

**FINANCIAL STATEMENTS**  
**OF THE CENTRAL BANK OF TUNISIA**  
**AS AT 31 DECEMBER 2009**  
**AND STATUTORY JOINT-AUDITORS' REPORT**

# **STATUTORY JOINT-AUDITORS' REPORT**

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**STATUTORY JOINT- AUDITORS' REPORT  
ON FINANCIAL STATEMENTS  
AS AT 31 DECEMBER 2009**

**To the Chairman of the Executive Board of the Central Bank of Tunisia**

In compliance with the assignment confided to us by the President of the Republic of TUNISIA, we have reviewed the Central Bank of Tunisia's balance sheet and statement of off balance sheet commitments as at 31 December 2009 as well as the statement of the results for the period then ended.

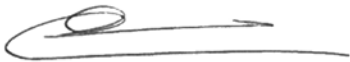
The Bank's Executive Board has finalised the annual accounts and our responsibility is to give an opinion on these accounts based on our audit.

Our review was carried out in accordance with provisions of (new) article 29 of law n°58-90 of 19 September 1958 governing the founding and organisation of the Central Bank of Tunisia, as amended by law n°2006-26 of 15 May 2006, and with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

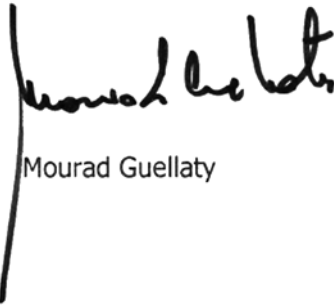
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or 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.

In our opinion, the financial statements give a true and fair view of the financial position of the Central Bank of Tunisia as at 31 December 2009 and the results of its operations for the year then ended in accordance with accounting methods for evaluation and presentation recommended by Tunisian and international accounting principles, taking into account the specific nature of the Central Bank's activities and are consistent with those used the year before. The most significant accounting principles are described in note II attached to the financial statements.



Moncef Boussannouga Zammouri



Mourad Guellaty

**FINANCIAL STATEMENTS**

**AS AT 31 DECEMBER 2009**

## BALANCE SHEET AS AT 31 DECEMBER 2009

(In dinars)

<b>A S S E T S</b>	<b><u>NOTES</u></b>	<b><u>31/12/2009</u></b>	<b><u>31/12/2008</u></b>
Gold holdings		4 394 852	4 412 137
Subscriptions to international organisations	1	2 371 793	2 371 793
IMF reserve position	2	42 588 253	38 472 326
Assets and investments in special drawing rights	3	501 914 258	11 708 161
Foreign currency assets		13 397 463 081	11 687 458 293
Securities purchased / open market	4	26 296 700	25 073 300
Advance to the State pertaining to Monetary Funds subscription	5	616 661 533	558 443 905
Standing advance to the State	6	25 000 000	25 000 000
Reimbursable advance to the State	7		553 125
Bills in collection	8	32 585 816	30 753 261
Shareholding portfolio	9	31 650 065	31 390 050
Fixed assets		30 481 678	30 999 768
Miscellaneous debtors	10	25 732 926	24 741 146
Memorandum accounts and accounts calling for adjustment	11	25 647 207	10 999 355
<b><u>TOTAL ASSETS</u></b>		<b><u>14 762 788 162</u></b>	<b><u>12 482 376 620</u></b>

**THE ATTACHED NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

## BALANCE SHEET AS AT 31 DECEMBER 2009

(In dinars)

<u>LIABILITIES AND EQUITY</u>	<u>NOTES</u>	<u>31/12/2009</u>	<u>31/12/2008</u>
<b><u>LIABILITIES</u></b>			
Banknotes & coins in circulation	12	5 276 088 906	4 641 106 564
Bank and financial institutions current accounts		381 185 428	1 330 167 571
Government accounts	13	1 359 555 247	759 693 263
Commitments towards lending institutions related to monetary policy transactions	14	1 669 000 000	-
Allocation of special drawing rights	15	560 733 448	69 784 631
Current accounts in dinar of foreign institutions	16	573 320 850	520 037 080
Commitments in foreign currency towards Tunisian authorised intermediaries	17	1 691 022 042	2 029 148 223
Foreign accounts in foreign currency	18	44 610 581	31 636 157
Other commitments in foreign currency	19		13 625 665
Current collection of values	20	10 971 754	79 192 124
Depositors of bills in collection	21	34 234 477	40 954 401
Differences on conversion and revaluation	22	151 643 818	160 420 418
Miscellaneous creditors	23	16 043 744	15 471 425
Provisions for costs to manufacture banknotes, coins and medals	24	2 894 117	15 820 193
Other provisions			842 191
Memorandum accounts and accounts calling for adjustment	25	2 636 831 369	2 232 272 417
<b><u>TOTAL LIABILITIES</u></b>		<b><u>14 408 135 781</u></b>	<b><u>11 940 172 323</u></b>
<b><u>EQUITY</u></b>			
Capital	26	6 000 000	6 000 000
Reserves		90 434 099	89 145 872
Other equity			116 667
Results carried forward		141 757	79 423
<b><u>TOTAL EQUITY PRIOR TO FINANCIAL YEAR RESULTS</u></b>		<b><u>96 575 856</u></b>	<b><u>95 341 962</u></b>
Financial year results		258 076 525	446 862 335
<b><u>TOTAL EQUITY PRIOR TO ALLOCATION</u></b>		<b><u>354 652 381</u></b>	<b><u>542 204 297</u></b>
<b><u>TOTAL LIABILITIES AND EQUITY</u></b>		<b><u>14 762 788 162</u></b>	<b><u>12 482 376 620</u></b>

