

Albaraka Islamic Bank B.S.C. (c) Financial Statements 31 December 2009

BALANCE SHEET		
At 31 December 2009		
	2009 BD	2008 BD
ASSETS		
Cash and balances with banks and financial institutions	87,187,714	81,442,925
Sales receivables	163,707,264	191,860,466
Mudaraba financing	6,512,334	4,896,959
Ijara Muntahia Bittamleek	17,635,219	16,666,149
Musharaka financing	7,702,535	9,010,389
Investments	52,237,171	53,103,741
Investment properties	515,821	616,795
Ijara income receivables	3,704,793	8,363,676
Premises and equipment	5,047,256	4,455,467
Other assets	6,319,856	7,134,385
TOTAL ASSETS	350,569,963	377,550,952
LIABILITIES		
Due to banks and financial institutions	18,028,460	4,785,247
Current accounts	26,846,782	25,084,570
Other liabilities	6,717,054	11,208,785
TOTAL LIABILITIES	51,592,296	41,078,602
UNRESTRICTED INVESTMENT ACCOUNTS	239,943,213	266,479,495
EQUITY		
Share capital	46,166,591	46,166,591
Reserves	9,488,630	10,432,768
Retained earnings	3,379,233	13,393,496
TOTAL EQUITY	59,034,454	69,992,855
TOTAL LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY	350,569,963	377,550,952
RESTRICTED INVESTMENT ACCOUNTS	76,280,503	62,952,936
CONTINGENCIES AND COMMITMENTS	41,633,128	50,012,356

STATEMENT OF INCOME		
For the Year ended 31 December 2009		
	2009 BD	2008 BD
INCOME		
Income from jointly financed sales	15,313,435	15,028,349
Income from jointly financed, other financings and investments	3,940,564	5,474,111
Joint investment income	19,253,999	20,502,460
Gross Return on unrestricted investment accounts	(17,446,868)	(16,152,075)
Bank's share as a Mudarib	3,790,030	2,122,863
Return on unrestricted investment accounts	(13,656,838)	(14,029,212)
Bank's share of income from Joint financing and Investment accounts	5,597,161	6,473,248
Bank's income from self financed sales	150,111	375,259
Bank's income from self financed, other financings and investments	1,358,940	908,317
Revenue from banking services	1,072,360	1,880,406
Other income	866,032	955,350
Bank's Mudarib/agency fee from restricted investment accounts	73,688	152,009
TOTAL OPERATING INCOME	9,118,292	10,744,589
OPERATING EXPENSES		
Staff expenses	5,157,915	4,933,565
Depreciation	765,438	505,678
Profit on due to banks and financial institutions	94,811	387,192
Other operating expenses	3,420,930	2,779,520
TOTAL OPERATING EXPENSES	9,439,094	8,605,955
NET (LOSS) INCOME FOR THE YEAR BEFORE PROVISION FOR IMPAIRMENT AND TAXATION	(320,802)	2,138,634
Provision for impairment - net	(10,056,581)	(1,243,815)
NET (LOSS) INCOME BEFORE TAXATION	(10,377,383)	894,819
Taxation	400,820	51,820
(LOSS) INCOME FOR THE YEAR	(9,976,563)	946,639

STATEMENT OF CASH FLOWS		
For the Year ended 31 December 2009		
	2009 BD	2008 BD
OPERATING ACTIVITIES		
Net (loss) income before taxation	(10,377,383)	894,819
Adjustments for:		
Depreciation	765,438	505,678
Provision for impairment - net	10,056,581	1,243,815
(Gain) loss on sale of premises and equipment	(5,002)	6,587
Gain on sale of investments	(238,438)	(171,971)
Gain on sale of investment properties	-	(250,272)
Amortisation of income and expenses related to leased assets - net	(66,456)	(66,638)
Ijarah finance cost	23,190	95,418
Unrealised remeasurement loss	25,139	675,234
Operating profit before changes in operating assets and liabilities	183,069	2,932,670
Net changes in operating assets and liabilities:		
Balances with State Bank of Pakistan (Capital deposit account)	(2,299,700)	-
Sales receivables	34,832,402	24,016,419
Mudaraba financing	(1,615,375)	3,699,003
Ijara Muntahia Bittamleek	(969,070)	9,989,892
Musharaka financing	1,508,001	(1,853,387)
Ijara income receivables	4,187,436	952,195
Other assets	1,159,910	278,904
Other liabilities	(4,443,827)	2,525,722
Due to banks and other financial institutions	13,243,213	(7,774,842)
Current accounts	1,762,212	2,212,581
Taxation paid	(289,976)	(351,727)
Directors' remuneration	(37,700)	(54,288)
Net cash from operating activities	47,220,595	36,573,142
INVESTING ACTIVITIES		
Purchase of investments	(2,616,621)	(5,896,205)
Sale of investments	2,811,355	10,417,767
Purchase of investment properties	(226,207)	(540,910)
Sale of investment properties	-	2,058,600
Purchase of premises and equipment	(1,400,871)	(2,288,293)
Sale of premises and equipment	48,647	115,546
Net cash (used in) from investing activities	(1,383,697)	3,866,505
FINANCING ACTIVITIES		
Decrease in unrestricted investment accounts	(26,536,282)	(9,265,650)
Ijarah finance cost paid	(27,195)	(93,607)
Net cash used in financing activities	(26,563,477)	(9,359,257)
INCREASE IN CASH AND CASH EQUIVALENTS	19,273,421	31,080,390
Cash and cash equivalents at 1 January	98,385,305	67,304,915
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	117,658,726	98,385,305

STATEMENT OF CHANGES IN EQUITY							
For the Year ended 31 December 2009							
	Share capital BD	Reserves				Retained earnings BD	Total equity BD
		Statutory BD	General BD	Cumulative changes in fair value BD	Foreign exchange BD		
Balance at 1 January 2009	46,166,591	7,958,887	3,275,053	1,545,631	(2,346,803)	13,393,496	69,992,855
Directors' remuneration paid	-	-	-	-	-	(37,700)	(37,700)
Net movement in cumulative change in fair value of available for sale investments	-	-	-	(576,166)	-	-	(576,166)
Foreign currency translation reserve	-	-	-	-	(367,972)	-	(367,972)
Net loss for the year	-	-	-	-	-	(9,976,563)	(9,976,563)
Balance at 31 December 2009	46,166,591	7,958,887	3,275,053	969,465	(2,714,775)	3,379,233	59,034,454
Balance at 1 January 2008	46,166,591	7,864,223	3,275,053	1,967,782	(562,848)	12,595,809	71,306,610
Directors' remuneration paid	-	-	-	-	-	(54,288)	(54,288)
Net movement in cumulative change in fair value of available for sale investments	-	-	-	(422,151)	-	-	(422,151)
Foreign currency translation reserve	-	-	-	-	(1,783,955)	-	(1,783,955)
Net income for the year	-	-	-	-	-	946,639	946,639
Transfer to statutory reserve	-	94,664	-	-	-	(94,664)	-
Balance at 31 December 2008	46,166,591	7,958,887	3,275,053	1,545,631	(2,346,803)	13,393,496	69,992,855

These statements have been extracted from financial statements audited by Ernst & Young, who expressed an unqualified opinion on 25 February 2010

Khalid Rashid Al Zayani Chairman
Adnan Ahmed Yousif Deputy Chairman
Mohammed Essa Al Mutaweh Chief Executive & Board Member