

2021



## STATUTORY AUDITOR'S REPORT

### SARL DERWENT SAND COMPANY UNDER LIQUIDATION

FISCAL YEAR 2021

**Djamel MELHENAS**

Auditor, Chartered Accountant -DPLE (State Diploma)

CFE, CICA, FCPA

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# GENERAL REPORT OF THE STATUTORY AUDITOR

To the President,

To the members of the General Meeting

In execution of the office of the auditor which was entrusted to us by your General Meeting, we have the honor to present our Statutory audit report on:

The audit of the annual accounts for the financial year ended 31<sup>st</sup> December 2021, as attached to this report;

- The audit of the annual accounts for the financial year ended 31<sup>st</sup> December 2021, as attached to this report;
- The specific checks and information as provided for by law.

These accounts show a net profit of Twenty three million five hundred fifty four thousand six hundred twenty two dinars and thirty six centimes (23 554 622.36 DA) with a total gross worth of two hundred and fifty-four million Four Hundred forty thousand four hundred eighty nine dinars and thirty two centimes (254,440 489.32 DA).

## ***Responsibility of the Board of associates in the establishment and presentation of financial statements:***

The Board of associates is responsible for the preparation and sincere presentation of these financial statements, in accordance with Algerian accounting standards. This responsibility includes: the design, implementation and monitoring of internal audit related to the establishment and the sincere presentation of financial statements that do not contain significant anomalies, whether they are the result of fraud or errors, the selection and application of appropriate accounting policies, and the determination of reasonable accounting estimates in the circumstances.

***Responsibility of the Statutory auditor:***

Our responsibility is to express an opinion on these financial statements based on our audits conducted as per the professional standards and by survey. These standards require us to comply with ethical rules, to plan and carry out our work in order to obtain reasonable assurance that the financial statements do not contain any significant anomalies.

An audit involves the implementation of procedures in order to gather evidence regarding the amounts and information provided in the financial statements. The choice of procedures is a matter for the judgment of the Auditor, as well as the assessment of the risk that the financial statements contain significant anomalies as they are the result of fraud or errors. In conducting these risk assessments, the Auditor takes into account the company's internal control over the establishment and the sincere presentation of financial statements in order to define appropriate audit procedures in this case and not for the purpose of expressing an opinion on the effectiveness of the financial statement.

An audit also assesses the accounting principles followed and the significant estimates used by the Board of Directors, as well as the presentation of the financial statements as a whole. We believe that our audit provides a reasonable basis for expressing our opinion.

# Letter of Certification

## 1. Opinion on annual accounts

Considering the diligences that we have accomplished, according to the practice and recommendations of the profession and subject to the following :

- Consider the recommendation of our report on the reviewing of accounts:

We believe that we are a position to certify that the annual financial statements , as prescribed in the appendix to this report , are regular and provide an accurate picture of the results of the operations of the past year , as well as the financial and wealth position of your company at the end of the fiscal year 2021.

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor



## **2. Specific verifications**

### **2.1. Continuity of operations**

During our mission, we recall that the company is in liquidation, under article 711 bis 11 of the Commercial Code.

### **2.2. Acquisition of holding**

In accordance with the provisions of article 732 bis 1 of the Commercial Code, we must mention to you in our report, if your company has taken stakes in the capital of a company whose headquarter is based in Algeria, during the past financial year.

The Chairman of the Board of associates did not tell us of any equity in this framework in the fiscal year 2021.

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor



# **SPECIAL REPORTS**

# SPECIAL REPORT

**To the President,**

**To the members of the General Meeting**

**Subject: Regulated agreements.**

As the statutory auditor of your company, we must report to you on the regulated agreements under article 628 of the Commercial Code, of which we have been notified. It is not for us to investigate the possible existence of such agreements, but to communicate to you, on the basis of the information given to us, the essential characteristics and modalities of those we have been informed of, without having to decide on their usefulness and their merits.

We have not been informed of the existence of such agreements.

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor

MELHENAS Djamel  
Expert Comptable  
Diplômé par l'Etat  
Commissaire aux Comptes



# SPECIAL REPORT

To the President,

To the members of the General Meeting

**Subject: Internal controls**

In accordance with the provisions of article 25 of the Act 10-01 of 29<sup>th</sup> June 2010, relating to the professions of chartered accountant, auditor and certified accountant, we have the honor to present to you our special report on internal audit procedures.

- We have noted the absence of written procedures within the company SARL DERWENT SAND.