**THE ATTACHED NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**STATEMENT OF OFF BALANCE-SHEET COMMITMENTS**  
**AS AT 31 DECEMBER 2009**

(In dinars)

	<b><u>NOTES</u></b>	<b><u>31/12/2009</u></b>	<b><u>31/12/2008</u></b>
<b><u>Commitments for guarantee</u></b>	27	<b><u>8 446 638 369</u></b>	<b><u>9 121 484 048</u></b>
Debenture loans		7 737 761 932	8 480 375 044
Other external borrowings		708 876 437	641 109 004
<b><u>Commitments on foreign currency swap transactions</u></b>	27		
Commitments given		348 895 824	359 523 938
Commitments received		257 070 185	271 057 150
<b><u>Commitments on exchange swap transactions</u></b>	27		
Commitments given			944 450
Commitments received			942 572

THE ATTACHED NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## STATEMENT OF RESULTS AS AT 31 DECEMBER 2009

(In dinars)			
	<u>NOTES</u>	<u>31/12/2009</u>	<u>31/12/2008</u>
<b><u>PROCEEDS</u></b>			
Proceeds from intervention on the money market		2 018 298	3 470 273
Interest on forward investments in foreign currency		156 965 320	351 396 861
Other proceeds on foreign currency transactions	28	94 156 811	54 440 268
Proceeds on transactions with international organisations		4 490 988	4 504 067
Interest on claims on the State		133 297	149 094
Interest on banks and financial institutions' accounts		316 154	329 968
Miscellaneous proceeds	29	4 017 456	2 710 187
Write back of provisions for costs to manufacture banknotes, coins and medals		26 726 076	6 518 392
Write back of provisions on securities		2 046	1 817 133
Gains on exchange/readjustment of foreign currency accounts		129 230 813	164 617 309
		<b><u>418 057 259</u></b>	<b><u>589 953 552</u></b>
<b><u>COSTS</u></b>			
Costs related to money market intervention		39 682 316	25 357 729
Interest paid on transactions in foreign currency	30	9 195 693	40 013 995
Other costs on transactions in foreign currency	31	24 006 889	13 473 218
Costs on transactions with international organisations		620 927	3 523 156
Miscellaneous costs		209 063	200 301
Staff costs		44 113 840	40 597 700
General operating costs		11 571 985	10 457 656
Costs for banknotes, coins and medals manufacturing		26 726 076	6 518 392
Allocations for fixed asset depreciation		3 797 477	2 104 833
Allocation for absorption of costs carried forward		53 333	
Allocation for provisions/depreciation of securities		3 135	2 046
Allocations for other provisions			842 191
		<b><u>159 980 734</u></b>	<b><u>143 091 217</u></b>
<b><u>FINANCIAL YEAR RESULTS</u></b>		<b><u>258 076 525</u></b>	<b><u>446 862 335</u></b>

**THE ATTACHED NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

# **NOTES RELATED TO FINANCIAL STATEMENTS OF THE CENTRAL BANK OF TUNISIA AS AT 31/12/2009**

## **GENERAL PRESENTATION**

The total of the Central Bank of Tunisia's balance sheet for the year ending 31 December 2009 came to 14,762.8 MTD, compared to 12,482.4 MTD in 2008, an increase of 2,280.4 MTD or 18.3%. Results for the year came to 258.1 MTD vs. 446.9 MTD in 2008, a drop of 188.8 MTD or 42.2%.

As for asset entries, foreign currency assets posted an increase of 1,710 MTD (14.6%), reaching 13,397.5 MTD compared to 11,687.5 MTD in 2008. This increase was attributable in particular to drawings on external loans from international and regional financial institutions in the framework of financing of a number of development initiatives as well as income from tourism and foreign direct investment.

Assets in special drawing rights went up by 490.2 MTD to 501.9 MTD, compared to 11.7 MTD in 2008. This increase was due mainly to allocation of SDRs granted by the International Monetary Fund to Tunisia. This amounted to 238.5 million SDRs (212.4 million SDRs as general allocation and 26.1 million SDRs as special allocation) after IMF decided in July 2009 to issue the equivalent of 283 billion US dollars in the form of special drawing rights to provide member states with greater reserve liquidity to help them counter the effects of the financial crisis.

