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Official Language:	Arabic
Monetary Unit:	Egyptian pound
Stock Exchanges:	Alexandria Stock Exchange Cairo Stock Exchange
Regulatory Authority:	Capital Market Authority

Forms of Business Enterprise

Sharikat Al-Mossahmah -- corporation
Sharikat that Massonliyyah Mahdoodah -- limited liability company
Sharikat Tawsiyah Bel-As-Nam -- partnership limited by shares
Branch of a foreign company
Representative office

Disclosure Practices and Requirements

Corporations -- called joint stock companies under Egyptian law -- are formed under Law 159 of 1981, Companies Law. Articles of incorporation are prepared in accordance with the model issued by the Minister of Economy and Foreign Trade and submitted to the Companies Department.

Further approvals are required of the Committee for the Scrutiny of Company Formation Applications and the Minister of Economy and Foreign Trade. The articles of incorporation and bylaws are then put in the commercial Register.

Audited Statements

Annual, audited financial statements are required of companies, including a balance sheet, statement of profit and loss, statement of changes in financial position or statement of cash flows, auditor's opinions and footnotes. Law 159 of 1981 suggests -- but does not mandate -- formats for financial statements. Financial statements must be filed with the Companies Administration Department within six months of year end, which is generally December 31.

Footnotes are an integral part of financial statements and typically include such information as significant accounting policies, major commitments such as long-term leases and extraordinary plant expansion; major contingencies such as pending lawsuits and material related-party transactions.

Consolidated Statements

Groups of companies may either be consolidated or accounted for on an equity basis. In practice, most groups use equity accounting.

Additional Information

The Ministry of Finance licenses auditors. Requirements include a university degree in accounting and 10 years' experience. The Companies Law requires auditors to be independent of the entity being audited.

As part of a recent economic reform program intended to encourage domestic and direct foreign investment, a comprehensive Capital Market Law was enacted in June of 1992. In addition, the 2 Exchanges are in the process of modernization, reorganization and full automation (the automated trading system is expected to be operational by the end of 1995).