

CONSOLIDATED FINANCIAL STATEMENTS
31 December 2018



مركز إدارة السيولة المالية ش.ذ.ذ.ب. (م)
 Liquidity Management Centre B.S.C.(c)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 At 31 December 2018

	2018 US\$ '000	2017 US\$ '000
ASSETS		
Cash and bank balances	1,206	1,823
Murabaha Receivables	9,502	13,004
Due from banks and financial institutions	8,496	15,500
Mudaraba receivables	2,496	5,071
Financing receivables	841	5,851
Investment in sukuk	73,405	73,461
Investment in equities and funds	4,771	5,651
Investment in real estate	26,556	27,547
Equipment	137	139
Other assets	1,180	1,366
TOTAL ASSETS	128,590	149,413
LIABILITIES AND OWNERS' EQUITY		
Liabilities		
Due to short term sukuk investors and banks	74,271	93,461
Staff payables	1,494	979
Other liabilities	678	832
Total liabilities	76,443	95,272
Owners' Equity		
Share capital	59,039	59,039
Reserves	8,282	8,567
Accumulated losses	(15,174)	(13,465)
Total owners' equity	52,147	54,141
TOTAL LIABILITIES AND OWNERS' EQUITY	128,590	149,413

CONSOLIDATED STATEMENT OF INCOME
 For the year ended 31 December 2018

	2018 US\$ '000	2017 US\$ '000
INCOME		
Income from:		
Investment in sukuk	3,485	5,533
Investment in equities and funds	190	58
Due from banks and financial institutions	245	137
Financing receivables	752	329
Mudaraba receivables	56	112
Less: Return to short term sukuk investors and banks	(2,180)	(1,786)
	2,548	4,383
Investment banking fees	443	531
Ijarah income	1,293	1,501
Foreign exchange (Loss) gain	(4)	20
Other income	244	116
OPERATING INCOME	4,524	6,551
EXPENSES		
Staff costs	2,779	2,566
Depreciation	723	724
General and administrative expenses	1,056	1,115
OPERATING EXPENSES	4,558	4,405
NET (LOSS) PROFIT FOR THE YEAR BEFORE IMPAIRMENT PROVISION	(34)	2,146
Net recoveries for credit losses	544	(29)
Unrealised fair value loss and impairment on investments in funds and real estate	(556)	-
Impairment recoveries on investments - net	59	-
NET PROFIT FOR THE YEAR	13	2,117

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
 For the year ended 31 December 2018

	Reserves					(Accumulated deficit) US\$ '000	Total owners' equity US\$ '000
	Paid-up Share capital US\$ '000	Statutory reserve US\$ '000	General reserve US\$ '000	Investment fair value reserve US\$ '000	Total reserves US\$ '000		
Balance at 1 January 2018	59,039	3,881	2,226	2,460	8,567	(13,465)	54,141
Transition adjustment on adoption of FAS 30 as of 1 January 2018	-	-	-	-	-	(2,007)	(2,007)
Restated balance as of 1 January 2018	59,039	3,881	2,226	2,460	8,567	(15,472)	52,134
Net profit for the year	-	-	-	-	-	13	13
Cumulative changes in fair value	-	-	-	(285)	(285)	285	-
Balance at 31 December 2018	59,039	3,881	2,226	2,175	8,282	(15,174)	52,147
Balance at 1 January 2017	59,039	3,669	2,226	2,460	8,355	(15,370)	52,024
Net profit for the year	-	-	-	-	-	2,117	2,117
Transfer to statutory reserve	-	212	-	-	212	(212)	-
Balance at 31 December 2017	59,039	3,881	2,226	2,460	8,567	(13,465)	54,141

CONSOLIDATED STATEMENT OF CASH FLOWS
 For the year ended 31 December 2018

	2018 US\$ '000	2017 US\$ '000
Net cash (used in) from operating activities	(11,117)	19,748
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(11,117)	19,748
Cash and cash equivalents at 1 January	30,327	10,579
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	19,210	30,327

Note: The full consolidated statement of cash flows is available in LMC website

Hassan Amin Jarrar Chairman
Ameer A. Ghani Director
Amer Sadiq Acting Chief Executive Officer

- These were extracted from the Consolidated Financial Statements on which Ernst & Young issued an unqualified opinion dated 17 February 2019 which are available on LMC website.
- These Consolidated Financial Statements have been authorized for issuance in accordance with a resolution of the board of Directors dated 17 February 2019.
- Liquidity Management Centre B.S.C. (c) is Licensed by the Central Bank of Bahrain as Wholesale Islamic Bank.
- The Group's total equity as at 31 December 2018 is US\$ 52,147 Million which is less than the minimum capital requirement of US\$ 100 Million required under LR Module of Volume 2 of the Central Bank of Bahrain (CBB) rule book (LR- 2.5.2B)."

Liquidity Management Centre B.S.C. (c)

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