The advance to the State for subscription to monetary funds went up by 58.2 MTD from the 2008 figure, the result of revaluation of Tunisia's participation in the International Monetary Fund on the basis of the new rate between special drawing rights and the dinar set by IMF on 30 April 2009. The value of the SDR against the dinar appreciated by 9.7% compared to its value on 30 April 2008. Appreciation of SDRs against the dinar also influenced the line entitled «IMF reserve position», which went up by 4.1 MTD to 42.6 MTD, compared to 38.5 MTD in 2008.

«Memorandum accounts and accounts calling for adjustment» posted an increase of 14.6 MTD compared to 2008, largely due to higher interest to be received on securities in foreign currency. This interest is recorded in adjustment accounts, in line with the accrued proceeds.

For liability entries, banknotes and coins in circulation went up by 635 MTD, from 4,641.1 MTD in 2008 to 5,276.1 MTD in 2009. The rate of increase rose from 6.7% in 2008 to 13.7% in 2009.

The outstanding balance of commitments to lending institutions tied to monetary policy transactions came to 1,669 MTD on 31 December 2009, reflecting the surplus in banking liquidity that marked 2009, which required that the Issuing Institution intervene on the monetary market to absorb excess liquidity, essentially by means of negative calls for bids. It should be pointed out that the average volume of liquidity recovered by the Central Bank doubled, up from 418 MTD in 2008 to 844 MTD in 2009. Consequently, but also under the

influence of the lower reserve requirement rate introduced at the beginning of the year, the balance of bank and financial institution accounts fell by a considerable 949 MTD, posting 381.2 MTD at the end of 2009 vs. 1,330.2 MTD as at 31 December 2008.

Government accounts were up by 599.9 MTD, due mainly to resources mobilised via external borrowing by the State, recorded in «special accounts in foreign currency» the balance of which rose by 428 MTD, along with encashment of proceeds from the sale of the third (third generation) landline and mobile phone licence in the amount of 187.3 MTD, entered under «miscellaneous Government accounts». It should be noted that the balance of the Treasury's current account remained at the same level as in 2008 : 396 MTD.

«Memorandum accounts and accounts calling for adjustment» rose by 404.6 MTD, due mainly to the fact that the share of Central Bank profits for 2008 that reverts to the State (432 MTD) remained in these accounts, pending the Ministry of Finance request for transfer of funds. Moreover, essentially because of appreciation of the euro against the dinar, revaluation of accounts labelled in foreign currency generated a gain of 119.2 MTD, in addition to the 160 MTD from the previous year. To make provision for hedging the risk inherent in exchange rate fluctuations over 2010, 150 MTD were retained in the «differences on conversion» account and the remaining 129.2 MTD were integrated in results for the year, compared to 164.6 MTD in 2008.

As for the statement of results, interest on investment in foreign currency recorded a sharp drop of 194.4 MTD (55.3%). This was caused in particular by low interest rates and to a lesser degree the pursuit of the prudent strategy in managing foreign currency reserves, giving more weight to security than to yield in the investment. Other proceeds on transactions in foreign currency, on the other hand, recorded an increase of 39.7 MTD, attributable largely to gains on foreign exchange for current transactions, up from 11.3 MTD in 2008 to 49.4 MTD in 2009, an increase of 38.1 MTD.

As for financial charges, interest paid on transactions in foreign currency dropped, influenced in particular by the significant decrease in interest on loans on the money market in foreign currency (-30.5 MTD), due mainly to lower interest rates on the main foreign currencies in 2009.

Transactions on the money market generated net charges of 37.7 MTD vs. 21.9 MTD in 2008. This reflects the excess banking liquidity that marked 2009, leading the Issuing Institution to intervene throughout the year to absorb excess liquidity, notably by means of negative calls for bids.

Operating costs rose by 4.6 MTD, from 51.1 MTD in 2008 to 55.7 MTD in 2009. Staff costs went up by 3.5 MTD and general operating costs by 1.1 MTD.

## **I. LEGAL FRAMEWORK AND ACCOUNTING REFERENTIAL**

The Central Bank of Tunisia's financial statements are drawn up in conformity with the terms of law n°58-90 of 19 September 1958 governing its founding and organisation (as modified in subsequent texts) and Tunisian accounting standards, taking into account the specific nature of the Central Bank's activities.

Central Bank of Tunisia financial statements include

- a balance sheet,
- a statement of off balance sheet commitments,
- a statement of results, and
- notes related to the financial statements.

## **II. ACCOUNTING PRINCIPLES AND RULES OF ASSESSMENT**

### **1) Gold holdings**

The Bank's gold holdings are assessed at the official price for gold as per decree-law n°64-18 of 28 September 1964, which defines the dinar. Article 2 of this decree specifies that «*official parity for the dinar is set at 1.69271 gram of fine gold for one dinar*». Thus a gram of fine gold is worth 0.590768649 dinar. Following devaluation of the dinar in 1986, as per decree n°86-785 of 18 August 1986, the official price for gold became 0.6498475 dinar for one gram of fine gold.

