

## Financial Statements as at 31 December 2016

(All amounts are in Bahraini Dinars)

### STATEMENT OF FINANCIAL POSITION as at 31 December 2016

	2016	2015
<b>ASSETS</b>		
Cash and cash equivalents	2,415,741	1,761,589
Loans to customers	48,142,730	45,835,998
Furniture, fixtures, and equipment	408,566	489,200
Other assets	265,777	270,495
<b>Total assets</b>	<b>51,232,814</b>	<b>48,357,282</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Bank loans	36,023,221	33,859,253
Other liabilities	1,275,850	1,308,391
<b>Total liabilities</b>	<b>37,299,071</b>	<b>35,167,644</b>
<b>Equity</b>		
Share capital	7,500,000	7,500,000
Share premium	112,500	112,500
Statutory reserve	842,125	715,214
Retained earnings	5,479,118	4,861,924
<b>Total equity</b>	<b>13,933,743</b>	<b>13,189,638</b>
<b>Total equity and liabilities</b>	<b>51,232,814</b>	<b>48,357,282</b>

### STATEMENT OF CASH FLOWS for the year ended 31 December 2016

	2016	2015
<b>Operating activities</b>		
Interest, fees and commission received	5,500,820	5,030,851
Loans disbursed	(22,073,445)	(21,670,707)
Loan repayments	19,378,403	18,272,292
Payments for staff salaries and related costs	(927,288)	(860,934)
Payments for other operating expenses	(1,131,409)	(1,043,127)
<b>Net cash generated from / (used in) operating activities</b>	<b>747,081</b>	<b>(271,625)</b>
<b>Investing activities</b>		
Purchase of furniture, fixtures and equipment	(79,600)	(165,128)
Sale of furniture, fixtures and equipment	250	6
<b>Net cash used in investing activities</b>	<b>(79,350)</b>	<b>(165,122)</b>
<b>Financing activities</b>		
Proceeds from bank borrowings	9,500,000	10,000,000
Repayment of bank borrowings	(7,336,032)	(7,098,179)
Interest paid	(1,652,547)	(1,415,753)
Dividends paid	(525,000)	(450,000)
<b>Net cash (used in) / generated from financing activities</b>	<b>(13,579)</b>	<b>1,036,068</b>
<b>Net increase in cash and cash equivalents</b>	<b>654,152</b>	<b>599,321</b>
Cash and cash equivalents at 1 January	1,761,589	1,162,268
<b>Cash and cash equivalents as at 31 December</b>	<b>2,415,741</b>	<b>1,761,589</b>

### STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME for the year ended 31 December 2016

	2016	2015
Interest income	4,534,503	4,240,342
Interest expense	(1,658,581)	(1,434,881)
<b>Net interest income</b>	<b>2,875,922</b>	<b>2,805,461</b>
Fees and commission income	966,561	790,515
Fees and commission expense	(486,378)	(425,885)
<b>Net fee and commission income</b>	<b>480,183</b>	<b>364,630</b>
<b>Total income</b>	<b>3,356,105</b>	<b>3,170,091</b>
Staff costs	923,715	897,065
Depreciation	160,228	140,820
Impairment on loans to customers, net of recoveries	378,963	323,024
Other operating expenses	624,094	627,680
<b>Total expenses</b>	<b>2,087,000</b>	<b>1,988,589</b>
<b>Profit for the year</b>	<b>1,269,105</b>	<b>1,181,502</b>
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<b>1,269,105</b>	<b>1,181,502</b>

### STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2016

	Share capital	Share premium	Statutory reserve	Retained earnings	Total equity
<b>2016</b>					
At 1 January 2016	7,500,000	112,500	715,214	4,861,924	13,189,638
Profit and total comprehensive income for the year	-	-	-	1,269,105	1,269,105
Dividends declared for 2015	-	-	-	(525,000)	(525,000)
Transfer to statutory reserve	-	-	126,911	(126,911)	-
<b>At 31 December 2016</b>	<b>7,500,000</b>	<b>112,500</b>	<b>842,125</b>	<b>5,479,118</b>	<b>13,933,743</b>
<b>2015</b>					
At 1 January 2015	7,500,000	112,500	597,064	4,248,572	12,458,136
Profit and total comprehensive income for the year	-	-	-	1,181,502	1,181,502
Dividends declared for 2014	-	-	-	(450,000)	(450,000)
Transfer to statutory reserve	-	-	118,150	(118,150)	-
<b>At 31 December 2015</b>	<b>7,500,000</b>	<b>112,500</b>	<b>715,214</b>	<b>4,861,924</b>	<b>13,189,638</b>

Farouk Yousef Almoayyed  
Chairman

Fuad Ebrahim Kanoo  
Deputy Chairman

Venkatachalam PS  
Chief Executive Officer