

## Notes

*(forming part of the unaudited, condensed interim consolidated financial statements)*

### 1. Legal status and principal activities

Al Anwar Holdings SAOG (the “Parent Company”) is an Omani joint stock company incorporated on 20 December 1994 and registered in the Sultanate of Oman. The business activities of Parent Company and its subsidiary companies (together referred to as the “Group”) include promotion of and participation in a variety of ventures in the financial services and industrial sector in the Sultanate of Oman.

### 2. Significant accounting policies - General

The following accounting policies have been consistently applied in dealing with items considered material to the Group’s and Parent Company’s financial statements.

#### a. Statement of compliance and basis of preparation

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and interpretation issued by the relevant body of the International Accounting Standards Board, the requirements of the Commercial Companies Law of the Sultanate of Oman, 1974 (as amended) and the rules for disclosure requirements prescribed by the Capital Market Authority (“CMA”).

The unaudited condensed interim consolidated financial statements have been prepared under the historical cost convention, except that investments at fair value through profit or loss, investments available for sale and investment property are stated at their fair values and the held-to-maturity investments which are stated at amortised cost.

The unaudited condensed interim consolidated financial statements are presented in Rial Omani (“RO”), which the Board of Directors believes is the functional currency of the Parent Company. All financial information presented in RO has been rounded to the nearest thousand.

#### b. Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account.

The unaudited financial statements of subsidiaries are included in the unaudited condensed interim consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

The unaudited condensed interim consolidated financial position incorporates the assets and liabilities of the Parent Company and its subsidiaries. All significant inter-company balances, transactions, income and expenses have been eliminated on consolidation.

For the purpose of consolidation, financial position and results of operations of the subsidiaries are consistently considered on the basis of their unaudited financial statements for the period ended on the preceding 30 June. Adjustments are made for significant transactions which took place between the reporting date of subsidiaries and the Parent Company.

## Notes

*(forming part of the unaudited, condensed interim consolidated financial statements)*

### 2. Significant accounting policies - General *(continued)*

#### **c. Investments**

##### *Subsidiary*

In the Parent Company's stand alone unaudited condensed statement of financial position, the investments in subsidiaries are carried at cost. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

##### *Associate*

An entity over which the Group exercises significant influence but not control is classified as an associate.

The unaudited condensed interim consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounted basis. For the purpose of which financial position and results of operations of the associates are consistently considered on the basis of their unaudited financial statements for the period ended on the preceding 30th September. Adjustments are made for significant transactions which took place between the reporting date of associates and the Parent Company.

The investments in associates are carried at cost in the Parent Company's stand alone unaudited condensed statement of financial position.

##### *Investments held to maturity*

Investments which are held with a positive intent and ability to hold until maturity are classified as held to maturity. They are initially recognised at cost and subsequently re-measured at amortised cost.

##### *Investments at fair value through profit or loss*

These are the investments which management, if considers eligible, designates as fair value through profit and loss upon their initial recognition.

##### *Trading assets*

Trading assets are those assets and liabilities that the Group acquire or incur principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short term profit or position taking.

Trading assets are initially recognized and subsequently measured at fair value in the financial position with transaction cost taken directly to the profit or loss. All changes in fair value are recognized as part of net trading income in profit or loss. Trading assets are not reclassified subsequent to their initial recognition.

##### *Investments available for sale*

Other investments are classified as available for sale. They are re-measured at fair value after initial recognition. Gains and losses on re-measurement are reported in the statement of changes in equity.

##### *Fair value measurement*

For investments actively traded in organized financial markets, fair value is generally determined by reference to stock exchange quoted market bid prices at the close of business on the financial position date. Unquoted investments are valued at fair value when they can be reliably measured; otherwise they are stated at cost.

## Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

### 2. Significant accounting policies - General (continued)

#### c. Investments (continued)

##### *Dividend income*

Dividend income from investments is accounted when the right to receive payment is established. Interest income on investments available for sale is recognised when the entitlement arises.

