The Sharia’a Board hereby present the following report on its activities in supervising the Bank’s finances and investments from a Sharia perspective for the financial year ending on 31st December 2017, in fulfillment to the mandate conferred upon it by BisB’s Articles of Association:

– The Sharia’a Supervisory Board monitored the operations, related to the Bank throughout the year ended on 31st December 2017 to express opinion on the Bank’s adherence to the provisions and principles of Islamic Sharia’a in its activities by following the fatwas, decisions and the specific guidelines issued from our side.

– The Sharia’a Supervisory Board believes that ensuring the conformity of Bank’s activities and investments with the provisions of Islamic Sharia’a is the sole responsibility of the Management while the Sharia’a Supervisory Board is only responsible for expressing an independent opinion and preparing a report to you.

– We planned with the Sharia’a Internal Audit department to carry out monitoring functions by obtaining all the information and clarifications that were deemed necessary to confirm that the Bank did not violate the principles and provisions of Islamic Sharia’a and Fatwas and decisions of the Sharia’a Board.

– Our supervision constituted of inspection, documenting of policies followed by the Bank on the basis of examining each kind of operation either directly or indirectly by the internal Sharia’a Department in conformity with the methodology approved by the Sharia’a Board.

– The Sharia’a Internal Audit department performed its mission of auditing the transactions executed by the Bank and submitted its periodic reports to the Sharia’a Supervisory Board, which confirmed the Bank’s adherence in its dealings and investments with the Sharia’a Board’s fatwas and decisions.

– The 13 reports submitted by Internal Sharia Audit Department to the Sharia’a Supervisory Board included results of auditing the files, contracts, executed deals in fulfillment to the Sharia’a Board annual approved audit plan. The Sharia’a Board obtained the requested information and explanations from the departments it deemed necessary to confirm that the Bank did not violate the Sharia principles and Fatwas and decisions of the Sharia’a Board.

– The Sharia Board and its Committees held (14) meetings during the year and issued (116) decisions and fatwas, and approved (88) contracts.

– The Sharia Board has reviewed the financial Statements for the year ended on 31st December 2017, the income statement, the attached notes and the Zakat calculation methods. The Sharia’a Supervisory Board believes that:

1. All the Financial Statements inspected by the Sharia’a Board conform to what has been approved by the Board, and to the standards issued by the Accounting & Auditing Organization for Islamic Financial Institutions AAOIFI.

2. Contracts, and transactions conducted by the Bank throughout were in accordance with the standard contracts pre-approved by the Sharia’a Supervisory Board.

3. The distribution of profit and allocation of losses on investment accounts was in line with the basis and principles approved by the Sharia’a Supervisory Board.

4. Any gains resulted from sources or means prohibited by the provisions and principles of Islamic Sharia’a, have been directed to the Charity and Donations Fund.

5. Zakah was calculated according to the provisions and principles of Islamic Sharia’a, by the net invested assets method. And the shareholders should pay their portion of Zakah on their shares as stated in the financial report.

6. The Bank was committed to the Sharia’a standards issued by the Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI).

We pray that Allah may grant all of us further success and prosperity.
Wassalam Alaykum Wa Rahmatu Allah Wa Barakatoh.