### **2) Assets and liabilities in foreign currency**

Assets and liabilities labelled in foreign currency are converted to dinars at «*accounting reference rates*» that remain valid for a period of one month. Accounting reference rates represent average rates ( $[\text{bid rate} + \text{offer rate}] / 2$ ) set by the Central Bank of Tunisia on the last working day of each month.

Assets and liabilities labelled in foreign currency are revalued at the end of each month. Latent losses and gains resulting from monthly revaluation are entered under the balance sheet account «*differences on conversion*».

### **3) Assumption of proceeds and costs**

3.1 The entering of proceeds and costs is based on the accounting principle of «*independence of financial years*». Thus proceeds and costs accruals are recognised in the accounting year in which they were acquired or due.

3.2 Proceeds and costs resulting from transactions in foreign currency are converted into dinars at the rate of exchange in effect on the day of the transaction.

3.3 At the end of the period, the balance of the account «*differences on conversion*» is processed as follows:

- Debit balance: The total amount of the balance is entered as a cost for the financial year.
- Credit balance: The only amount entered on the statement of results as gain on exchange for adjustment of accounts in foreign currency is that remaining after assessing the portion of the above-mentioned balance to be carried forward to the subsequent financial year to hedge against any possible losses on exchange to be entered for that financial year.

3.4 Differences between the exchange rates in effect on the day of the transaction and accounting reference rates are entered on the statement of results as gains or losses on exchange. Such gains and losses, in effect, result from actual transactions.

#### **4) Fixed assets**

Tangible and intangible fixed assets are accounted for by applying the rule of *«historic cost»*, that is to say the cost of acquisition or the actual amount disbursed to cover costs in the case of construction. Aside from land, fixed assets are to be depreciated in a straight-line method over the projected lifespan of the fixed asset by applying the usual rates for each category of fixed asset. For certain equipment that is specific to the Central Bank of Tunisia (such as cash register equipment), lifespan and applied depreciation rate are determined by reference to the experience of their users. Tangible fixed assets involve mostly land, buildings, technical equipment, computer hardware, cash register equipment, transport material, and office equipment. Intangible fixed assets are made up mainly of computer software.

#### **5) Securities in foreign currency**

Securities labelled in foreign currency that are part of *«foreign currency assets»* are assessed at market price on the closing day of the financial year. Latent losses from the difference between accounting value (possibly corrected by depreciation of premiums and discounts) and market value of securities are recorded as provisions for depreciation. Latent gains are not recorded.

#### **6) Securities in dinar**

Securities in dinars purchased in the framework of open market transactions are assessed at market price on the balance sheet's closing date. Latent losses or gains resulting from revaluation are entered in the balance sheet account *«differences on revaluation»*.

#### **7) Shareholding portfolio**

The Central Bank of Tunisia's shareholding portfolio is made up of securities that it has acquired in the framework of article 53 of its articles of association that represent its share in the capital of a number of non resident organisations and companies as well as resident companies that manage common banking services. These shares are recorded at the price of acquisition.

### **III – DETAILED EXPLANATION OF THE HEADINGS IN THE FINANCIAL STATEMENTS**

#### **NOTE 1 : SUBSCRIPTIONS TO INTERNATIONAL ORGANISATIONS**

The amount recorded under this heading represents the total of sums paid by the BCT to certain international financial organisations as shares subscribed to in gold or foreign currency by the Republic of Tunisia in the capital of these institutions as per prevailing legislation authorising the Central Bank to enter these shares under the assets heading of the Bank's balance sheet. The date of the last transaction entered in this framework goes back to 1969. The State has since then taken responsibility for all subscriptions, whether in local or foreign currency.

The following institutions are involved :

<b>Institution</b>	<b>Subscribed amount (in TND)<sup>1</sup></b>
International Bank for Reconstruction and Development	215 408
International Development Association	87 202
International Financial Corporation	76 808
African Development Bank	1 992 375

**NOTE 2 : IMF RESERVE POSITION**

The amount recorded under this heading (42.6 MTD)<sup>2</sup>, represents the counter value in dinars of the portion of Tunisia's shares subscribed to in foreign currency (20.2 million SDRs) in the capital of IMF. This represents the difference between Tunisia's full share (286.5 million SDR) and IMF's holdings in dinars, held in its account n°1 on the books of the Central Bank of Tunisia. As for assets in foreign currency, the IMF reserve position is part of Tunisia's international reserves. In effect, if support for the balance of payments is required, these reserve assets labelled in SDRs can be withdrawn from IMF without any prior conditions, converting them to the most freely convertible currencies.

