

# NATIONAL FINANCE HOUSE B.S.C. (closed)

Consolidated Financial Statements as at 31 December 2021

(All amounts are in Bahraini Dinars)



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2021

	2021	2020
<b>ASSETS</b>		
Cash and bank balances	616,590	3,552,608
Placements with banks	-	2,998,931
Loans to customers	50,263,315	49,749,042
Property and equipment	384,248	253,837
Right-of-use assets	85,463	169,098
Other assets	314,009	416,517
<b>Total assets</b>	<b>51,663,625</b>	<b>57,140,033</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Bank borrowings	32,443,495	39,881,532
Other liabilities	3,004,259	1,902,327
<b>Total liabilities</b>	<b>35,447,754</b>	<b>41,783,859</b>
<b>Equity</b>		
Share capital	7,500,000	7,500,000
Share premium	112,500	112,500
Statutory reserve	1,420,223	1,289,253
Retained earnings	7,183,148	6,454,421
<b>Total equity</b>	<b>16,215,871</b>	<b>15,356,174</b>
<b>Total equity and liabilities</b>	<b>51,663,625</b>	<b>57,140,033</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2021

	2021	2020
<b>Operating activities</b>		
Interest, fees and commission received	5,490,662	4,873,213
Fees and commission paid	(159,373)	(270,067)
Loans disbursed	(16,133,947)	(14,827,352)
Loan repayments	15,795,364	13,726,045
Receipt from sale of vehicles	2,802,715	1,531,118
Payment for purchase vehicles	(2,616,241)	(1,435,240)
Payments for staff salaries and related costs	(795,262)	(767,039)
Payments for other operating expenses	(216,559)	(183,950)
<b>Net cash generated from operating activities</b>	<b>4,167,359</b>	<b>2,646,728</b>
<b>Investing activities</b>		
Placement with banks	3,000,000	(3,000,000)
Purchase of property and equipment	(213,504)	(29,233)
<b>Net cash generated from / (used in) investing activities</b>	<b>2,786,496</b>	<b>(3,029,233)</b>
<b>Financing activities</b>		
Drawdown of bank borrowings	3,000,000	6,500,000
Repayment of bank borrowings	(10,438,037)	(3,925,706)
Interest paid	(1,990,443)	(1,552,963)
Interest of Right-of use asset	(6,980)	(11,441)
Dividends paid	(450,000)	-
<b>Net cash (used in) / generated from financing activities</b>	<b>(9,885,460)</b>	<b>1,009,890</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(2,931,605)</b>	<b>627,385</b>
Cash and cash equivalents at 1 January	3,542,034	2,914,649
<b>Cash and cash equivalents as at 31 December</b>	<b>610,429</b>	<b>3,542,034</b>

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME for the year ended 31 December 2021

	2021	2020
Interest income	4,831,748	5,185,191
Interest expense	(1,799,672)	(2,231,751)
<b>Net interest income</b>	<b>3,032,076</b>	<b>2,953,440</b>
Fees and commission income	436,241	584,957
Fees and commission expense	(163,173)	(254,197)
<b>Net fee and commission income</b>	<b>273,068</b>	<b>330,760</b>
Other income	373,194	216,569
<b>Total income</b>	<b>3,678,338</b>	<b>3,500,769</b>
Salaries and related costs	(866,550)	(864,629)
Other operating expenses	(630,054)	(560,987)
Depreciation	(165,873)	(187,761)
Impairment losses on loans to customers	(706,164)	(962,048)
<b>Total expenses</b>	<b>(2,368,641)</b>	<b>(2,575,425)</b>
<b>Profit for the year</b>	<b>1,309,697</b>	<b>925,344</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>1,309,697</b>	<b>925,344</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2021

	Share capital	Share premium	Statutory reserve	Retained earnings	Total equity
<b>2021</b>					
Balance at 1 January 2021	7,500,000	112,500	1,289,253	6,454,421	15,356,174
Profit and total comprehensive income for the year	-	-	-	1,309,697	1,309,697
Dividends declared for 2020	-	-	-	(450,000)	(450,000)
Transfer to statutory reserve	-	-	130,970	(130,970)	-
<b>At 31 December 2021</b>	<b>7,500,000</b>	<b>112,500</b>	<b>1,420,223</b>	<b>7,183,148</b>	<b>16,215,871</b>
<b>2020</b>					
Balance at 1 January 2020	7,500,000	112,500	1,196,719	6,178,441	14,987,660
Profit and total comprehensive income for the year	-	-	-	925,344	925,344
Modification loss	-	-	-	(1,704,745)	(1,704,745)
Modification gain	-	-	-	996,581	996,581
Government grant	-	-	-	151,334	151,334
Transfer to statutory reserve	-	-	92,534	(92,534)	-
<b>At 31 December 2020</b>	<b>7,500,000</b>	<b>112,500</b>	<b>1,289,253</b>	<b>6,454,421</b>	<b>15,356,174</b>

Talal Fuad Ebrahim Kanoo  
Chairman

Mohammed Farouk Y. Almoayyed  
Deputy Chairman

May A. Latif Al Mahmood  
CEO

The above published figures have been extracted from the consolidated financial statements of NFH for the year ended 31 December 2021 audited by KPMG, who expressed an unqualified audit opinion on 28 February 2022.