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor





# SPECIAL REPORT

To the President,

To the members of the General Meeting

**Subject: Special Report by the Statutory Auditor on the Management Report.**

In accordance with Article 715 bis 4, paragraph 2 of the Commercial Code stipulating the verification of the sincerity of the information given in the management report.

We have no observations to make on the compliance with the financial statements , information provided in the management report on the company's financial situation and the annual accounts.

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor

MELHENAS Djamel  
Expert Comptable  
Diplômé par l'Etat  
Commissaire aux Comptes



## SPECIAL REPORT

To the President,

To the members of the General Meeting

**Subject: Special report on the status of fringe benefits granted.**

In accordance with the provisions of article 2, paragraph 6, Executive Decree N° 11-202 of 23 Jomada Ethania corresponding to 26<sup>th</sup> May 2013 setting the standards for the reports of the statutory auditor, the terms and times of their transmission, the statutory auditor presents the list of fringe benefits granted to the personnel of the company.

The company SARL DERWENT SAND, company under liquidation has no personnel.

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor

MELHENAS Djamel  
Expert Comptable  
Diplômé par l'Etat  
Commissaire aux Comptes



# SPECIAL REPORT

To the President,

To the members of the General Meeting

**Subject: Special Report of the Statutory auditor on the remunerations paid to the highest paid employees:**

In accordance with the provisions of article 680, paragraph 3, of the Commercial Code, we certify exactly the total annual gross wages of the five (05) highest paid employees in the company; the company has no personnel.

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor

MELHENAS Djamel  
Expert Comptable  
Diplômé par l'Etat  
Commissaire aux Comptes



## SPECIAL REPORT

To the President,

To the members of the General Meeting

**Subject: Special Report of the Statutory auditor on the incomes of the last 5 (five) financial years:**

In accordance with the provisions of the article 678, paragraph 6 of the Commercial Code, it is our honor to send you the table summarizing the incomes of each of the last (5) years recorded by the company.

### Incomes of the last 5 (five) years:

The incomes of the Company SARL DERWENT SAND; company under liquidation for the last five (5) financial years are as follows:

FINANCIAL YEAR	INCOME	NUMBER OF SHARES	INCOME BY SHARE	TYPE OF INCOME
2021	23 554 622.36	18 156	1297.35	PROFIT
2020	5 823 773.45	18 156	320.76	PROFIT
2019	-181 983 644.71	18 156	-10 023.33	DEFICIT
2018	228 036 452.00	18 156	12 559.84	DEFICIT
2017	-41 463 744.57	18 156	-2 283.75	DEFICIT

Algiers, 26<sup>th</sup> January 2022

The Statutory Auditor



# **APPENDICES**

**SARL DERWENT SAND**

lot Mohamed Boudiaf villa 172 Ouled Fayet Algiers

IDENTIFICATION N°:000516096946120

<b>BALANCE SHEET (ASSETS)</b>					
<b>TITLE</b>	<b>NOTE</b>	<b>GROSS</b>	<b>AMO/PROV</b>	<b>NET</b>	<b>NET 2020</b>
<b>NON - CURRENT ASSETS</b>					
Goodwill-Positive or negative goodwill					
<b>Intangible fixed assets</b>		236 000.00	181 883.54	54 116.46	73 216.50
<b>Tangible fixed assets</b>					
Lands					
Buildings					
Other tangible assets		2 190 337.75	2 123 199.06	67 138.69	96 472.56
Fixed assets under concession					
<b>Assets under construction</b>					
<b>Long term investments</b>					
Investments in associates					
Other receivables from related entities					
Other investments					
Loans and other non-current financial assets		3 082 842.02	3 082 842.02	0	3 082 842.02
Deferred tax assets		85 200.00		85 200.00	85 200.00
<b>TOTAL: NON - CURRENT ASSETS</b>		<b>5 594 379.77</b>	<b>5 387 924.41</b>	<b>206 455.36</b>	<b>3 337 731.08</b>
<b>CURRENT ASSETS</b>					
<b>Stocks and work in progress</b>					
<b>Receivables and similar assets</b>					
Customers		197 982 596.49	171 761 757.41	26 220 839.08	26 171 109.15
Other receivables		50 673 402.10	32 214 635.26	18 458 766.84	50 390 902.10
Taxes and similar		29 300.00		29 300.00	29 300.00
Other receivables and similar assets					
<b>Cash and cash equivalents</b>					
Investments and other current financial assets					
Cash management		160 810.96		160 810.96	-99 887.20
<b>TOTAL CURRENT ASSETS</b>		<b>248 846 109.55</b>	<b>203 976 392.67</b>	<b>44 869 716.88</b>	<b>76 491 424.05</b>
<b>TOTAL GENERAL ASSETS</b>		<b>254 440 489.32</b>	<b>209 364 317.08</b>	<b>45 076 172.24</b>	<b>79 829 155.13</b>

