

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2009**

	Bahraini Dinars	
	31 December 2009 (audited)	31 December 2008 (audited)
ASSETS		
Cash and cash equivalents	3,703,237	2,595,891
Development property	4,649,228	4,641,184
Assets acquired for leasing	20,983,286	21,911,758
Islamic financing assets	7,448,905	10,206,221
Other assets	374,269	291,633
Fixed assets	164,415	250,323
Total assets	37,323,340	39,897,010
LIABILITIES		
Payables and accrued expenses	401,181	540,608
Islamic financing	15,684,703	18,831,206
Total liabilities	16,085,884	19,371,814
SHAREHOLDERS' EQUITY		
Share capital	20,000,000	20,000,000
Statutory reserve	123,746	52,520
Retained earnings	1,113,710	472,676
Total shareholders' equity	21,237,456	20,525,196
Total liabilities and shareholders' equity	37,323,340	39,897,010

**CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2009**

	Bahraini Dinars	
	31 December 2009 (audited)	31 December 2008 (audited)
OPERATING ACTIVITIES		
Net Profit for the year	712,260	583,812
Adjustments for :		
Depreciation on fixed assets	91,198	82,259
Depreciation on assets acquired for leasing	1,978,413	1,008,338
Income from placements with financial institutions	(54,138)	(99,436)
(Gain)/ loss on sale of fixed assets	(6)	75
Financing cost	1,177,612	673,224
Gain on revaluation	-	(214,680)
Provision for impairment on assets acquired for leasing	144,026	165,000
Provision for impairment on Islamic financing assets	851	75,000
Operating profit before working capital changes	4,050,216	2,273,592
Changes in operating assets and liabilities :		
Increase in assets acquired for leasing	(1,193,967)	(11,565,413)
Decrease / (increase) in Islamic financing assets	2,756,465	(7,705,293)
Increase in development property	(8,044)	(3,265,184)
(Increase) / decrease in other assets	(82,636)	95,922
(Decrease) / increase in payables and accrued expenses	(139,427)	94,679
Cash flows from operating activities	5,382,607	(20,071,697)
INVESTING ACTIVITIES		
Purchase of fixed assets	(5,634)	(25,484)
Sale of fixed assets	350	60
Income from placements with financial institutions	54,138	99,436
Cash flows from investing activities	48,854	74,012
FINANCING ACTIVITIES		
Capital introduced	-	7,500,000
Finance costs paid	(1,083,456)	(609,399)
Proceeds from Islamic financing	18,010,000	19,670,000
Repayment of Islamic financing	(21,250,659)	(4,770,000)
Cash flows from financing activities	(4,324,115)	21,790,601
Net increase in cash and cash equivalents	1,107,346	1,792,916
Cash and cash equivalents at the beginning of the year	2,595,891	802,975
Cash and cash equivalents at 31 December	3,703,237	2,595,891

**CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2009**

	Bahraini Dinars	
	31 December 2009 (audited)	31 December 2008 (audited)
Gross leasing income	3,893,979	2,492,286
Depreciation on assets acquired for leasing	(1,978,413)	(1,008,338)
Net lease income	1,915,566	1,483,948
Net fee income	85,606	206,062
Income from placements with financial institutions	54,138	99,436
Income from Islamic financing assets	1,075,656	553,209
Income from property consulting services	-	61,169
Gains on revaluation of investment property	-	214,680
Other income	2,099	14,074
Total income	3,133,065	2,632,578
Staff cost	569,785	605,095
Financing cost	1,177,612	673,224
Marketing and public relation expenses	89,567	116,718
Other operating expenses	347,766	331,470
Depreciation on fixed assets	91,198	82,259
Provision for impairment on assets acquired for leasing	144,026	165,000
Provision for impairment on Islamic financing assets	851	75,000
Total expenses	2,420,805	2,048,766
PROFIT FOR THE YEAR	712,260	583,812

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2009**

	Bahraini Dinars			
	Share Capital	Statutory reserve	Retained earnings	Total
2009 (audited)				
At 1 January	20,000,000	52,520	472,676	20,525,196
Profit for the year	-	-	712,260	712,260
Transfer to statutory reserve	-	71,226	(71,226)	-
At 31 December	20,000,000	123,746	1,113,710	21,237,456
2008 (audited)				
At 1 January	12,500,000	-	(58,616)	12,441,384
Profit for the year	-	-	583,812	583,812
Share capital introduced during the year	7,500,000	-	-	7,500,000
Transfer to statutory reserve	-	52,520	(52,520)	-
At 31 December	20,000,000	52,520	472,676	20,525,196

The above consolidated statement of financial position, consolidated statement of income, consolidated statement of cash flows and consolidated statement of equity have been extracted from the consolidated audited financial statements of Sakana Holistic Housing Solutions BSC (c), for the year ended 31 December 2009 on which KPMG have issued an unqualified audit report on 10 February 2010.

Abdul Hakim Khalil Al-Mutawa
Chairman

Jamal Mohammed Hijres
Vice Chairman

R Lakshmanan
Chief Executive Officer



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