

Departments (Division)

Technical departments	Administrative department
<ul style="list-style-type: none"> 1- Treasury (cash) 2- Current account 3- Time deposit department 4- Saving account department 5- Commercial notes department 6- Credit letters department 7- Documentary credit department 8- Security department 	<ul style="list-style-type: none"> 1- General account department 2- Auditing department 3- HR department 4- Legal affairs' 5- Management affairs 6- External public relationship 7- Inspection department

Note: The financial statement for commercial banks is form from income statement and balance sheet

Components of income statement (Rev. & Exp.)

Misr bank
Income statement
For the year ended on Dec. 31, 2014

Rev.	<ul style="list-style-type: none"> 1- Interest from loans and investment 2- Bonds interest 3- Commission and fees of rendered services 4- Other revenues 5- Gains from sale fixed assets (Capital gains) 6- Gains from selling foreign currency
Exp.	<ul style="list-style-type: none"> 1- Interest paid on deposits 2- Salaries and wages 3- Provision for loans losses 4- Depreciation Exp. For fixed assets 5- Advertising Exp. 6- Securities losses 7- Other Exp. 8- Administrative Exp.

Example: you have the following data for ABC bank for the year ended on Dec.31, 2014

Bonds interest	20.000
Salaries and wages	15.000
Interest from loans and investment	100.000
Capital gains	8000
Gains from selling foreign currency	12.000
Interest paid on deposits	40.000
Provision for loans losses	10.000
Depreciation Exp.	7000
Other Exp.	5000
Advertising Exp.	4000
Securities losses	16.000
Administrative Exp.	3000

Required: prepare income statement for ABC bank for 2014

ABC bank
Income statement
For the year ended on Dec. 31, 2014

Revenues:		
Bonds interest	20.000	
Interest from loans and investment	100.000	
Capital gains	8000	
Gains from selling foreign currency	12.000	
Total Revenues		140.000
Expenses:		
Salaries and wages	15.000	
Interest paid on deposits	40.000	
Provision for loans losses	10.000	
Depreciation Exp.	7000	
Other Exp.	5000	
Advertising Exp.	4000	
Securities losses	16.000	
Administrative Exp.	3000	
Total Expenses		100.000

Net income = Revenues – Expenses

Net income before tax = 140.000 – 100.000 = 40.000

Net income after income tax = 40.000 X 20% = 8000

= 40.000 – 8000 = 32.000