##### *Gain on disposal of investments*

Gain on disposal of investments is determined by the difference between sales proceeds and cost or carrying value and is credited to the statement of income.

#### d. Intangible assets

##### *Goodwill*

Goodwill arising on acquisition of subsidiaries and associates is initially recognised at cost, being the excess of cost of business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill is subsequently measured at cost less accumulated impairment losses. Negative goodwill is recognised immediately in the statement of income. Impairment losses, if any, in respect of goodwill arising on consolidation of subsidiaries and investment in associates are assessed on an annual basis.

In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment.

#### e. Leases

Operating lease payments are recognised in the statement of income on a straight line basis.

#### f. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Subsequent expenditure is capitalized only when it is probable that it will result in increased future economic benefits. All other expenditure is recognised in the statement of income as an expense as incurred.

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful economic lives of items of property, plant and equipment. The estimated useful lives are as follows:

	Years
Buildings on leasehold land	20
Plant, machinery and equipment	4 - 15
Motor vehicles	3 - 5
Furniture and fixtures	3 - 8
Software	3
Capital work in progress is not depreciated.	

#### g. Investment properties

Investment properties are initially measured at cost including transaction costs. Subsequent to initial recognition investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment are included in the statement of comprehensive income in the year in which they arise.

Investment properties are derecognised when they have either been disposed off or when the investment properties are permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognition of investment properties are recognised in the statement of comprehensive income in the year of derecognition.

## Notes

*(forming part of the unaudited, condensed interim consolidated financial statements)*

### 2. Significant accounting policies - General *(continued)*

#### **h. Inventories**

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. Cost of raw materials is based on the weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Work in progress and finished goods includes material costs and, where applicable, an appropriate share of overheads based on normal operating capacity.

#### **i. Accounts and other receivables**

Accounts receivable originated by the Group, are measured at cost. Bad debts are written off or provided for as they arise and provision is made for doubtful receivables.

#### **j. Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents consists of cash and bank balances with maturity of three months from the financial position date.

#### **k. Impairment**

Financial assets

At each financial position date, the Group's management assesses if there is any objective evidence indicating impairment of the carrying value of financial assets or non-collectability of receivables.

Impairment losses are determined as differences between the carrying amounts and the recoverable amounts and are recognised in the statement of income. Any reversal of impairment losses are recognised as income in the statement of income. The recoverable amounts represent the present value of expected future cash flows discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted.

Non financial assets

Other than the goodwill arising on consolidation of subsidiaries and investment in associates [refer note (d) above] at each financial position date, the Group assesses if there is any indication of impairment of non-financial assets. If an indication exists, the Group's management estimates the recoverable amount of the asset and recognises an impairment loss in the statement of income. Other than for goodwill, the Group's management also assesses if there is any indication that an impairment loss recognised in prior years no longer exists or has reduced. The resultant impairment loss or reversals are recognised immediately in the statement of income.

The recoverable amount adopted is the higher of net realisable value or market value and its value in use.

#### **l. Employees' end of service benefits**

Payment is made to Omani Government's Social Security Scheme in accordance with the Royal Decree Number 72/91 (as amended) for Omani employees. Provision is made for amounts payable under the Sultanate of Oman's labour law in accordance with Royal Decree number 35/2003 (as amended) applicable to expatriate employees' accumulated periods of service at the financial position date.

#### **m. Provisions**

A provision is recognized in the financial position when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

**Notes**

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**2. Significant accounting policies - General (continued)**

**n. Trade and other payable**

Liabilities are recognised for amounts to be paid for goods and service received, whether or not billed to the Group.

**o. Government term loans and deferred income**

*Carrying values*

The carrying values of the interest free and low interest Government term loans are determined as the present values of the loans adopting the interest rates that reflect the current cost of similar borrowing on similar loan terms from a commercial bank.

