



# THE BENEFIT COMPANY BSC (c)

Consolidated Financial Statements 31 December 2020

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2020

Bahraini Dinars

	2020	2019
<b>ASSETS</b>		
Furniture and equipment	1,013,239	1,349,483
System software	2,301,092	1,776,522
Capital-work-in-progress	6,039,325	548,159
Right-of-use assets	158,932	883,920
Other assets	139,168	139,168
<b>Total non-current assets</b>	<b>9,651,756</b>	<b>4,697,252</b>
Cash and bank balances	4,745,607	5,393,718
Balance with Central Bank of Bahrain	6,450,667	4,789,052
Balance with other central banks	3,172,664	3,057,372
Deposits with banks	-	2,460,043
Treasury bills	-	4,881,827
Trade receivables	1,143,121	654,286
Prepaid expenses and other receivables	602,522	315,798
<b>Total current assets</b>	<b>16,114,581</b>	<b>21,552,096</b>
<b>Total assets</b>	<b>25,766,337</b>	<b>26,249,348</b>
<b>Equity and liabilities</b>		
Share capital	3,110,400	3,110,400
Statutory reserve	1,612,138	1,612,138
General reserve	1,548,642	1,136,788
Charity reserve	391,746	385,819
Retained earnings	15,299,911	16,038,796
<b>Total equity</b>	<b>21,962,837</b>	<b>22,283,941</b>
<b>Liabilities</b>		
Non-current portion of lease liability	75,611	865,819
Non-current portion of deferred income	222,593	293,153
Provision for employees' leaving indemnities	258,340	195,619
<b>Total non-current liabilities</b>	<b>556,544</b>	<b>1,354,591</b>
Trade payables and accrued expenses	2,555,970	2,036,442
Payable for acquisition of shares in Subsidiary	221,970	221,970
Current portion of lease liability	129,347	55,251
Current portion of deferred income	339,669	297,153
<b>Total current liabilities</b>	<b>3,246,956</b>	<b>2,610,816</b>
<b>Total equity and liabilities</b>	<b>25,766,337</b>	<b>26,249,348</b>

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the year ended 31 December 2020

Bahraini Dinars

	2020	2019
<b>Revenue</b>		
Switch	6,654,828	8,249,931
BCRB	934,595	968,984
BCTS	498,269	563,256
EFTS	1,147,403	887,360
eKYC	264,030	58,346
Card services	1,675,925	1,195,532
<b>Total operating revenue</b>	<b>11,175,050</b>	<b>11,923,409</b>
Staff cost	4,435,210	3,909,114
Cost of provision of services	2,882,877	2,265,995
Depreciation and amortisation	1,485,143	1,188,155
Other operating expenses	1,713,342	1,656,181
<b>Total operating expenses</b>	<b>10,516,572</b>	<b>9,019,445</b>
<b>Operating profit</b>	<b>658,478</b>	<b>2,903,964</b>
Interest income	108,425	319,723
Interest expense on lease liability	(43,088)	(68,936)
Other income	710,281	173,247
<b>Profit for the year</b>	<b>1,434,096</b>	<b>3,327,998</b>
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>1,434,096</b>	<b>3,327,998</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2020

Bahraini Dinars

	2020	2019
<b>Operating activities</b>		
Cash received from switch operations	6,646,380	8,231,067
Cash received from BCRB operations	892,285	951,457
Cash received from card services	1,675,925	1,493,583
Cash received from BCTS operations	498,335	560,052
Cash received from EFTS operations	979,719	787,106
Cash received from eKYC	226,610	97,810
Payments for operating expenses	(8,951,368)	(7,232,041)
Payment for directors' remuneration	(172,507)	(149,916)
Other receipt	656,720	-
<b>Net cash generated from operating activities</b>	<b>2,452,099</b>	<b>4,739,118</b>
<b>Investing activities</b>		
Purchase of furniture and equipment	(196,435)	(210,218)
Purchase of software	(828,003)	(109,871)
Payments for capital-work-in-progress	(5,826,265)	(1,163,729)
Maturity of treasury bills	4,956,800	-
Maturity of / (new) deposits with banks	2,521,940	(281,762)
Interest received on current account	6,879	6,730
<b>Net cash generated from / (used in) investing activities</b>	<b>634,916</b>	<b>(1,758,850)</b>
<b>Financing activities</b>		
Dividend paid	(1,555,200)	(1,866,240)
Charity paid	(200,000)	-
Lease liability payment	(203,019)	(198,555)
<b>Net cash used in financing activities</b>	<b>(1,958,219)</b>	<b>(2,064,795)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,128,796</b>	<b>915,473</b>
Cash and cash equivalents at beginning of year	13,240,142	12,324,669
<b>Cash and cash equivalents at end of the year</b>	<b>14,368,938</b>	<b>13,240,142</b>
Cash and bank balances	4,745,607	5,393,718
Balance with Central Bank of Bahrain	6,450,667	4,789,052
Balance with other central banks	3,172,664	3,057,372
<b>14,368,938*</b>	<b>*13,240,142</b>	

\*Cash and cash equivalents include ECL of BD 2,348 as of 31 December 2020 (2019: BD 1,941)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2020

Bahraini Dinars

	Share capital	Statutory reserve	General reserve	Charity Reserve	Retained earnings	Total		Share capital	Statutory reserve	General reserve	Charity Reserve	Retained earnings	Total
At 1 January 2020	3,110,400	1,612,138	1,136,788	385,819	16,038,796	22,283,941	At 31 December 2019	3,110,400	1,612,138	794,214	214,532	15,090,899	20,822,183
<b>Profit and total comprehensive income for the year</b>	-	-	-	-	1,434,096	1,434,096	Profit and total comprehensive income for the year	-	-	-	-	3,327,998	3,327,998
Dividend declared in 2019	-	-	-	-	(1,555,200)	(1,555,200)	Dividend declared in 2018	-	-	-	-	(1,866,240)	(1,866,240)
Charity paid during the year	-	-	-	(200,000)	-	(200,000)	Transfer to charity reserve	-	-	-	171,287	(171,287)	-
Transfer to charity reserve	-	-	-	205,927	(205,927)	-	Transfer to general reserve	-	-	342,574	-	(342,574)	-
Transfer to general reserve	-	-	411,854	-	(411,854)	-	At 31 December 2019	3,110,400	1,612,138	1,136,788	385,819	16,038,796	22,283,941
<b>At 31 December 2020</b>	<b>3,110,400</b>	<b>1,612,138</b>	<b>1,548,642</b>	<b>391,746</b>	<b>15,299,911</b>	<b>21,962,837</b>							

The consolidated financial statements have been audited by KPMG and approved by the Board of Directors on 24 February 2021 and signed on their behalf by:

**Mohamed Ebrahim Al Bastaki**  
Chairman

**Ahmed A. Rahim**  
Vice Chairman

**Abdulwahed AlJanahi**  
Chief Executive