

Abstract

The research Addressing the role played by financial analysis in evaluating financial performance and measure profitability by focusing on one of the tools evaluate the financial performance of commercial banks to find out the measure profitability of commercial banks. By using to the Al Tadamon Islamic Bank as a case study.

Where the problem in question was as follows:

- Are commercial banks able to use their assets in the best way possible?
- What will happen if the Central Bank changes it's policies and requests the commercial banks to reduce their financial investments in securities?

The objective of this research to achieve the following:

- The objective of this research is to shed some light on the problems of the financial profitability of Sudanese commercial banks.
- To evaluate the performance of the bank, using financial ratios for profitability as a yardstick of performance
- To explain the limitation of ratio analysis measure for profitability.

- To understand the context in which financial analysis is conducted in Sudanese commercial bank.
- To be familiar with all the commonly used techniques of financial analysis.

And it was based on the following hypothesis:

- Financial analysis is used by banks consistently and interpreted intelligently for internal decision makers.
- Financial analysis has a limited contribution in the process of the performance evaluation.
- The limitation of the ratios used by Al Tadamon Islamic Bank.
- Diversification of source of revenue leads to maximization Profit.

The main results:

- Financial analysis has a limited contribution in the process of the performance evaluation.
- Through research found that the ideal allocation of resources leads to the generation of liquid maximum profit.
- Through the analysis we find that the Al tadamon Islamic Bank depends on the profitability of securities.

The main recommendations::

- Financial analysis models using different tools to avoid financial crises faced by the bank in future.
- Grant funding in accordance with the ratios of the Bank of Sudan declared, without excessive to avoids financial hardship in bank.
- Reliance on specialists and qualified persons in the domain of financial analysis for the financial indicators useful in forecasting future financial bank.

Further Research:

Some points are beyond the scope of this research, so the researcher suggests that to be further research:

- The effect of operational profitability in evolution of the financial performance as a measurement of profitability
- The role of performance measurement in the affectivity of the decision making in the company.