



THE BENEFIT COMPANY BSC (c)

Consolidated Financial Statements 31 December 2020

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2020

Bahraini Dinars

ASSETS

	2020	2019
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
Total non-current assets	9,651,756	4,697,252
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
Total current assets	16,114,581	21,552,096
Total assets	25,766,337	26,249,348

Equity and liabilities

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
Total equity	21,962,837	22,283,941
Liabilities		
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
Total non-current liabilities	556,544	1,354,591
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
Total current liabilities	3,246,956	2,610,816
Total equity and liabilities	25,766,337	26,249,348

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

Bahraini Dinars

Revenue

	2020	2019
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
Total operating revenue	11,175,050	11,923,409

Staff cost

Cost of provision of services	4,435,210	3,909,114
Depreciation and amortisation	2,882,877	2,265,995
Other operating expenses	1,485,143	1,188,155
	1,713,342	1,656,181
Total operating expenses	10,516,572	9,019,445

Operating profit

Interest income	108,425	319,723
Interest expense on lease liability	(43,088)	(68,936)
Other income	710,281	173,247
Profit for the year	1,434,096	3,327,998

Other comprehensive income for the year

Total comprehensive income for the year

	2020	2019
	1,434,096	3,327,998

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

Bahraini Dinars

Operating activities

Cash received from switch operations	6,646,380
Cash received from BCRB operations	892,285
Cash received from card services	1,675,925
Cash received from BCTS operations	498,335
Cash received from EFTS operations	979,719
Cash received from eKYC	226,610
Payments for operating expenses	(8,951,368)
Payment for directors' remuneration	(172,507)
Other receipt	656,720

Net cash generated from operating activities

2,452,099
4,739,118
(210,218)
(282,003)
(5,826,265)
4,956,800
2,521,940
6,879

Net cash generated from / (used in) investing activities	634,916
Dividend paid	(1,555,200)
Charity paid	(200,000)
Lease liability payment	(203,019)
Net cash used in financing activities	(1,958,219)
Interest received on current account	
Net increase in cash and cash equivalents	1,128,796
Cash and cash equivalents at beginning of year	915,473
Cash and cash equivalents at end of the year	12,324,669
Cash and bank balances	12,324,142
Balance with Central Bank of Bahrain	4,745,607
Balance with other central banks	5,393,718
	6,450,667
	4,789,052
	3,057,372
	14,368,938*
	*13,240,142

*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
At 1 January 2020	3,110,400	1,612,138	1,136,788	385,819	16,038,796	22,283,941
Profit and total comprehensive income for the year	-	-	-	-	1,434,096	1,434,096
Dividend declared in 2019	-	-	-	-	(1,555,200)	(1,555,200)
Charity paid during the year	-	-	-	(200,000)	-	(200,000)
Transfer to charity reserve	-	-	-	205,927	(205,927)	-
Transfer to general reserve	-	-	411,854	-	(411,854)	-
At 31 December 2020	3,110,400	1,612,138	1,548,642	391,746	15,299,911	21,962,837

	Share capital	Statutory reserve	General reserve	Charity Reserve	Retained earnings	Total
At 31 December 2019	3,110,400	1,612,138	794,214	214,532	15,090,899	20,822,183
Profit and total comprehensive income for the year	-	-	-	-	3,327,998	3,327,998
Dividend declared in 2018	-	-	-	-	(1,866,240)	(1,866,240)
Transfer to charity reserve	-	-	-	-	171,287	(171,287)
Transfer to general reserve	-	-	-	342,574	-	(342,574)
At 31 December 2019	3,110,400	1,612,138	1,136,788	385,819	16,038,796	22,283,941

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

Licensed by the Central Bank of Bahrain as Ancillary Services Provider