**NOTE 3 : ASSETS AND INVESTMENT IN SDRS**

This heading includes :

- the balance of the SDR account opened in the name of the Central Bank of Tunisia (BCT) on the books of the IMF, which on 31 December 2009 came to 241.8 million SDRs (the equivalent of 497.1 million dinars<sup>3</sup>).
- the amount in SDRs represents the Central Bank of Tunisia's contribution to the PRGF<sup>4</sup>-HIPC<sup>5</sup> fiduciary fund administered by the International Monetary Fund, which amounted to 2.4 million SDRs, the equivalent of 4.9 million dinars<sup>3</sup>.

	<b>2009</b>	<b>2008</b>
<b><u>ASSETS AND INVESTMENT IN SPECIAL DRAWING RIGHTS</u></b>	<b><u>501 914 258</u></b>	<b><u>11 708 161</u></b>
Assets in Special Drawing Rights	497 059 608	6 895 389
Investment in Special Drawing Rights	4 854 650	4 812 772

**NOTE 4 : SECURITIES PURCHASED IN THE FRAMEWORK OF OPEN MARKET TRANSACTIONS**

This heading posted a slight increase of 1.2 MTD compared to 2008, following gains on revaluation of the relevant securities that took place on 31 December 2009.

<sup>1</sup> This concerns the counter-value in TND of amounts subscribed in gold or in foreign currency at historic exchange rates.

<sup>2</sup> 1 TND = 0.475454 SDR, as per IMF quotation in effect since 30 April 2009.

<sup>3</sup> 1 SDR = 2.055657 TND as of 31/12/2009.

<sup>4</sup> Poverty Reduction and Growth Facility.

<sup>5</sup> Heavily Indebted Poor Countries.

	<b>2009</b>	<b>2008</b>
<b><u>SECURITIES PURCHASED IN THE FRAMEWORK OF OPEN MARKET TRANSACTIONS</u></b>	<b><u>26 296 700</u></b>	<b><u>25 073 300</u></b>
Bonds equivalent to Treasury bonds purchased firm	26 296 700	25 073 300

**NOTE 5 : ADVANCE TO THE STATE PERTAINING TO MONETARY FUNDS SUBSCRIPTION**

This heading enters as an advance to the Treasury the counter value in dinars of amounts paid out for subscriptions corresponding to Tunisia's shares in the capital of the International Monetary Fund and the Arab Monetary Fund, in application of the terms of law n°77-71 of 7 December 1977 governing relations between the Central Bank of Tunisia and these two financial institutions.

- International Monetary Fund : The overall amount of Tunisia's subscription in the capital of this institution comes to 286.5 million SDRs, 266.3 million in dinars credited to account n°1 in the name of the International Monetary Fund and 20.2 million in convertible currency.
- Arab Monetary Fund: Tunisia holds a 12.85 million Arab accounting dinar share in the capital of this institution. This includes 7 million Arab accounting dinars as a cash subscription (6.9 million in convertible currencies and 0.1 million in local currency, credited to the AMF's dinar account on the books of the Central Bank of Tunisia) and 5.85 million Arab accounting dinars as Tunisia's new share as per decision n°3/2005 of the Fund's board of governors approving release of the remaining portion of capital by incorporation of reserves and distribution of new shares to member states, proportionate to their initial shares. The Arab accounting dinar is worth 3 SDRs.

Subscriptions in dinars to the capital of these two institutions, recorded as a credit to their respective accounts on the books of the Central Bank, are adjusted annually to take into account trends in the exchange rate for the SDR against the Tunisian dinar, with reference to prices set by the International Monetary Fund.

**NOTE 6 : STANDING ADVANCE TO THE STATE**

Under this heading is found the amount of the standing advance to the State, as per the terms of the agreement signed by the Central Bank and the Ministry of Finance on 29 June 1970, as per law n°70-22 of 7 May 1970 governing restructuring of public finances. In return for this advance, the State pays interest at an annual rate of 0.5%.

**NOTE 7 : REIMBURSABLE ADVANCE TO THE STATE**

Under this heading is recorded the outstanding balance of the reimbursable advance to the State, granted in line with the above-mentioned agreement, in return for payment of interest at an annual rate of 3%. The final payment to be made against this advance was paid on 1 July 2009.

### **NOTE 8 : BILLS IN COLLECTION**

The amount recorded under this heading represents the outstanding balance of securities subscribed to in favour of the State, notably underwritten bonds subscribed to in favour of the State and remitted by the Treasury for encashment. These securities are held in the portfolio of the Central Bank of Tunisia until they fall due.

### **NOTE 9 : SHAREHOLDING PORTFOLIO**

The amount recorded under this heading represents the paid-up portion of the Central Bank of Tunisia's holdings in the capital of the following institutions :

<b>Institution</b>	<b>Balance by currency</b>		<b>Balance as of 31/12/2009 in TND<sup>1</sup></b>
▪ Tunisian Banking Union (UTB)	7 152 659.46	EUR	13 523 176
▪ SWIFT Company	5 330.00	EUR	10 077
▪ African Import Export Bank	10 000 000.00	USD	13 099 500
▪ Maghreb Bank for Investment and Foreign Trade	2 500 000.00	USD	3 274 875
▪ Programme to finance inter Arab Trade	1 250 000.00	USD	1 637 437
▪ Interbank Clearing Company (SIBTEL)	105 000.000	TND	105 000
<b>Total</b>			<b>31 650 065</b>

### **NOTE 10 : MISCELLANEOUS DEBTORS**

The main entry under this heading is the outstanding balance of various kinds of loans granted to Central Bank staff, financed from reserves for social funds.

