phase of its project on the accounting for financial instruments.
- IFRIC 21 *Levies* defines a levy as a payment to a government for which an entity receives no specific goods or services. A liability is recognized when the obligating event occurs. Effective for annual periods beginning on or after January 1, 2014.

The Directors of the Company do not anticipate that the application of these amendments will have a significant effect on the Company's financial statements, in the period of initial application.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with International Financial Reporting Standards.

The financial statements are prepared on the historical cost basis with the exception of office apartment stated at revalued amount.

The significant accounting policies adopted are set out below:

A. Accounts Receivable:

Accounts receivable are stated at their nominal value, as reduced by appropriate provision for estimated non-recoverable amounts. Provision is set up against accounts receivable when considered doubtful.

B. Foreign Currencies:

Transactions during the year, including revenues and expenses, denominated in foreign currencies are translated into Lebanese Pounds using the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated into Lebanese Pounds at the exchange rates prevailing at the reporting date. Resulting translation gains and losses are included in the statement of comprehensive income.

C. Property and Equipment:

Office apartment is stated in the statement of financial position at revalued amounts, less accumulated depreciation and impairment in value, if any. Other property and equipment items are stated in the statement of financial position at their historical cost less accumulated depreciation and impairment loss, if any.

Depreciation is provided for over the estimated useful life of the related asset using the straight-line method based on the following annual depreciation rates:

	Depreciation Rate
	%
Office building and office renovation	2%
Furniture and fixtures	7.5-15%
Office and computer equipment	15%
General Installations	10%
Motorcycle	20%

D. Financial Instruments – Clients' Accounts:

Financial instruments clients' accounts are recognized on the trade date. They are initially measured at cost, and are remeasured to fair value at subsequent reporting dates. Changes in the fair value of derivatives are included as appreciation (depreciation) in the clients' accounts. Fair value is determined by reference to quoted market prices.

E. Employees' End-of Service Indemnities:

Provision for employees' end-of-service indemnities is provided for in accordance with the applicable labor law and Social Security regulations in Lebanon.

F. Financial Services Fees:

Financial services fees are recognized after the related transactions are fully accomplished.

G. Revenue and Expense Recognition:

Fees and commissions income are recognized as the related services are performed.

Interest income and expense are recognized on the accrued basis.

H. Income Tax:

Income tax expense is the tax currently payable. Income tax is determined and provided for in accordance with the tax prevailing laws.

Current Tax

Current tax payable is calculated based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the financial position date.

Interest income on cash at bank accounts in Lebanese banks is subject to withholding tax by the correspondent bank, and deducted at year end from the corporate tax liability not eligible for deferred tax benefit, and therefore, accounted for as prepayment on corporate income tax and reflected as a part of income tax provision expense.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

5. CASH AND CENTRAL BANK

This section is comprised of the following:

	December 31, 2013	December 31, 2012
	LBP'000	LBP'000
Cash on hand	16,708	5,816
Escrow account with the Central Bank of Lebanon for capital increase	6,047,100	-
	6,063,808	5,816

6. BANKS AND FINANCIAL INSTITUTIONS

	December 31, 2013	December 31, 2012
	LBP'000	LBP'000
Current accounts with banks	177,748	780,981
Current accounts with correspondent financial institutions	280,473	418,230
	458,221	1,199,211
Term placements with banks	141,627	1,186,213
	599,848	2,385,424

Maturities of term placements as at December 31:

	2013			
	Balance in LBP		Balance in F/Cy	
Maturity	Amount	Average Interest Rate	Amount	Average Interest Rate
	LBP'000	%	LBP'000	%
First quarter 2014	104,812	6	36,815	3.5

	2012			
	Balance in LBP		Balance in F/Cy	
Maturity	Amount	Average Interest Rate	Amount	Average Interest Rate
	LBP'000	%	LBP'000	%
First quarter 2013	1,175,010	6	11,203	4.75

7. ACCOUNTS RECEIVABLE

Accounts receivable are composed of the following:

	December 31, 2013 LBP'000	December 31, 2012 LBP'000
Clients and brokers accounts	1,512,696	703,112
Doubtful clients	1,186,298	1,186,298
Provision against clients' accounts	(1,514,628)	(1,514,628)
	1,184,366	374,782

8. PREPAYMENTS AND OTHER ASSETS

Prepayments and other assets are composed of the following:

	December 31, 2013 LBP'000	December 31, 2012 LBP'000
Advances to employees	54,624	53,343
Investment in a brokerage Company	61,054	61,074
Provision for decline in investment value	(61,054)	(61,074)
Other assets	-	18,658
	54,624	72,001

