

Consolidated Financial Statements for the year ended 31 December 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2017

	Bahraini Dinars '000	
	2017	2016
Assets		
Cash and cash equivalents	67,328	80,900
Treasury bills	1,495	16,256
Placements with banks	4,974	-
Investments at fair value through profit or loss	29,496	28,040
Investments at fair value through other comprehensive income	6,158	4,793
Investments at amortized cost	10,008	8,923
Fees receivable	875	1,164
Other assets	9,589	5,481
Furniture, equipment and intangibles	1,420	1,507
Total assets	131,343	147,064
Liabilities and equity		
Liabilities		
Short-term bank borrowings	38,043	39,255
Customer accounts	26,718	42,994
Other liabilities	4,173	3,903
Payable to other unit holders in consolidated funds	2,651	2,830
Total liabilities	71,585	88,982
Equity		
Share capital	42,849	42,849
Shares under employee share incentive scheme	(1,599)	(1,599)
Statutory reserve	6,992	6,661
General reserve	3,217	3,217
Investments fair value reserve	307	(251)
Retained earnings	7,992	7,205
Total equity	59,758	58,082
Total liabilities and equity	131,343	147,064

CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the year ended 31 December 2017

	Bahraini Dinars '000	
	2017	2016
Net investment income	3,014	2,533
Net fee income	3,164	2,966
Brokerage and other income	2,072	1,425
Other interest income	1,743	1,187
Total income	9,993	8,111
Staff and related expenses	(3,934)	(3,581)
Interest expense	(715)	(330)
Other operating expenses	(1,908)	(1,752)
Share of (profit) of other unit holders in consolidated funds	(130)	(103)
Profit for the year	3,306	2,345
Basic and diluted earnings per share (fils)	8.01	5.69

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2017

	Bahraini Dinars '000	
	2017	2016
Profit for the year	3,306	2,345
Other comprehensive income		
Items that are or may be reclassified to profit or loss in subsequent periods:		
Investments fair value reserve:		
- Net change in fair value of FVTOCI debt instruments	(30)	-
- Net amount transferred to profit or loss on sale of debt instruments	-	(215)
Items that will not be reclassified to profit or loss in subsequent periods:		
Investments fair value reserve:		
- Net change in fair value of FVTOCI equity instruments	567	(345)
Total other comprehensive income for the year	537	(560)
Total comprehensive income for the year	3,843	1,785

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2017

	Bahraini Dinars '000	
	2017	2016
Operating activities		
Net interest received	2,480	1,981
Net (increase) in placements with banks	(4,974)	-
Net (purchase) of investments at fair value through profit or loss	(499)	(13,287)
Net (purchase) / sale of investments at fair value through other comprehensive income	(1,365)	20,071
Net (purchase) of investments at amortized cost	(1,107)	(3,860)
Net (decrease) / increase in customer accounts	(16,276)	14,189
Dividends received	567	544
Movement in brokerage accounts and other receivables	1,630	3,080
Movement in other liabilities	175	1,030
Payments for staff and related expenses	(3,839)	(3,618)
Payments for other operating expenses	(1,340)	(1,581)
Net cash (used in) / from operating activities	(24,548)	18,549
Investing activities		
Net capital expenditure on furniture and equipment	(149)	(284)
Net cash (used in) investing activities	(149)	(284)
Financing activities		
Net (settlements) / proceeds of short-term bank borrowings	(1,212)	19,478
Distribution to other unit holders in consolidated fund	(282)	(169)
Dividends paid	(2,142)	(2,142)
Net cash (used in) / from financing activities	(3,636)	17,167
Net (decrease) / increase in cash and cash equivalents during the year	(28,333)	35,432
Cash and cash equivalents at the beginning of the year	97,156	61,724
Cash and cash equivalents at the end of the year	68,823	97,156

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2017

	Bahraini Dinars '000						
	Share capital	Shares under employee share incentive scheme	Statutory reserve	General reserve	Investments fair value reserve	Retained earnings	Total equity
2017							
Balance at 1 January 2017	42,849	(1,599)	6,661	3,217	(251)	7,205	58,082
Profit for the year	-	-	-	-	-	3,306	3,306
Other comprehensive income:							
Investments fair value reserve (Investments at fair value through other comprehensive income):							
Net change in fair value of FVTOCI instruments	-	-	-	-	537	-	537
Net amount transferred to retained earnings on sale of FVTOCI equity instruments	-	-	-	-	21	(21)	-
Total other comprehensive income	-	-	-	-	558	(21)	537
Total comprehensive income for year	-	-	-	-	558	3,285	3,843
Appropriations:							
- Transfer to statutory reserve	-	-	331	-	-	(331)	-
- Transfer to charitable donations - 2016	-	-	-	-	-	(25)	(25)
- Dividends declared for 2016	-	-	-	-	-	(2,142)	(2,142)
Balance at 31 December 2017	42,849	(1,599)	6,992	3,217	307	7,992	59,758
2016							
Balance at 1 January 2016	42,849	(1,599)	6,427	3,217	(567)	8,112	58,439
- Impact of early adoption of IFRS 9 at 1 January 2016	-	-	-	-	(4)	4	-
Balance as restated at 1 January 2016	42,849	(1,599)	6,427	3,217	(571)	8,116	58,439
Profit for the year	-	-	-	-	-	2,345	2,345
Other comprehensive income:							
Investments fair value reserve (Investments at fair value through other comprehensive income):							
Net change in fair value of FVTOCI instruments	-	-	-	-	(345)	-	(345)
Net amount transferred to profit or loss on sale of FVTOCI instruments	-	-	-	-	(215)	-	(215)
Net amount transferred to retained earnings on sale of FVTOCI equity instruments	-	-	-	-	880	(880)	-
Total other comprehensive income	-	-	-	-	320	(880)	(560)
Total comprehensive income for year	-	-	-	-	320	1,465	1,785
Appropriations:							
- Transfer to statutory reserve	-	-	234	-	-	(234)	-
- Dividends declared for 2015	-	-	-	-	-	(2,142)	(2,142)
Balance at 31 December 2016	42,849	(1,599)	6,661	3,217	(251)	7,205	58,082

Abdulla Bin Khalifa Al Khalifa
Chairman

Hussain Al Hussaini
Vice Chairman

Najla M. Al Shirawi
Chief Executive Officer

These statements have been extracted from consolidated Financial Statements for the year ended 31 December 2017 which were approved by the Board of Directors on 25 February 2018 and which were audited by KPMG Fakhro, who expressed an unqualified opinion.