*Finance charge*

The effective interest charge arises as a result of accounting for the fair values of the government related term loans and therefore represents the actual interest incurred for the year plus an amount arising from movements in the carrying values of the loans in the year.

*Deferred income*

The amount of deferred income relating to the government term loans is released to the profit or loss in such a way as to spread the income over the effective interest charge to which it relates.

**p. Operating income**

Operating income represents the invoice value of goods sold during the year, net of discounts and returns, and is recognised in the statement of income, when the significant risks and rewards of ownership have been transferred to the buyer.

**q. Finance charges**

Finance charges comprise interest payable on term loans and bank borrowings, interest subsidy, and are net of interest receivable on bank deposits. Finance charges are recognised as an expense in the statement of income in the period in which they are incurred.

**r. Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Current tax is provided in accordance with the Sultanate of Oman's fiscal regulations. Deferred taxation is provided using the liability method on all temporary differences at the reporting date. It is calculated at the tax rates that are expected to apply to the period when it is anticipated the liabilities will be settled, and it is based on the rates (and laws) that have been enacted at the financial position date.

Deferred tax assets are recognised in relation to carry forward losses and unused tax credits to the extent that it is probable that future taxable profits will be achieved.

**s. Foreign currencies**

Foreign currency transactions are translated into Omani Rials at the exchange rate prevailing on the transaction date. Foreign currency monetary assets and liabilities at the financial position date are translated at the rates of exchange prevailing at that date. Exchange differences that arise are recognised in the statement of income.

## Notes

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### 2. Significant accounting policies - General *(continued)*

#### t. Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

All operating segments' operating results are reviewed regularly by the Parent Company's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

#### u. Dividend

The Board of Directors takes into account appropriate parameters including the requirements of the Commercial Companies Law while recommending the dividend.

Dividend distribution to the Parent Company's shareholders is recognized as a liability in the Group's and Parent Company's stand alone unaudited condensed statement of financial position in the period in which the dividend is declared.

#### v. Directors' remuneration and meeting attendance fees

The Company follows the Commercial Companies Law 1974 (as amended), and other latest relevant directives issued by CMA, in regard to determination of the amount to be paid as Directors remuneration and sitting fee are charged to the statement of income in the year to which they relate.

#### w. Estimates and judgements

In preparing the consolidated financial statements, the Board of Directors is required to make estimates and assumptions which affect reported income and expenses, assets, liabilities and related disclosures. The use of available information and application of judgement based on historical experience and other factors are inherent in the formation of estimates. Actual results in the future could differ from such estimates. The Board of Directors test annually whether goodwill, investments in subsidiaries, associates and other financial assets have suffered any impairment which requires the use of estimates.

#### x. Earnings and net assets per share

The Group presents earnings per share (EPS) and net assets per share data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Net assets per share is calculated by dividing the net assets attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

#### y. New standards and interpretations not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 30 June 2014, and therefore have not been applied in preparing these consolidated financial statements. None of these will have an effect on the consolidated financial statements of the Group.

**Notes**

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**3. Significant Accounting Policies - Insurance Operations**

**a. Gross premium written**

Premium on insurance contracts are recognized as revenue (earned premiums) proportionally over the period of coverage.

**b. Reserve for unexpired risks/ unearned premium reserve**

The reserve for unexpired risk represents the estimated portion of net premium income after deduction of the reinsurance share which relates to period of insurance subsequent to the statement of financial position date.

The reserve is calculated in accordance with the Insurance Companies Law of the Sultanate of Oman at 45% of the net retained premium for the year, for all classes of general business. The reserve for unexpired risks for life business is created on the basis of actuarial valuation performed on an annual basis.

**c. Commission earned and paid**

Commission earned and paid are recognised at the time policies are written.

**d. Provision for out standing claims**

Provision for outstanding claims is recognized at the date the claims are known and covers the liability for loss and loss adjustment expenses based on loss reports from independent loss adjusters and management best estimate.