9. PROPERTY AND EQUIPMENT

Property and equipment are composed of the following:

	Building and Office Renovation LBP'000	Furniture and Fixtures LBP'000	Office and Computer Equipment LBP'000	General Installation LBP'000	Motorcycle LBP'000	Total LBP'000
Cost/Revalued Amount:						
Balance as at December 31, 2011	1,527,847	79,165	235,387	186,717	6,010	2,035,126
Disposals	-	-	(4)	-	-	(4)
Balance as at December 31, 2012	1,527,847	79,165	235,383	186,717	6,010	2,035,122
Additions	383,654	-	71,712	-	-	455,366
Balance as at December 31, 2013	1,911,501	79,165	307,095	186,717	6,010	2,490,488
Accumulated Depreciation:						
Balance as at December 31, 2011	319,557	65,091	187,154	152,934	2,480	727,216
Additions	30,554	5,940	19,185	4,036	721	60,436
Balance as at December 31, 2012	350,111	71,031	206,339	156,970	3,201	787,652
Additions	30,557	5,937	18,850	4,035	721	60,100
Balance as at December 31, 2013	380,668	76,968	225,189	161,005	3,922	847,752
Net Book Value:						
December 31, 2013	1,530,833	2,197	81,906	25,712	2,088	1,642,736
December 31, 2012	1,177,736	8,134	29,044	29,747	2,809	1,247,470

10. ACCRUED CHARGES AND OTHER LIABILITIES

This caption comprises the following:

	December 31, 2013 LBP'000	December 31, 2012 LBP'000
Taxes on non-residents	84,580	56,834
Withheld taxes on salaries	-	3,670
Accrued charges	216,545	205,194
Board of directors remunerations	11,462	30,120
Commission payables	14,518	88,818
Other creditors	50,878	-
	377,983	384,636

The Company's tax returns for the years 2009 and 2013 are still subject to review by the tax authorities. Any additional tax liability depends on the outcome of these reviews.

11. PROVISION FOR EMPLOYEES' END-OF-SERVICE INDEMNITY

Provision for employees' end-of-service-indemnity comprise the following:

	2013	2012
	LBP'000	LBP'000
Balance -- Beginning of year	158,041	105,383
Additions during the year	8,131	53,853
Settlements	(1,268)	(1,195)
Balance -- End of year	164,904	158,041

12. CAPITAL

The General Assembly of shareholders held on August 30, 2013 resolved to increase the Company's capital from LBP1,452,900,000 as at December 31, 2012 to LBP7,500,000,000 as at December 31, 2013 through transfer of LBP1,118,900,000 from retained earnings to capital and through additional capital injection in the amount of LBP1,928,200,000.

The Company's capital amounting to LBP7,500,000,000 (LBP1,452,900,000 as at December 31, 2012) consists of 300,000 shares (87,000 shares as at December 31, 2012) of nominal value LBP25,000 each (LBP16,700 each as at December 31, 2012), fully paid.

The general assembly, in its extraordinary meeting held on January 25, 2007, resolved to increase the Company's capital to LBP2,000,000,000 and change its legal status from a brokerage firm to a financial institution. This resolution was raised again by the Board of Directors in the meeting held on March 21, 2012, but this decision is still not yet executed.

13. REVALUATION SURPLUS

In 1997, the Company revalued its fixed assets which was approved by the ministry of finance on March 16, 1998. The revaluation surplus amounted to LBP984million, of which an amount of LBP942million was transferred to increase the capital as approved by the extraordinary general assembly in its meeting held on June 4, 1996.

14. LEGAL RESERVE

The legal reserve is accounted for in conformity with the requirements of the Lebanese Commercial law on the basis of 10% of the yearly net income, up to one third of the Company's capital. This reserve is not available for distribution.

15. SERVICE FEES AND BROKERAGE COMMISSION - REVENUE

This caption comprises the following:

	Year Ended December 31,	
	2013	2012
	LBP'000	LBP'000
Trading and commission income	2,747,329	1,864,858
Mark ups on trading	170,143	272,813
	2,917,472	2,137,671

16. COMMISSION AND OTHER FINANCIAL CHARGES

This caption comprises the following:

	Year Ended December 31,	
	2013	2012
	LBP'000	LBP'000
Brokers commissions	682,761	475,997
Correspondents commissions	859,147	614,638
Other trading expenses	56,569	42,614
	1,598,477	1,133,249

Commission expense for the year 2013 includes around LBP7million incurred and paid through the general manager (LBP21million in 2012), in addition to LBP14million paid to one of the shareholders in 2013 (LBP5million in 2012).