### **NOTE 11 : MEMORANDUM ACCCOUNTS AND ACCOUNTS CALLING FOR ADJUSTMENT (ASSETS)**

This heading includes mainly costs paid in advance, proceeds to be received, and various other debit amounts awaiting adjustment. This is broken down as follows :

	<b>2009</b>	<b>2008</b>
<b><u>MEMORANDUM ACCCOUNTS AND ACCOUNTS CALLING FOR ADJUSTMENT (ASSETS)</u></b>	<b><u>25 647 207</u></b>	<b><u>10 999 355</u></b>
Accrued income and accrued expenses	20 346 697	6 431 199
Gold to be sold to jewellers	1 154 735	118 376
Advances and instalments for staff	3 431 735	3 667 958
Other memorandum and adjustment accounts	714 040	781 822

### **NOTE 12 : BANKNOTES AND COINS IN CIRCULATION**

Banknotes and coins in circulation went up by 635 MTD (13.7%) to 5,276.1 MTD, compared to 4,641.1 MTD in 2008. They are broken down as follows :

<sup>1</sup> As per rates of exchange in effect on 31 December 2009 :  
1 EUR = 1.89065 TND  
1 USD = 1.30995 TND

	<b>2009</b>	<b>2008</b>
<b><u>BANKNOTES AND COINS IN CIRCULATION</u></b>	<b><u>5 276 088 906</u></b>	<b><u>4 641 106 564</u></b>
Banknotes	5 052 439 135	4 420 401 160
Coins	223 649 771	220 705 404

**NOTE 13 : GOVERNMENT ACCOUNTS**

The main entries under this heading are the balance of the Treasury's current account (396 MTD), the balance of the Tunisian Government's special accounts in foreign currency recording drawings on external loans and grants made to the State or public institutions with State guarantee (748.6 MTD), as well as the balances of other accounts relating to miscellaneous funds held by the Central Bank on behalf of the State, such as the fund for industrial promotion and decentralisation (FOPRODI) and the national fund to promote handicrafts and small trades (FONAPRA).

	<b>2009</b>	<b>2008</b>
<b><u>GOVERNMENT ACCOUNTS</u></b>	<b><u>1 359 555 247</u></b>	<b><u>759 693 263</u></b>
Tunisian Treasury current account	396 012 647	396 927 874
Tunisian Government special account in foreign currency	748 605 063	321 044 699
Tunisian Government grants accounts	1 053 791	2 548 436
FOPRODI	479 201	14 961 337
Tunisian Government – miscellaneous accounts	190 933 568	1 182 188
Special account/1969 IBRD loan	280 000	280 000
FONAPRA	3 566 694	15 550 977
Tunisian Government – loans accounts	18 624 283	7 197 752

**NOTE 14 : COMMITMENTS TOWARDS LENDING INSTITUTIONS RELATED TO MONETARY POLICY TRANSACTIONS**

This heading posts the net outstanding balance of BCT intervention on the money market, which came to 1,669 MTD as at 31 December 2009, reflecting the excess banking liquidity that marked 2009.

**NOTE 15 : ALLOCATION OF SPECIAL DRAWING RIGHTS**

This item includes the counterpart of the cumulated amounts of SDRs allotted by the International Monetary Fund to Tunisia in its quality of member state. Coming to 272.8 million SDRs<sup>1</sup> as at 31 December 2009, these allocations are to be returned to the International Monetary Fund if SDRs are cancelled. Thus they constitute an open-ended commitment towards the International Monetary Fund.

<sup>1</sup> 1 SDR = 2.055657 TND on 31 December 2009.

**NOTE 16 : CURRENT ACCOUNTS IN DINARS OF FOREIGN INSTITUTIONS**

This heading posts the balances of accounts opened in dinars in the name of foreign institutions such as the International Monetary Fund, the World Bank, the African Development Bank, and the Arab Monetary Fund. The balance of International Monetary Fund account n°1, including the amount of Tunisia's subscription in dinars to the capital of the Fund, is the major component of this heading (560 MTD).

**NOTE 17 : COMMITMENTS IN FOREIGN CURRENCY TOWARDS TUNISIAN AUTHORISED INTERMEDIARIES**

This heading includes the sight assets in foreign currency of authorised intermediaries and the outstanding balance of borrowings by the Central Bank on the money market in foreign currency.

**NOTE 18 : FOREIGN ACCOUNTS IN FOREIGN CURRENCY**

This heading records the overall credit balance of accounts in foreign currency or convertible Tunisian dinars in the name of non resident banks or institutions.