**e. Reinsurer's share of claims**

Contracts entered into by the subsidiary with reinsurers under which the subsidiary is compensated for losses on one or more insurance contracts issued by the subsidiary are classified as reinsurance contract held by the subsidiary. The benefits to which the subsidiary is entitled under its reinsurance contracts held are recognised as reinsurance assets. these assets consists of short term balances due from reinsurers. Amount recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expenses when due.

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**4. Property plant and equipment**

RO '000

Group	Motor vehicles	Furniture and fixtures	Total
<b>Cost</b>			
1-Apr-14	92	301	393
Additions during the period	19	8	27
Disposal during the period	(16)	(67)	(83)
<b>30-Sep-14</b>	<b>95</b>	<b>242</b>	<b>337</b>
<b>Depreciation</b>			
1-Apr-14	53	244	297
Charge for the period	8	16	24
Disposal during the period	(16)	(67)	(83)
<b>30-Sep-14</b>	<b>45</b>	<b>193</b>	<b>238</b>
<b>Net book value</b>			
<b>At 30 September 2014</b>	<b>50</b>	<b>49</b>	<b>99</b>
At 30 September 2013	42	74	116
At 31 March 2014	39	57	96

**5. Intangible assets**

RO '000

Group	Customer Portfolio	License	Goodwill	Computer software	Total
<b>Cost</b>					
1-Apr-14	560	290	513	108	1,471
Additions during the period	-	-	-	-	-
Disposal during the period	-	-	-	-	-
<b>30-Sep-14</b>	<b>560</b>	<b>290</b>	<b>513</b>	<b>108</b>	<b>1,471</b>
<b>Amortisation</b>					
1-Apr-14	472	210	120	98	900
Charge during the period	28	20	-	4	52
<b>30-Sep-14</b>	<b>500</b>	<b>230</b>	<b>120</b>	<b>102</b>	<b>952</b>
<b>Net book value</b>					
<b>At 30 September 2014</b>	<b>60</b>	<b>60</b>	<b>393</b>	<b>6</b>	<b>519</b>
At 30 September 2013	116	100	393	14	623
At 31 March 2014	88	80	393	10	571

**Notes**

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**6. Investments**

Investments in subsidiaries, associates having financial reporting periods ended on June 30, 2014 and investments at fair value through profit or loss represent companies registered in the Sultanate of Oman, Kuwait, Bahrain and India . The carrying value of these investments are as follows:

		RO'000		
		30-Sep 2014	30-Sep 2013	31-Mar 2014
<b>Non-Current assets</b>				
Investment in Associates	<b>Quoted</b>	17,306	17,166	16,474
	<b>Unquoted</b>	2,983	2,696	2,602
		<b>20,289</b>	19,862	19,076
Investment at fair value through profit and loss	<b>Quoted</b>	2,943	2,479	6,251
	<b>Unquoted</b>	638	650	653
		<b>3,581</b>	3,129	6,904
Available for sale financial assets	<b>Quoted</b>	670	678	670
	<b>Unquoted</b>	180	160	180
		<b>850</b>	838	850
<b>Current assets</b>				
Held for trading	<b>Quoted</b>	4,439	3,803	4,174
<b>Total carrying values</b>		<b>29,159</b>	27,632	31,004

Investments having a total carrying value of RO 1.4 million (2013: RO 1.3 million) are registered in the name of Al-Anwar International Investment LLC for and on behalf of the Parent Company.

The Group's quoted investments are listed on the stock exchanges of Oman and India.

**a. Investment in subsidiary**

Details of investment in subsidiaries of the parent company are as follows: -

	Proportion held		Paid up share capital	
	30-Sep 2014	30-Sep 2013	30-Sep 2014	30-Sep 2013
Falcon Insurance Company SAOC (FIC)	51.04%	51.04%	6,394	6,394
Al Anwar International Investment LLC (AAIL)	100.00%	100.00%	150	150
Al Anwar Development LLC (AAD)	100.00%	100.00%	500	500

**Notes**

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**6. Investments** (Continued)

**b. Investment in associate**

A summary of financial information for investment in associates not adjusted for the percentage held by the Parent Company:

	<b>30-Sep 2014</b>	RO'000 30-Sep 2013
Total assets	153,353	132,689
Total liabilities	99,773	82,210
Total Revenues	21,822	21,364
Profit for the year	3,753	4,373

Subsequent to the Balance Sheet date :-

The group have sold its entire stake of 33.63% in Taageer Finance Company SAOG at a price of 162 baiza per share. By this transaction the group have generated a sum of RO 13,637,342 net of transaction costs and a Profit RO 275,716.

