

# Bahrain, Russia for greater business ties

# Sad demise



Jawad Al Hawaj speaks at the event held to discuss ties between Russian and Bahrain business owners

**Manama**  
The Bahrain Chamber of Commerce and Industry (BCCI) hosted yesterday a Russian business delegation and mulled business opportunities with the local business owners and investors. The delegation was spearheaded by Vladimir

Dmitriev, the head of the Russian side of the Bahraini-Russian Joint Business Council and Vice-President of the Chamber of Commerce and Industry of the Russian Federation (RCCI). Commenting, vice-head of the Bahraini side of the Bahraini-Russian Joint

Business Council and board member Jawad Al Hawaj said, "We at the Chamber aim to empower the expansion of local businesses and investors by linking them with keen business owners and investors." "We are confident of the outcomes of these B2B meetings

in reinforcing ties between Russian and Bahraini business owners and stimulating joint businesses," he added. Meanwhile, the second vice-chairman of the Bahrain Chamber of Commerce and Industry Abdulhameed Al Kooheji said that the business environment is fertile for

Bahraini-Russian joint businesses. He also emphasised that the business owners should be alert to unique and promising business and investment opportunities, given the economic developments and the increasing competition.



Kunjumon Shinoy  
DT News Network  
Manama

An Indian expatriate worker Cheruvathur Kunjumon Shinoy (45) died of heart attack yesterday. He was a tailor at a shop in Malkiya and has been working in Bahrain for the past 20 years. He is survived by wife Sandhya Shinoy and a 3-year-old child who are in India. "At around 4.20am today he told his roommates that he was not feeling well," said a colleague, adding that we called the ambulance immediately but could not be saved. Shinoy's body is kept at Salmaniya Medical Complex (SMC) morgue.



## CONSOLIDATED FINANCIAL STATEMENTS 31 DECEMBER 2016

### CONSOLIDATED STATEMENT OF INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016	2016	2015
	BD	BD
Sales	41,208,206	41,061,487
Cost of sales	(32,362,691)	(32,906,336)
<b>GROSS PROFIT</b>	<b>8,845,515</b>	<b>8,155,151</b>
Storage income	620,615	522,845
Other operating income	187,313	121,667
Personnel costs	(3,475,577)	(3,374,620)
Selling and distribution expenses	(2,097,944)	(1,844,140)
General and administrative expenses	(1,226,460)	(1,152,728)
Depreciation	(385,048)	(366,204)
Direct operating costs - warehouse	(416,344)	(393,207)
<b>OPERATING PROFIT FROM CONTINUING OPERATIONS</b>	<b>2,052,070</b>	<b>1,668,764</b>
Net investment income	895,205	663,014
Finance costs	(232,736)	(284,007)
Share of results of an associate	(131,736)	267,053
Exchange losses gains (losses) - net	12,942	(41,300)
<b>PROFIT OF THE GROUP BEFORE IMPAIRMENT OF AVAILABLE-FOR-SALE INVESTMENTS</b>	<b>2,595,745</b>	<b>2,273,524</b>
Impairment of available-for-sale investments	(211,937)	(200,213)
<b>PROFIT OF THE GROUP FOR THE YEAR</b>	<b>2,383,808</b>	<b>2,073,311</b>
of which profit attributable to non-controlling interests	(645,541)	(355,685)
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO TRAFCO EQUITY SHAREHOLDERS</b>	<b>1,738,267</b>	<b>1,717,626</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE (FILS)</b>	<b>23</b>	<b>22</b>

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2016	2016	2015
	BD	BD
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	8,486,084	8,712,667
Investment in an associate	1,980,860	2,361,453
Available-for-sale investments	9,484,699	9,855,448
	19,951,643	20,929,568
<b>Current assets</b>		
Inventories	8,848,812	7,710,893
Trade and other receivables	8,588,941	8,981,814
Bank balances and cash	958,362	637,345
	18,396,115	17,330,052
<b>TOTAL ASSETS</b>	<b>38,347,758</b>	<b>38,259,620</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	8,067,505	8,067,505
Treasury shares	(834,008)	(791,475)
Share premium	3,386,502	3,386,502
Statutory reserve	3,432,541	3,257,064
General reserve	1,265,000	1,215,000
Cumulative changes in fair values	4,988,510	5,550,024
Retained earnings - distributable	2,038,307	1,895,848
Retained earnings - not distributable	201,811	141,074
Proposed appropriations	1,359,594	1,285,510
<b>Equity attributable to equity holders of the parent</b>	<b>23,905,762</b>	<b>24,007,052</b>
Non-controlling interests	2,002,258	1,575,948
<b>Total equity</b>	<b>25,908,020</b>	<b>25,583,000</b>
<b>Non-current liabilities</b>		
Employees' end of service benefits	1,216,365	1,078,745
Loan from non-controlling interests	497,000	627,000
Term loans	229,188	616,450
	1,942,553	2,322,195
<b>Current liabilities</b>		
Trade and other payables	5,927,371	5,441,285
Import loans	3,069,844	2,927,426
Bank overdrafts	1,112,706	1,122,741
Term loans	387,264	862,973
	10,497,185	10,354,425
<b>Total liabilities</b>	<b>12,439,738</b>	<b>12,676,620</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,347,758</b>	<b>38,259,620</b>

### CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016	2016	2015
	BD	BD
<b>PROFIT OF THE GROUP FOR THE YEAR</b>	<b>2,383,808</b>	<b>2,073,311</b>
<b>Other comprehensive (loss) income</b>		
Other comprehensive (loss) income to be reclassified to the consolidated statement of income in subsequent periods:		
Realised gain included in the consolidated statement of income upon disposal of available-for-sale investments (net)	(379,719)	(128,461)
Changes in fair value of available-for-sale investments (net)	(137,405)	418,760
Changes in fair value of associate's available-for-sale investments	(25,886)	(5,660)
Exchange differences on translation of foreign operations	(36,283)	3,884
<b>Other comprehensive (loss) income that will be reclassified to the consolidated statement of income in subsequent periods</b>	<b>(579,293)</b>	<b>288,523</b>
<b>TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE YEAR</b>	<b>1,804,515</b>	<b>2,361,834</b>
of which total comprehensive income attributable to non-controlling interests	(627,742)	(357,588)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO TRAFCO EQUITY SHAREHOLDERS</b>	<b>1,176,773</b>	<b>2,004,246</b>

### CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016	2016	2015
	BD	BD
<b>OPERATING ACTIVITIES</b>		
Profit of the Group for the year	2,383,808	2,073,311
Adjustments for:		
Depreciation	998,125	1,041,793
Gain on disposal of property, plant and equipment	(34,096)	(19,511)
Finance costs	232,736	284,007
Net investment income	(895,205)	(663,014)
Share of results of an associate	131,736	(267,053)
Impairment of available-for-sale investments	211,937	200,213
Provision for slow moving and obsolete of inventories	41,937	76,004
Allowance for impairment of trade receivables	132,577	92,326
Provision for employees' end of service benefits	171,039	162,480
Operating profit before changes in working capital	3,374,594	2,980,556
Working capital changes:		
Inventories	(1,179,856)	1,408,053
Trade and other receivables	260,296	(106,637)
Trade and other payables	560,527	635,356
Cash generated from operations	3,015,561	4,917,328
Directors' remuneration paid	(107,625)	(100,000)
Employees' end of service benefits paid	(33,419)	(85,494)
<b>Net cash flows from operating activities</b>	<b>2,874,517</b>	<b>4,731,834</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(796,340)	(289,795)
Proceeds from disposal of property, plant and equipment	58,894	62,446
Purchase of available-for-sale investments	(659,357)	(172,345)
Proceeds from disposal of available-for-sale investments	657,490	221,536
Return of capital of available-for-sale investments	-	12,759
Dividends received from an associate	222,971	184,477
Dividends received	538,760	505,292
<b>Net cash flows from investing activities</b>	<b>22,418</b>	<b>524,370</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(1,202,566)	(1,255,682)
Term loans availed	-	750,000
Repayment of term loans	(862,971)	(782,318)
Net movement in import loans	142,418	(2,753,733)
Repayment of loans from non-controlling interests	(130,000)	-
Dividend paid to non-controlling interests	(201,452)	-
Finance costs paid	(232,496)	(291,006)
Purchase of treasury shares	(42,533)	(226,654)
<b>Net cash flows used in financing activities</b>	<b>(2,529,600)</b>	<b>(4,559,393)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>367,335</b>	<b>696,811</b>
Net foreign exchange translation differences	(36,283)	3,884
Cash and cash equivalents at 1 January	(485,396)	(1,186,091)
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>(154,344)</b>	<b>(485,396)</b>

**Non-cash transactions:**  
(i) Unclaimed dividends pertaining to prior years amounting to BD 32,944 (2015: BD 83,585) have been excluded from the movement of trade and other payables above.