17. GENERAL AND ADMINISTRATIVE EXPENSES

This caption is composed of the following:

	Year Ended December 31, 2013 LBP'000	Year Ended December 31, 2012 LBP'000
Depreciation (Note 9)	60,100	60,436
Taxes and fiscal stamps	986	5,035
Rent and building services	25,453	21,246
Legal fees	67,983	28,711
Maintenance and repairs	33,606	18,999
Electricity and fuel	38,708	28,288
Entertainment	13,421	12,650
Audit and consultancy fees	47,591	41,682
Subscription	70,367	69,283
Other expenses	110,467	79,204
	468,682	305,098

18. CASH AND CASH EQUIVALENTS

	December 31, 2013 LBP'000	December 31, 2012 LBP'000
Cash on hand	16,708	5,816
Current account with the Central Bank of Lebanon	6,047,000	-
Current accounts with correspondents	458,221	1,199,211
Term placements with banks	141,627	1,186,213
Due to banks and financial institutions	-	(5,795)
Cash and cash equivalents	6,663,656	2,385,445

Term placements with banks are short term with original maturities of 90 days or less.

19. CUSTOMERS' ACCOUNTS

The Company's main activity is the provision of brokerage and financial services to third parties. In return it earns commissions in consideration of its services. To render such services to clients the Company holds client bank accounts, custody and brokerage accounts with correspondent banks and financial institutions. Securities or other financial instruments held at such accounts, by the Company on behalf of the clients, are accounted for at historical nominal values in an off-balance sheet accounts as follows:

	December 31,	
	2013	2012
	LBP'000	LBP'000
Cash on hand	117,946	68,756
Investments and current accounts with banks and financial institutions	32,933,056	30,162,380
Nominal value of credit balance with omnibus accounts (b)	493,991	199,989
	33,544,993	30,431,125
Due to banks and financial institutions	5,687,164	1,907,961
Difference of exchange	24,639	111,590
Customers portfolio – omnibus account (a)	27,833,190	28,411,574
	33,544,993	30,431,125
Total customers' accounts at fair value	32,541,467	16,704,488

(a) Customers' accounts are managed along with the Company's assets where funds are commingled in a single cash pool account and basket of financial instruments.

All future contracts outstanding at year end 2013 under customers portfolio mature during the first quarter of 2014.

For stock trading the Company's clients mainly apply contract for difference (CFD), such a contract is an equity derivative that allows investors to speculate on share price movements, without the need for ownership of the underlying shares, hence allowing investors to take long or short positions.

Client's accounts include an aggregate balance of around LBP2billion relating to board members and related parties as at December 31, 2013 (LBP2billion in 2012).

(b) This caption represents the aggregate nominal value of customers with a corresponding amount reflected in its fair value in a separate caption under liabilities, in the Company's own accounts. These customers' positions were negative at year end and hands liable to the Company. An LBP1.5billion provision for doubtful receivables were allocated to them as at December 31, 2013 (refer to Note 7).

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair Value of Financial Instruments

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Consequently differences can arise between carrying values and fair value estimates.

Financial instruments are reflected in the financial statements according to their classifications, in accordance with IFRS 9.

(b) Credit Risk:

This risk is mainly associated to the Company's bank balances and receivables balances. balances under assets are reflected at their net realizable value by the Company according to previous experience and current economic situation.

(c) Market Risk:

Market risk includes currency risk and interest rate risk:

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange notes.

The Company is not exposed to currency risk since most of its assets and liabilities are denominated in U.S. Dollars in Lebanese Pounds.

Interest Rate Risk

The Company is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its interest generating assets and interest bearing liabilities.

(d) Liquidity Risk

Liquidity risk is the risk that a company will be unable to meet its net funding requirements. Liquidity risk can be caused by market disruptions or credit downgrades, which may cause certain sources of funding to dry up immediately. To mitigate this risk, management has diversified funding sources and assets are managed with liquidity approach, maintaining a healthy balance of cash, cash equivalents.

(e) Capital Risk Management

The Company manages its capital to ensure the Company's ability to continue as a going concern, while maximizing the return through the optimization of the debt and equity balance.

The Company manages the capital structure and makes the necessary revisions, in light of changes in the economics of the business and the market conditions, and the risk characteristics of operations and underlying assets. The Company's overall strategy remains unchanged from 2012.