The group have divested 14.8% stake in Al Maha Ceramics SAOC, its associate, under its IPO and expect to generate an IPO proceeds of RO 2.8 million and a profit of approximate RO 1.2 million on group financials.

The movement in carrying value of investments in associates, net of impairment, in group accounts is as follows:

	<b>2014</b>	RO'000 2013
At 1 April	<b>19,076</b>	18,404
Additional investments/transfer from investments	-	14
Share of profit after tax	<b>1,213</b>	1,444
<b>At 30 September</b>	<b><u>20,289</u></b>	<b><u>19,862</u></b>

**c. Investment at fair value through profit & loss**

Sector-wise analysis of the Group's investment in financial asset at fair value through profit & loss is as follows:

	<b>30-Sep 2014</b>	30-Sep 2013
Banking	<b>4%</b>	37%
Leasing	<b>6%</b>	7%
Financial services	<b>69%</b>	34%
Industry	<b>17%</b>	17%
Others	<b>3%</b>	4%

**Notes**

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**6. Investments (Continued)**

**c. Investment at fair value through profit & loss (Continued)**

Group's investment in investment at fair value through statement of comprehensive income having the market value of 10% or more of the Group's total investments at fair value in quoted securities is as follows:

	<b>Group</b>	<b>Percentage of the portfolio</b>	<b>Market value RO'000</b>	<b>Carrying value RO'000</b>
<b>Sep-14</b>				
	Almondz Global Securities Ltd.	5%	343	343
	Muscat Finace Company SAOG; held by subsidiary	5%	368	368
<b>Sep-13</b>				
	Almondz Global Securities Ltd.	3%	181	181
	Muscat Finace Company SAOG; held by subsidiary	6%	381	381
	Bank Sohar SAOG	33%	2,292	2,292

In accordance with the Oman Insurance Companies Law of 1979 ("the legislation"), as amended, a subsidiary of the Group has pledged certain investments under lien to the Capital Market Authority amounting to RO 9,720,202 as at 30 September 2014 (30 September 2013 – RO 7,586,353). Under the terms of the legislation, the company may utilise these assets only with the prior approval of the Capital Market Authority.

**7. Group's share of profits / (loss) of associates:**

	<b>30-Sep 2014</b>	<b>RO'000 30-Sep 2013</b>
Voltamp Energy SAOG	216	283
Al Maha Ceramics SAOC	382	465
Taageer Finance Company SAOG*	615	696
	<b>1,213</b>	<b>1,444</b>

\*The group have sold its entire stake of 33.63% in Taageer Finance Company SAOG at a post balance sheet date and as such, there would be no share of profit from Taageer Finance Company SAOG in the ensuing quarters.

**8. Investment property**

Falcon Insurance Company SAOC

Investment property amounting RO 1.900 million (2012: RO 2.282 million) comprises land acquired during 2007, which is registered in the name of certain Directors, who are holding the property beneficially for and on behalf of Falcon Insurance Company SAOC. In 2009, the Falcon Insurance Company SAOC acquired an additional area of 623 square meters at the same location that form part of the existing location.

Investment property is valued by the independent valuer (Level-3 fair value hierarchy). The latest valuation of the land was conducted on 23 November 2013. Management believes that fair value as at 23 November 2013 equals to its fair value at the reporting date.