FOR THE YEAR ENDED 31 DECEMBER 2016	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT												
	SHARE CAPITAL	TREASURY SHARES	SHARE PREMIUM	STATUTORY RESERVE	GENERAL RESERVE	CUMULATIVE CHANGES IN FAIR VALUE	RETAINED EARNINGS - DISTRIBUTABLE	RETAINED EARNINGS NOT-DISTRIBUTABLE	PROPOSED APPROPRIATIONS	TOTAL RESERVES	TOTAL TRAFCO'S EQUITY HOLDERS'	NON-CONTROLLING INTERESTS	TOTAL EQUITY
<b>2016</b>													
Balance at 1 January 2016	8,067,505	(791,475)	3,386,502	3,257,064	1,215,000	5,550,024	1,895,848	141,074	1,285,510	13,344,520	24,007,052	1,575,948	25,583,000
Profit for the year - 2016	-	-	-	-	-	-	1,738,267	-	-	1,738,267	1,738,267	645,541	2,383,808
Other comprehensive loss	-	-	-	-	-	(561,514)	-	-	-	(561,514)	(561,514)	(177,779)	(739,293)
Total comprehensive (loss) income for the year	-	-	-	-	-	(561,514)	1,738,267	-	-	1,176,753	1,176,753	627,762	1,804,515
2015 Appropriations:													
- General reserve - 2015	-	-	-	-	50,000	-	-	-	(50,000)	-	-	-	-
- Dividends paid - 2015	-	-	-	-	-	-	-	-	(1,235,510)	(1,235,510)	-	-	(1,235,510)
2016 - Proposed appropriations:													
- General reserve - 2016	-	-	-	-	-	-	(50,000)	-	50,000	-	-	-	-
- Proposed dividend - 2016	-	-	-	-	-	-	(1,309,594)	-	1,309,594	-	-	-	-
Purchase of treasury shares	-	(42,533)	-	-	-	-	-	-	-	(42,533)	-	-	(42,533)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(201,452)	-	(201,452)
Transfer to statutory reserve	-	-	-	175,477	-	-	(175,477)	-	-	-	-	-	-
Transfer by a subsidiary	-	-	-	-	-	-	(60,737)	60,737	-	-	-	-	-
<b>Balance at 31 December 2016</b>	<b>8,067,505</b>	<b>(834,008)</b>	<b>3,386,502</b>	<b>3,432,541</b>	<b>1,265,000</b>	<b>4,988,510</b>	<b>2,038,307</b>	<b>201,811</b>	<b>1,359,594</b>	<b>13,285,763</b>	<b>23,905,762</b>	<b>2,002,258</b>	<b>25,908,020</b>
<b>2015</b>													
Balance at 1 January 2015	8,067,505	(564,821)	3,386,502	3,083,650	1,165,000	5,263,404	1,661,336	116,884	1,222,097	12,512,371	23,401,557	1,218,360	24,619,917
Profit for the year - 2015	-	-	-	-	-	286,620	1,717,626	-	-	1,717,626	1,717,626	355,685	2,073,311
Other comprehensive income	-	-	-	-	-	286,620	-	-	-	286,620	286,620	1,903	288,523
Total comprehensive income for the year	-	-	-	-	-	286,620	1,717,626	-	-	2,004,246	2,004,246	357,588	2,361,834
2014 Appropriations:													
- General reserve - 2014	-	-	-	-	50,000	-	-	-	(50,000)	-	-	-	-
- Dividends paid - 2014	-	-	-	-	-	-	-	-	(1,172,097)	(1,172,097)	-	-	(1,172,097)
2015 - Proposed appropriations:													
- General reserve - 2015	-	-	-	-	-	-	(50,000)	-	50,000	-	-	-	-
- Dividends - 2015	-	-	-	-	-	-	(1,235,510)	-	1,235,510	-	-	-	-
Purchase of treasury shares	-	(226,654)	-	-	-	-	-	-	-	(226,654)	-	-	(226,654)
Transfer to statutory reserve	-	-	-	173,414	-	-	(173,414)	-	-	-	-	-	-
Transfer by a subsidiary	-	-	-	-	-	-	(24,190)	24,190	-	-	-	-	-
<b>Balance at 31 December 2015</b>	<b>8,067,505</b>	<b>(791,475)</b>	<b>3,386,502</b>	<b>3,257,064</b>	<b>1,215,000</b>	<b>5,550,024</b>	<b>1,895,848</b>	<b>141,074</b>	<b>1,285,510</b>	<b>13,344,520</b>	<b>24,007,052</b>	<b>1,575,948</b>	<b>25,583,000</b>