



Al Baraka Islamic Bank B.S.C. (c)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2011(UNAUDITED)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2011 (Unaudited)

	Audited	
	30 September 2011	31 December 2010
	BD	BD
ASSETS		
Cash and balances with banks and financial institutions	83,488,605	75,407,439
Sales receivables	214,066,806	202,977,323
Mudaraba financing	9,915,086	9,703,691
Ijara Muntahia Bittamleek	36,536,571	35,136,644
Musharaka	22,068,374	20,957,836
Investments	134,725,730	118,012,852
Investment properties	1,108,968	558,037
Ijara income receivables	9,256,825	6,973,121
Premises and equipment	9,470,939	10,148,185
Goodwill	8,142,520	8,142,520
Other assets	16,909,137	19,635,745
TOTAL ASSETS	545,689,561	507,653,393
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY		
Liabilities		
Due to banks and financial institutions	23,105,374	22,158,639
Current accounts	37,487,758	44,661,513
Other liabilities	12,093,435	10,335,641
Total liabilities	72,686,567	77,155,793
EQUITY OF INVESTMENT ACCOUNTHOLDERS	403,852,629	361,146,517
Owners' Equity		
Share capital	46,166,591	46,166,591
Reserves	8,399,349	9,749,400
Retained earnings	5,997,430	5,043,117
Equity attributable to shareholders of the parent	60,563,370	60,959,108
Non-controlling interest	8,586,995	8,391,975
Total owners' equity	69,150,365	69,351,083
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY	545,689,561	507,653,393
OFF-BALANCE SHEET ITEMS:		
EQUITY OF INVESTMENT ACCOUNTHOLDERS	65,323,170	68,953,716
COMMITMENTS AND CONTINGENT LIABILITIES	97,024,434	85,136,35

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the nine month period ended 30 September 2011 (Unaudited)

	Three months ended 30 September		Nine months ended 30 September	
	2011	2010	2011	2010
	BD	BD	BD	BD
INCOME				
Income from jointly financed sales	3,736,921	3,635,413	11,130,605	10,397,386
Income from jointly financed, other financings and investments	5,408,890	1,410,355	15,208,407	3,508,954
Joint investment income	9,145,811	5,045,768	26,339,012	13,906,340
Return on equity of investment accountholders before Group's share as a Mudarib	(8,957,685)	(4,813,221)	(24,125,588)	(13,290,654)
Group's share as a Mudarib	2,260,760	1,505,757	5,115,926	4,063,518
Return on equity of investment accountholders	(6,696,925)	(3,307,464)	(19,009,662)	(9,227,136)
Group's share of income from equity of investment accountholders (as a Mudarib and Rabalmal)	2,448,886	1,738,304	7,329,350	4,679,204
Group's income from self financed sales	2,590	5,237	7,205	36,926
Group's income from self financed, other financings and investments	318,539	457,261	1,722,781	951,207
Revenue from banking services	649,350	524,263	1,799,207	1,592,370
Other income	253,381	163,766	1,197,024	891,519
Group's Mudarib/agency fee from off-balance sheet equity of investment account holders	16,937	43,362	30,849	96,442
TOTAL OPERATING INCOME	3,689,683	2,932,193	12,086,416	8,247,668
OPERATING EXPENSES				
Staff expenses	(1,826,130)	(1,215,008)	(5,481,124)	(3,676,908)
Depreciation	(353,848)	(220,042)	(1,064,539)	(651,646)
Profit on due to banks and financial institutions	(2,179)	(25,659)	(9,271)	(82,212)
Other operating expenses	(1,400,970)	(746,215)	(4,470,525)	(2,470,617)
TOTAL OPERATING EXPENSES	(3,583,127)	(2,206,924)	(11,025,459)	(6,881,383)
NET INCOME FOR THE PERIOD BEFORE PROVISION FOR IMPAIRMENT AND TAXATION	106,556	725,269	1,060,957	1,366,285
Provision for impairment - net	27,841	(194,131)	769,481	(660,723)
NET INCOME BEFORE TAXATION	134,397	531,138	1,830,438	705,562
Taxation	(59,459)	(46,920)	(473,317)	(317,426)
INCOME FOR THE PERIOD	74,938	484,218	1,357,121	388,136
Attributable to:				
Shareholders of the parent	(60,306)	484,218	954,313	388,136
Non-controlling interest	135,244	-	402,808	-
	74,938	484,218	1,357,121	388,136