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**9. Trade and other receivables**

	<b>30-Sep</b>	30-Sep	RO'000 31-Mar
	<b>2014</b>	2013	2014
Premium receivable	<b>4,318</b>	4,025	2,536
Impairment allowance	<b>(371)</b>	(201)	(301)
	<b>3,947</b>	3,824	2,235
Insurance Account Receivables	<b>553</b>	478	336
Prepayments and other receivables	<b>259</b>	130	446
Amounts due from related parties (note 16)	<b>74</b>	62	1,231
	<b>4,833</b>	4,494	4,248

Movement in impairment allowance is as follows:

As at 1st April	<b>301</b>	160	160
Provided during the period	<b>70</b>	41	148
Written back during the period	<b>-</b>	-	(7)
<b>As at 30 September</b>	<b>371</b>	201	301

**10. Insurance liabilities and reinsurance assets**

Falcon Insurance Company SAOC became subsidiary from 1 June 2010, the insurance contract liabilities and reinsurance contract assets liabilities and reinsurance contract assets as at 30 June 2014 are consolidated and has been presented below:

	<b>30-Sep</b>	30-Sep	RO'000 31-Mar
	<b>2014</b>	2013	2014
Gross Insurance contract liabilities	<b>9,319</b>	22,399	22,765
Due to reinsurance	<b>7,860</b>	7,018	6,868
Less : Reinsurers' share of insurance liabilities	<b>(4,668)</b>	(18,177)	(18,798)
<b>Total insurance liabilities – net</b>	<b>12,511</b>	11,240	10,835

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**11. Share capital and reserves**

**a) Share capital**

The authorised share capital of the Parent Company comprises 200,000,000 (2013: 200,000,000) shares of 100 baisas (2013: Bz 100) each. The issued and fully paid up share capital consists of 130,500,000 (2013: 120,000,000) shares of 100 baisas (2013: Bz. 100) each. Movement in number of shares during the year is as follows:

	<u>2014</u>	<u>2013</u>
1-Apr	120,000,000	120,000,000
Stock dividend	10,500,000	-
<b>30-Sep</b>	<u>130,500,000</u>	<u>120,000,000</u>

At the financial position date, details of shareholders, who own 5% or more of the Parent Company's share capital, are as follows:

	<u>2014</u>	<u>2013</u>
Fincorp Investment Company LLC	22.04%	22.55%
Financial Services Company SAOG - Trust (Gulf)	-	16.19%
Al Khonji Holdings LLC	5.91%	5.42%
Mohamed and Ahmed Al Khonji Company LLC	5.03%	5.03%

**b) Legal Reserve**

As required by Article 106 of the Commercial Companies Law of the Sultanate of Oman, the Company and each of the Group entities incorporated in the Sultanate of Oman, transfer 10% of their profit for the year to such reserve until such time as the statutory reserve amounts to at least one third of the respective company's capital.

**c) Fair Value Reserve**

The Group has recognised its share of fair value reserve of the associates and a subsidiary.

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**12. Term Loans**

	<b>30-Sep</b>	30-Sep	RO'000
	<b>2014</b>	2013	31-Mar
			2013
<b>Non-current portion</b>			
From commercial banks	<u>2,717</u>	5,907	<u>7,208</u>
	<u>2,717</u>	5,907	<u>7,208</u>
<b>Current portion of term loans</b>			
From commercial banks	<u>2,067</u>	3,468	<u>2,496</u>
	<u>2,067</u>	3,468	<u>2,496</u>
	<u><b>4,784</b></u>	<u>9,375</u>	<u><b>9,704</b></u>

Term loans obtained by the Parent Company from commercial banks are secured by pledge of the shares in subsidiaries, associates and other investments.

**13. Bank Borrowings**

The Parent Company has overdraft facilities of RO 1,300,000 (2013: RO 1,300,000) from three commercial banks. The interest on bank borrowings is charged at commercial rates.

A subsidiary of the group has total working capital facilities of RO 0.9 million (2013: RO 0.9 million). The interest is charged at commercial rate. The facility is secured by second pari-passu charge on the assets of the company.