**NOTE 19 : OTHER COMMITMENTS IN FOREIGN CURRENCY**

The special deposit account in foreign currency in the name of the Abu Dhabi Fund for Arab Economic Development as per the agreement signed with the Central Bank of Tunisia posted a balance of 10.4 million US dollars on 31 December 2008, the equivalent of 13.6 MTD. The account was closed after transfer of the balance by order of the Fund, to be used in the framework of a direct investment initiative in Tunisia.

**NOTE 20 : CURRENT COLLECTION OF VALUES**

The amount recorded under this heading represents the net credit balance of values collection accounts, notably cheques made out to collect the Treasury.

**NOTE 21 : DEPOSITORS OF BILLS TO BE COLLECTED**

This category represents the counterpart of the assets heading «bills to be collected». The difference between these two items represents the value of securities due that are sent for collection, the amount of which is still not collected.

**NOTE 22 : DIFFERENCES ON CONVERSION AND REVALUATION**

This category includes that portion of the credit balance for the account «differences on conversion», retained as a provision to hedge risk from exchange rates' variations in 2010 (150 MTD) and gains on revaluation at market price for securities purchased in the framework of open market transactions (1.6 MTD).

**NOTE 23 : MISCELLANEOUS CREDITORS**

This heading includes mainly the deposit accounts of Bank agents, withholding taxes due to the State, contributions for social coverage pending payment, and the attachment orders on current accounts.

	<b>2009</b>	<b>2008</b>
<b><u>MISCELLANEOUS CREDITORS</u></b>	<b><u>16 043 744</u></b>	<b><u>15 471 425</u></b>
Trust fund accounts (staff accounts, staff association account...)	6 583 298	5 445 775
Withheld tax, VAT collected and other taxes and levies due to the State	1 319 344	967 278
Social coverage – suspense account	1 283 694	1 170 690
- CNSS ( <i>national social security fund</i> )	600 067	570 197
- STAR ( <i>Tunisian insurance and reinsurance company</i> )	681 977	599 318
- CNRPS ( <i>national retirement and social security fund</i> )	1 650	1 175
Other miscellaneous creditors	6 857 408	7 887 682
<i>of which:</i>		
- Attachment orders on current accounts	6 116 827	6 698 954
- Blocked amounts for attachment orders already enacted	156 864	148 444
- Other attachment orders put in practice, in the hands of the BCT	52 225	52 224
- Account for enhanced competitiveness in the textile/clothing sector	209 704	434 422
- Outstanding petrol vouchers	96 237	88 790
- Intervention of the regime to encourage innovation in information technologies	180 375	397 070
- Unclaimed amounts from the suspense account «credits pending assignment»	7 072	30 398

**NOTE 24 : PROVISIONS FOR COSTS TO MANUFACTURE BANKNOTES, COINS AND MEDALS**

The amount entered on this line represents the balance of resources allocated to fund programmes to manufacture banknotes, coins and medals when profits from previous periods are distributed.

**NOTE 25 : MEMORANDUM ACCOUNTS AND ACCOUNTS CALLING FOR ADJUSTMENT (LIABILITIES)**

This line shows mainly credit amounts pending settlement, costs to be paid, proceeds paid in advance, and the counterpart of the IMF's reserve position.

	<b>2009</b>	<b>2008</b>
<b><u>MEMORANDUM ACCOUNTS AND ACCOUNTS CALLING FOR ADJUSTMENT (LIABILITIES)</u></b>	<b><u>2 636 831 369</u></b>	<b><u>2 232 272 417</u></b>
Counterpart of the IMF reserve position	42 588 253	38 472 326
Foreign currency pending assignment	2 126 675 549	2 128 473 502
<i>of which: income from privatisation of Tunisie Telecom</i>	<i>2 124 418 924</i>	<i>2 125 959 592</i>
Costs to be paid and miscellaneous proceeds paid in advance	4 415 264	5 199 270
Interest paid in advance on securities in foreign currency	19 903 722	46 455 874
Expenditure to be paid for specific and exceptional purposes	2 339 949	2 400 753
Staff costs to be paid	7 194 900	7 026 497
Other memorandum and adjustment accounts	433 713 732	4 244 195
<i>of which: share due to the State from BCT profits for 2008</i>	<i>432 000 000</i>	

## **NOTE 26 : EQUITY**

Equity prior to the appropriation of 2009 income came to 354.7 MTD as at 31 December 2009, compared to 542.2 MTD on 31 December 2008, a drop of 187.5 MTD. Breakdown is as follows :

	<b>2009</b>	<b>2008</b>
Capital	6 000 000	6 000 000
Reserves	90 434 098	89 145 872
Other equity		116 667
Results carried forward	141 757	79 423
<b>Total equity prior to financial year results</b>	<b>96 575 855</b>	<b>95 341 962</b>
Financial year results	258 076 525	446 862 335
<b>TOTAL EQUITY PRIOR TO APPROPRIATION</b>	<b>354 652 380</b>	<b>542 204 297</b>

«Other equity» is made up of the investment subsidy from technical assistance granted by the Arab Monetary Fund in the framework of the loan for the second structural adjustment facility. In effect, a portion of the amount for the above mentioned technical assistance was used to partially finance acquisition of the software application for the system for transfer of large amounts (SGMT). The portion equal to the final amount of annual amortisation of intangible fixed assets (corresponding to the above-mentioned software) was integrated in the Bank's proceeds.