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine month period ended 30 September 2011 (Unaudited)

	Nine months ended 30 September	
	2011	2010
	BD	BD
OPERATING ACTIVITIES		
Net income before taxation	1,830,438	705,562
Adjustments for:		
Depreciation	1,064,539	651,646
Provision for impairment - net	(769,481)	660,723
Amortisation of income and expenses related to leased assets - net	-	(28,585)
Unrealised remeasurement loss	45,240	105,457
Ijara finance cost	-	2,977
Gain on sale of premises and equipment	(5,037)	(4,049)
Gain on sale of investments	(579,290)	-
Operating profit before changes in operating assets and liabilities	1,586,409	2,093,731
Net changes in operating assets and liabilities:		
Sales receivables	6,294,954	(3,780,248)
Mudaraba financing	823,133	(4,137,274)
Ijara Muntahia Bittamleek	(1,399,927)	(10,852,050)
Musharaka	(161,555)	(229,049)
Ijara income receivables	(2,657,699)	(2,471,207)
Other assets	2,648,166	(804,203)
Other liabilities	1,757,794	525,394
Due to banks and financial institutions	946,735	(8,024,477)
Current accounts	(7,173,755)	(4,475,966)
Equity of investment accountholders	42,200,985	40,534,304
Taxation paid	(184,567)	(452,923)
Net cash from operating activities	44,680,673	7,926,032
INVESTING ACTIVITIES		
Purchase of investments	(37,408,850)	(8,385,472)
Sale of investments	18,973,481	2,258,642
Net purchase of premises and equipment	(382,256)	(774,087)
Purchase of investment properties	(550,931)	(42,217)
Net cash used in investing activities	(19,368,556)	(6,943,134)
FINANCING ACTIVITY		
Ijara finance cost paid	-	(3,166)
Net cash used in financing activity	-	(3,166)
Foreign currency translation adjustments	(567,685)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,744,432	979,732
Cash and cash equivalents at 1 January	135,346,349	117,658,726
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	160,090,781	118,638,458
For the purpose of the interim cash flows statement, cash and cash equivalents comprised of the following:		
Cash in hand	6,118,900	4,205,745
Balances with central banks excluding capital deposited with State Bank of Pakistan	16,205,132	15,050,128
Balances with other banks and financial institutions	61,164,573	37,013,888
Sales receivables - international commodities (maturing in less than 90 days)	76,602,176	62,368,697
	160,090,781	118,638,458

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the nine month period ended 30 September 2011 (Unaudited)

	Equity attributable to shareholders of the parent								
	Reserves		Cumulative changes in fair value			Retained earnings	Total	Non-Controlling Interest	Total Equity
Share capital	Statutory	General	Foreign exchange	Retained earnings	Total				
	BD	BD	BD	BD	BD	BD	BD	BD	BD
Balance at 1 January 2011	46,166,591	8,132,290	3,275,053	(1,657,943)	5,043,117	60,959,108	8,391,975	69,351,083	
Cumulative changes in fair value	-	-	-	(983,100)	-	(983,100)	(7,054)	(990,154)	
Foreign currency translation reserve	-	-	-	-	(366,951)	(366,951)	(200,734)	(567,685)	
Net income for the period	-	-	-	-	954,313	954,313	402,808	1,357,121	
Balance at 30 September 2011	46,166,591	8,132,290	3,275,053	(2,641,043)	(366,951)	5,997,430	60,563,370	69,150,365	
Balance at 1 January 2010	46,166,591	7,958,887	3,275,053	969,465	(2,714,775)	3,379,233	59,034,454	59,034,454	
Cumulative changes in fair value	-	-	-	543,952	-	543,952	-	543,952	
Foreign currency translation reserve	-	-	-	-	(119,945)	(119,945)	-	(119,945)	
Net income for the period	-	-	-	-	388,136	388,136	-	388,136	
Balance at 30 September 2010	46,166,591	7,958,887	3,275,053	1,513,417	(2,834,720)	3,767,369	59,846,597	59,846,597	

These statements have been extracted from financial statements reviewed by Ernst & Young, who expressed an unqualified opinion on 14th November 2011

Khalid Rashid Al Zayani
Chairman

Annan Ahmed Yousif
Deputy Chairman

Mohammed Essa Al Mutaweh
Chief Executive & Board Member