**14. Trade and Other payables**

	<b>30-Sep</b>	30-Sep	RO'000
	<b>2014</b>	2013	31-Mar
			2014
Trade payables	<b>664</b>	1,091	616
Accruals and other payables	<b>358</b>	2	582
Provision for income tax	<b>287</b>	257	236
	<u><b>1,309</b></u>	<u>1,350</u>	<u><b>1,434</b></u>

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**15. Investment income**

	<b>30-Sep 2014</b>	RO '000 30-Sep 2013
Net unrealised (loss) / gains on investments at fair value through profit & loss	<b>762</b>	687
Exchange gain on investments at fair value through profit & loss	<b>(9)</b>	(28)
Realised gain on sale of held for trading investment	<b>153</b>	(1)
Gain/(Loss) on sale of investment at fair value through profit & loss	<b>-</b>	2
Dividend income	<b>81</b>	84
	<b>987</b>	744

**15 (a). Other income**

	<b>30-Sep 2014</b>	RO '000 30-Sep 2013
Sitting fees	<b>12</b>	7
Interest income	<b>116</b>	105
Miscellaneous income	<b>33</b>	12
Profit on sale of fixed assets	<b>5</b>	7
	<b>166</b>	131

**Notes**

*(forming part of the unaudited, condensed interim consolidated financial statements)*

**16. Related Party transaction**

The Group enters into transactions with entities in which certain members of the Board of Directors have interest and are able to exercise significant influence. In the ordinary course of business, such related parties provide goods, services and funding to the Group. The Group also provides management services and funding to the related parties. These transactions are entered into on terms and conditions, approved by the Board of Directors.

16 (a) During the period related party transactions were as follows:

	RO'000	
	30-Sep 2014	30-Sep 2013
<b>Transactions entered into by the Parent Company</b>		
Remuneration and meeting attendance fees income	12	7
Directors Remuneration and sitting fees paid	18	13
	=====	=====

**Transactions entered into by subsidiary company:**

Falcon Insurance Company SAOC

Premiums written	226	68
Reinsurance premium paid	175	-
Reinsurance recovery on claims paid	38	-
Claims paid	49	3
Dividend received	80	38
	=====	=====

16 (b) Dues from related party and dues to related party were as follows:

	RO'000		
	30-Sep 2014	30-Sep 2013	31-Mar 2014
<i>Due from related parties (note 10)</i>			
ABI Precision Castings SAOC	-	4	-
Al Maha Ceramics SAOC	-	-	-
VE	-	-	340 *
TFC	-	-	797 *
In the Books of subsidiary : Falcon Insurance Co. SAOC	74	58	94
	74	62	1,231
	=====	=====	=====

The amounts due to and due from related parties is interest free, unsecured and are repayable on demands.

\* The amount represents dividend receivable from the related parties.

**Notes**

*(forming part of the unaudited, condensed interim consolidated financial statements)*

**17. Operating segments**

**Primary reporting format – business segments**

The Group is organised in the Sultanate of Oman into two main business segments:

- a)** Investment segment, which is engaged in investment in projects and their management. Investment segment is the only business segment in the Parent Company, hence not been disclosed separately.
- b)** Insurance segment, which is engaged in the underwriting of general insurance and group & individual life insurance business within the Sultanate of Oman.

There are sales and other transactions between the business segments. Segment assets consist primarily of property, plant and equipment, inventories, receivables, operating cash, and investments. Segment liabilities comprise operating liabilities. Common costs are allocated between the segments on relevant bases such as time devoted, turnover and space occupied.

