

# Consolidated Financial Statements

For the year ended 31 December 2018

## Consolidated Statement of Financial Position

as at 31 December 2018, BHD '000

	31 December 2018	31 December 2017
<b>Assets</b>		
Cash and bank balances	34,467	35,695
Treasury bills	10,416	1,495
Securities bought under repurchase agreements	41,927	31,633
Placements with banks	-	4,974
Investments at fair value through profit or loss	23,644	29,496
Investments at fair value through other comprehensive income	6,214	6,158
Investments at amortized cost	9,990	10,008
Investment in properties	1,955	-
Fees receivable	1,252	875
Other assets	4,159	9,589
Furniture, equipment and intangibles	1,240	1,420
<b>Total assets</b>	<b>135,264</b>	<b>131,343</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
Short-term bank borrowings	3,385	5,655
Securities sold under repurchase agreements	42,573	32,388
Customer accounts	23,135	26,718
Other liabilities	3,805	4,173
Payable to other unit holders in consolidated funds	6,701	2,651
<b>Total liabilities</b>	<b>79,599</b>	<b>71,585</b>
<b>Equity</b>		
Share capital	42,849	42,849
Shares under employee share incentive scheme	(1,599)	(1,599)
Treasury shares	(5,913)	-
Statutory reserve	7,362	6,992
General reserve	3,217	3,217
Investments fair value reserve	133	307
Retained earnings	9,616	7,992
<b>Total equity</b>	<b>55,665</b>	<b>59,758</b>
<b>Total liabilities and equity</b>	<b>135,264</b>	<b>131,343</b>

## Consolidated Statement of Profit or Loss

For the year ended 31 December 2018, BHD '000

	31 December 2018	31 December 2017
Net investment income	3,050	3,014
Net fee income	4,166	3,164
Brokerage and other income	2,332	2,072
Other interest income	2,288	1,743
Rental income from investment properties	188	-
<b>Total income</b>	<b>12,024</b>	<b>9,993</b>
Staff and related expenses	(4,267)	(3,934)
Interest expense	(1,280)	(715)
Other operating expenses	(2,383)	(1,904)
Expected Credit Loss	(20)	(4)
<b>Share of profit of non-controlling unit holders in consolidated funds</b>	<b>(373)</b>	<b>(130)</b>
<b>Profit for the year</b>	<b>3,701</b>	<b>3,306</b>
<b>Basic and diluted earnings per share (BHD)</b>	<b>10.01</b>	<b>8.01</b>

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2018, BHD '000

	31 December 2018	31 December 2017
Balance at beginning of the year	59,758	58,082
<b>Profit for the year</b>	<b>3,701</b>	<b>3,306</b>
<b>Other comprehensive income:</b>		
Net change in fair value of FVTOCI instruments	72	537
Net amount transferred to profit or loss on sale of FVTOCI debt instruments	5	-
<b>Total other comprehensive income</b>	<b>77</b>	<b>537</b>
<b>Total comprehensive income for period</b>	<b>3,778</b>	<b>3,843</b>
- Transfer to charitable donation reserve	(30)	(25)
<b>Transaction with owners recognized directly in equity:</b>		
- Dividends paid	(1,928)	(2,142)
- Treasury shares purchased	(5,913)	-
<b>Balance at end of the year</b>	<b>55,665</b>	<b>59,758</b>

## Consolidated Statement of Comprehensive Income

for the year ended 31 December 2018, BHD '000

	31 December 2018	31 December 2017
<b>Profit for the year</b>	<b>3,701</b>	<b>3,306</b>
<b>Other comprehensive income</b>		
<b>Items that are or may be reclassified to profit or loss in subsequent periods:</b>		
- Net change in fair value of FVTOCI debt instruments	15	(30)
- Net amount transferred to profit or loss on sale of debt instruments	5	-
<b>Items that will not be reclassified to profit or loss in subsequent periods:</b>		
- Net change in fair value of FVTOCI equity instruments	57	567
<b>Total other comprehensive income for the year</b>	<b>77</b>	<b>537</b>
<b>Total comprehensive income for the year</b>	<b>3,778</b>	<b>3,843</b>

## Consolidated Statement of Cash Flows

For the year ended 31 December 2018, BHD '000

	31 December 2018	31 December 2017
<b>Net cash from / (used in) operating activities</b>	<b>14,268</b>	<b>(41,178)</b>
<b>Net cash used in investing activities</b>	<b>(138)</b>	<b>(149)</b>
<b>Net cash used in financing activities</b>	<b>(6,434)</b>	<b>(1,670)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year</b>	<b>7,696</b>	<b>(42,997)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>37,190</b>	<b>80,187</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>44,886</b>	<b>37,190</b>

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 2018 which were approved by the Board of Directors on 04 March 2019 and which were audited by KPMG Fakhro, who expressed an unqualified opinion.