## **NOTE 27 : OFF BALANCE SHEET COMMITMENTS**

The statement of off balance sheet commitments includes guarantee commitments, commitments on swap operations in foreign currency, and commitments for foreign exchange swap operations.

### **- Guarantee commitments**

Recorded under this heading are debenture loans issued by the Central Bank of Tunisia on behalf of the Tunisian Government on foreign financial markets (Japanese, American and European) and external borrowings by the State in the framework of bilateral economic cooperation. These borrowings are managed by the Central Bank on behalf of the State against signature of commitments to the foreign party (foreign bank or financial institution) for settlement of relevant payments due. These loans are recorded specifying principal and interest, except those with variable interest rates, for which only the amount of principal is recorded.

These commitments are in fact considered to be surety bonds (off balance sheet), in accordance with the accounting convention «pre-eminence of content over form». The Central Bank's financial commitments from the above mentioned borrowings mean a similar commitment on the part of the State for repayment of all scheduled amounts as well as settlement of all related financial costs.

This line posted a drop of 674.8 MTD between 2008 and 2009, mainly because of reimbursement of the debenture loan in euro issued on 5 August 1999.

- Commitments on foreign currency swap transactions

This heading shows commitments given (foreign currency to be given) and commitments received (foreign currency to be received) in the framework of foreign currency swap transactions to hedge foreign exchange risk on certain debenture loans labelled in Japanese yen.

- Commitments on foreign exchange swap transactions

This line lists commitments given (foreign currency to be given) and commitments received (foreign currency to be received) as foreign exchange swap transactions carried out in the framework of current management of reserves in foreign currency.

**NOTE 28 : OTHER PROCEEDS ON FOREIGN CURRENCY TRANSACTIONS**

This includes mainly commissions on foreign exchange transactions (25.8 MTD), gains on net foreign exchange from the difference between exchange rates in effect on the date of the transaction in foreign currency and accounting reference rates (49.4 MTD) and gains on sale of securities in foreign currency (12.9 MTD).

**NOTE 29 : MISCELLANEOUS PROCEEDS**

	<b>2009</b>	<b>2008</b>
<b><u>MISCELLANEOUS PROCEEDS</u></b>	<b><u>4 017 456</u></b>	<b><u>2 710 187</u></b>
Proceeds on unused budget allocations	1 136 882	725 873
Commissions on sale of gold to jewellers	172 518	400 662
Cost recovery	441 220	369 861
Late fees on implementation of orders for manufacturing banknotes, coins and medals		13 284
Recovery of complementary retirement pensions for seconded staff	172 546	104 405
Income from shareholding securities	1 331 596	557 488
Proceeds from services related to transfer of gross amounts	231 108	216 067
Portion entered as proceeds from the investment subsidy	116 667	116 667
Other proceeds	414 919	205 880

**NOTE 30 : INTEREST PAID ON TRANSACTIONS IN FOREIGN CURRENCY**

Interest paid on transactions in foreign currency came to 9.2 MTD as at 31 December 2009 compared to 40 MTD as at 31 December 2008, a drop of 30.8 MTD, due mainly to interest paid for intervention on the domestic money market in foreign currency.

	<b>2009</b>	<b>2008</b>
<b><u>INTEREST PAID ON TRANSACTIONS IN FOREIGN CURRENCY</u></b>	<b><u>9 195 692</u></b>	<b><u>40 013 995</u></b>
Interest on money market intervention in foreign currency	9 083 970	39 540 466
Interest on deposit accounts in foreign currency	91 674	414 470
Interest on sight overdrafts in foreign currency	20 048	59 059

### **NOTE 31 : OTHER COSTS ON TRANSACTIONS IN FOREIGN CURRENCY**

This heading includes mainly costs relating to instruments to hedge foreign exchange risk (foreign exchange swaps, foreign currency swaps, forward foreign exchange...) and costs for extension of the premium on securities in foreign currency.

### **BREAKDOWN OF RESULTS FOR 2009**

In line with the terms of article 68 of law n°58-90 dated 19 September 1958 governing the founding and organisation of the Central Bank of Tunisia, the Bank's Executive Board at its meeting on 24 February 2010 approved breakdown of 2009 results as follows :

(Amounts in TND)

<b>Results for the year</b>	<b>258.076.525</b>
Provisions for costs to manufacture banknotes, coins and medals	4,000,000
Reserves	4,000,000
Results carried forward	76,525
Share due to the State	250,000,000