Financial information in respect of the segments are as follows: -

			<i>RO '000</i>
	Investment Segment	Insurance Segment	<b>Total</b>
<b>30-Sep-14</b>			
Total Revenue	<b>2,366</b>	<b>1,545</b>	<b>3,911</b>
Segment Results	<b>1,507</b>	<b>1,003</b>	<b>2,510</b>

	Investment Segment	Insurance Segment	Total
30-Sep-13			
Total Revenue	2,319	936	3,255
Segment Results	1,125	946	2,071

Total assets for each segment which have changed significantly are as follows:

			<i>RO '000</i>
	Investment Segment	Insurance Segment	<b>Total</b>
<b>30-Sep-14</b>			
Total Assets	<b>24,353</b>	<b>22,407</b>	<b>46,760</b>
Total Liabilities	<b>5,836</b>	<b>13,612</b>	<b>19,448</b>

	Investment Segment	Insurance Segment	Total
30-Sep-13			
Total Assets	27,335	20,048	47,383
Total Liabilities	10,564	12,378	22,942

**Notes**

*(forming part of the unaudited, condensed interim consolidated financial statements)*

**18. Comparative figures**

Certain comparative information has been reclassified and re-stated to conform to the presentation adopted in these financial statements.

**19. Parent Company**

The statement of Income for the period ended as on 30 September 2014 and the Statement of Financial Position as on 30 September 2014 are presented in the annexure.

**AL ANWAR HOLDINGS SAOG**  
**Stand alone unaudited condensed interim statement of comprehensive income**  
**of Parent Company for the period ended 30 September, 2014**

	(RO '000)	
	6 months	
	ended	
	30-Sep	
	2014	
	6 months	
	ended	
	30-Sep	
	2013	
Investment income	539	96
Other Income	14	18
<b>Total Income</b>	<b>553</b>	<b>114</b>
General and administration expenses	(357)	(241)
Finance costs	(150)	(192)
<b>Total Expenses</b>	<b>(507)</b>	<b>(433)</b>
<b>Profit for the period before tax</b>	<b>46</b>	<b>(319)</b>
Income tax expense	-	-
<b>Profit after tax for the period</b>	<b>46</b>	<b>(319)</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>46</b>	<b>(319)</b>
<b>Profit attributable to</b>		
Equity holders of Parent Company	46	(319)
Minority interest	-	-
<b>Profit after tax for the period</b>	<b>46</b>	<b>(319)</b>
<b>Total comprehensive income attributable to</b>		
Equity holders of Parent Company	46	(319)
Minority interest	-	-
<b>Total comprehensive income</b>	<b>46</b>	<b>(319)</b>

Al Anwar Holdings SAOG  
Interim Report for the period ended 30 September, 2014

**AL ANWAR HOLDINGS SAOG**  
**Stand alone unaudited condensed statement of financial position**  
**of the Parent Company as on 30 September, 2014**

	<u>Unaudited</u>	RO '000	
	6 months ended 30-Sep 2014	6 months ended 30-Sep 2013	
		31-Mar 2014	
		<u>Audited</u>	
<b>ASSETS</b>			
Cash and cash equivalents	5	844	551
Trade & other receivables	797	13	1,191
Investment held for trading	36	34	33
Investments at fair value through profit & loss	2,399	3,127	6,900
Investment in associates	12,804	12,855	12,805
Investment in subsidiary	4,484	4,484	4,484
Property, plant and equipment	37	57	47
Investment property	-	3,000	-
<b>Total assets</b>	<b>20,562</b>	<b>24,414</b>	<b>26,011</b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	13,050	12,000	12,000
Legal reserve	1,735	1,551	1,735
Retained earnings	(528)	(300)	1,675
<b>Equity attributable to the shareholders of Parent Company</b>	<b>14,257</b>	<b>13,251</b>	<b>15,410</b>
<b>LIABILITIES</b>			
Other liabilities and accruals	745	865	874
Bank borrowing	745	903	-
Current portion of term loans	2,067	3,468	2,496
Long term loans	2,717	5,907	7,208
Provision for gratuity	31	20	23
<b>Total liabilities</b>	<b>6,305</b>	<b>11,163</b>	<b>10,601</b>
<b>Total equity and liabilities</b>	<b>20,562</b>	<b>24,414</b>	<b>26,011</b>