

Al Salam Bank-Bahrain B.s.c.

Consolidated Financial Statements for the year ended 31 December 2015

These statements have been extracted from the consolidated financial statements on which Ernst & Young issued an unqualified audit report dated 9 February 2016.



AL SALAM BANK
السلام بنك البحرين

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31 December 2015	31 December 2014
	BD '000	BD '000
ASSETS		
Cash and balances with banks and Central Bank	152,572	277,751
Sovereign Sukuk	313,109	145,789
Murabaha and Wakala receivables from banks	103,345	182,110
Corporate Sukuk	64,157	88,193
Murabaha financing	268,848	270,428
Mudaraba financing	239,031	189,601
Ijarah Muntahia Bittamleek	155,217	141,052
Musharaka	7,154	10,851
Assets under conversion	32,032	308,659
Non-trading investments	123,514	147,096
Investments in real estate	68,786	65,149
Development properties	49,021	59,262
Investment in associates	9,994	10,492
Other assets	43,892	32,893
Goodwill	25,971	25,971
TOTAL ASSETS	1,656,643	1,955,297
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY		
LIABILITIES		
Murabaha and Wakala payables to banks	120,795	121,266
Murabaha and Wakala payables to non-banks	842,570	1,034,052
Current accounts	224,366	226,648
Liabilities under conversion	2,327	149,621
Term financing	35,986	21,337
Other liabilities	48,246	45,418
TOTAL LIABILITIES	1,274,290	1,598,342
EQUITY OF INVESTMENT ACCOUNTHOLDERS	62,351	28,152
OWNERS' EQUITY		
Share capital	214,093	214,093
Reserves and retained earnings	94,140	93,777
Proposed appropriations	10,705	10,705
Total equity attributable to shareholders of the Bank	318,938	318,575
Non-controlling interest	1,064	10,228
TOTAL OWNERS' EQUITY	320,002	328,803
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY	1,656,643	1,955,297

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY	31 December 2015	31 December 2014
	BD '000	BD '000
Balance at 1 January	328,803	246,097
Net profit for the year	10,548	15,821
Net changes in fair value	114	1,681
Foreign currency re-translation	(1,472)	(819)
Dividend paid	(10,705)	(7,446)
Dividend relating to subsidiaries	(566)	(345)
Net movement in non-controlling interest	(6,620)	(601)
Shares issued on acquisition	-	72,886
Share issue expenses	-	(125)
Sale of treasury stock	-	1,754
Charitable donations	(100)	(100)
Balance at 31 December	320,002	328,803

CONSOLIDATED STATEMENT OF CASH FLOWS	31 December 2015	31 December 2014
	BD '000	BD '000
Net cash (used in) from operating activities	(216,810)	124,494
Net cash from investing activities	29,380	124,043
Net cash from (used in) financing activities	2,572	(11,042)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(184,858)	237,495
Cash and cash equivalents at 1 January	408,535	171,040
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	223,677	408,535

CONSOLIDATED STATEMENT OF INCOME	31 December 2015	31 December 2014
	BD '000	BD '000
OPERATING INCOME		
Income from financing contracts	48,230	51,494
Income from Sukuk	13,109	7,120
Gains on sale of investments and Sukuk	8,334	12,282
Income from investments	3,249	2,863
Fair value changes on investments	399	(6,413)
Dividend income	820	758
Foreign exchange gains	870	1,578
Fees, commission and other income - net	9,184	6,650
	84,195	76,332
Profit on Murabaha and Wakala payables to banks	(931)	(1,035)
Profit on Wakala payables to non-banks	(23,805)	(28,040)
Profit on term financing	(839)	(974)
Return on equity of investment accountholders before Group's share as a Mudarib	(1,471)	(391)
Group's share as a Mudarib	662	176
	(809)	(215)
Total operating income	57,811	46,068
OPERATING EXPENSES		
Staff cost	12,474	13,991
Premises and equipment cost	2,752	2,415
Depreciation	1,821	1,507
Other operating expenses	8,220	8,505
Total operating expenses	25,267	26,418
PROFIT BEFORE PROVISIONS AND RESULTS OF ASSOCIATES	32,544	19,650
Provision for impairment - net	(22,851)	(4,198)
Share of profit from associates	855	369
Net profit for the year	10,548	15,821
ATTRIBUTABLE TO:		
- SHAREHOLDERS OF THE BANK	12,346	15,550
- Non-controlling interest	(1,798)	271
	10,548	15,821
Weighted average number of shares (in '000)	2,140,931	1,982,531
Basic and diluted earnings per share (fils)	5.8	8.0

TOTAL COMPREHENSIVE INCOME	31 December 2015	31 December 2014
	BD '000	BD '000
Net profit for the year	10,548	15,821
Other comprehensive (loss) / income:		
Items to be reclassified to consolidated income statement in subsequent periods:		
Unrealized gain reclassified to consolidated income statement on disposal of available-for-sale investments	(965)	-
Unrealised (loss) / gain on available-for-sale investments	(470)	636
Changes in fair value of investments in real estate	1,549	1,045
Foreign currency re-translation	(1,472)	(819)
Other comprehensive (loss) / income for the year	(1,358)	862
Total comprehensive income for the year	9,190	16,683
Attributable to:		
Equity holders of the Bank	11,168	16,331
Non-controlling interest	(1,978)	352
	9,190	16,683

These consolidated financial statements have been authorised for issue in accordance with a resolution of the Board of Directors dated 9 February 2016.

Shaikha Hessa bint Khalifa Al Khalifa
Chairperson of the Board

Yousif Taqi
Director & Group CEO