**SARL DERWENT SAND**

lot Mohamed Boudiaf villa 172 Ouled Fayet Algiers

IDENTIFICATION N°:000516096946120

<b>BALANCE SHEET (LIABILITIES)</b>			
<b>TITLE</b>	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
<b>SHAREHOLDERS EQUITY</b>			
Issued capital		66 710 630.00	66 710 630.00
Uncalled capital			
Premiums and Reserves - Consolidated reserves (1)		2 665 000.00	2 665 000.00
Revaluation deviation			
Translation adjustment (1)			
Net income – Net income of the group (1)		23 554 622.36	5 823 773.45
Other equities – Retained earnings		-404 678 123.26	-410 501 896.71
<b>Share of the consolidating entity (1)</b>			
<b>Minority interests (1)</b>			
<b>TOTAL I</b>		<b>-311 747 870.90</b>	<b>-335 302 493.26</b>
<b>NON - CURRENT LIABILITIES</b>			
Borrowings and financial liabilities			
Taxes (deferred and provided)			
Other non-current liabilities			
Provisions and deferred revenue			
<b>TOTAL II</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and receivables		23 052 373.24	22 317 601.24
Taxes		5 518.92	5 518.92
Other liabilities		265 681 860.88	265 774 470.09
Cash liabilities/Overdraft		68 084 290.10	127 034 058.14
<b>TOTAL III</b>		<b>356 824 043.14</b>	<b>415 131 648.39</b>
<b>TOTAL GENERAL LIABILITIES (I+II+III)</b>		<b>45 076 172.24</b>	<b>79 829 155.13</b>

**SARL DERWENT SAND**

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IDENTIFICATION N°:000516096946120

<b>INCOME STATEMENT/NATURE</b>			
<b>TITLE</b>	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
Sales and related products			
Change in inventories: finished products and work in progress			
Immobilized production			
Operating subsidies			
<b>I-ANNUAL PRODUCTION</b>			
Purchases consumed		-111 781.00	-55 603.70
External services and other consumptions		-14 591 779.00	-13 086 50.03
<b>II-ANNUAL CONSUMPTION</b>		<b>-14 703 560.00</b>	<b>-13 142 553.73</b>
<b>III-ADDED OPERATIONAL VALUE (I-II)</b>		<b>-14 703 560.00</b>	<b>-13 142 553.73</b>
Payroll expenses			
Taxes and equivalent			-130.79
<b>IV-GROSS OPERATING SURPLUS</b>		<b>-14 703 560.00</b>	<b>-13 142 684.52</b>
Other operating income		49 729.93	
Other operating expenses		-522 950.00	-105 000.00
Depreciation, amortization and impairment losses		-35 345 912.85	--45 955.32
Reversal of impairment losses and provisions		82 926 595.60	27 559 327.00
<b>V- OPERATING INCOME</b>		<b>32 403 902.62</b>	<b>14 265 687.16</b>
Financial products			
Financial expenses		-8 839 280.26	-8 431 913.71
<b>VI-FINANCIAL INCOME</b>		<b>-8 839 280.26</b>	<b>-8 431 913.71</b>
<b>VII- ORDINARY INCOME BEFORE TAXES (V+VI)</b>		<b>23 564 622.36</b>	<b>5 833 773.45</b>
Tax payable on ordinary income		-10 000.00	-10 000.00
Deferred tax (variations) on ordinary income			
<b>TOTAL OF PROFITS FROM ORDINARY ACTIVITIES</b>		<b>82 976 325.53</b>	<b>27 559 327.00</b>
<b>TOTAL OF EXPENSES FROM ORDINARY ACTIVITIES</b>		<b>-59 421 703.17</b>	<b>-21 735 553.55</b>
<b>VIII-NET PROFIT FROM ORDINARY ACTIVITIES</b>		<b>23 554 622.36</b>	<b>5 823 773.45</b>
Extraordinary items (products) – to be specified			
Extraordinary items (expenses) – to be specified		-0.06	
<b>IX-EXTRAORDINARY INCOME</b>		<b>-0.06</b>	
<b>X-NET ANNUAL INCOME</b>		<b>23 554 622.36</b>	<b>5 823 773.45</b>