

(6)

Financial Statements



(All amounts are in Kuwaiti Dinars)

Balance Sheet as of 31 March 2006

	Note	March 31 2006	March 31 2005
ASSETS			
Cash and demand deposits		59,469,499	48,106,496
Time deposits with banks		431,244,110	363,878,009
Investments	3	1,697,796,548	1,725,860,571
Participations in development institutions	4	299,887,341	293,218,862
Development loans	5	1,352,379,245	1,280,701,894
Accrued income and sundry receivables	6	110,189,806	102,980,350
		<u>3,950,966,549</u>	<u>3,814,746,182</u>
LIABILITIES AND EQUITY			
Liabilities			
Accounts payable and other liabilities	7	<u>142,492,708</u>	<u>133,934,332</u>
Equity			
Authorized and paid up capital	8	2,000,000,000	2,000,000,000
General reserve	9	1,770,953,588	1,651,114,046
Special reserve	10	<u>37,520,253</u>	<u>29,697,804</u>
		<u>3,808,473,841</u>	<u>3,680,811,850</u>
		<u>3,950,966,549</u>	<u>3,814,746,182</u>

The accompanying notes form an integral part of these financial statements.

(All amounts are in Kuwaiti Dinars)

Statement of Income For the year ended 31 March 2006

		Year ended 31 March	
	Note	2006	2005
Income			
Income from investments	12	159,163,562	104,327,207
Provision for decline in value of investments	3	(263,321)	(8,730,039)
Net profit from investments		158,900,241	95,597,168
Interest earned on loans		34,756,459	36,283,120
Other income		20,775	13,470
		<u>193,677,475</u>	<u>131,893,758</u>
Expenses and other costs			
Staff cost	13	(6,991,740)	(6,421,613)
General & administrative expenses		(7,557,466)	(7,378,524)
		<u>(14,549,206)</u>	<u>(13,800,137)</u>
Net profit for the year		<u>179,128,269</u>	<u>118,093,621</u>
Net profit for the year to be distributed in accordance with Article 3 bis of Law 25 of 1974 and its amendments as follows:			
To the Public Authority for Housing Welfare 20% (2005:15%)	11	35,825,654	17,714,043
To the Fund's general reserve 80% (2005: 85%)		143,302,615	100,379,578
		<u>179,128,269</u>	<u>118,093,621</u>

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Statement of Changes in Equity For the year ended 31 March 2006

	Capital	General reserve (Note 9)	Special reserve (Note 10)	Total
Balance as of 1 April 2004	2,000,000,000	1,569,753,454	26,023,742	3,595,777,196
Grants & technical assistance	–	(7,078,547)	–	(7,078,547)
Foreign exchange difference	–	(8,524,520)	–	(8,524,520)
Grants transferred to loans	–	258,143	–	258,143
Transfer to special reserve	–	(3,674,062)	3,674,062	–
Transfer from net profit for the year	–	100,379,578	–	100,379,578
Balance as of 31 March 2005	2,000,000,000	1,651,114,046	29,697,804	3,680,811,850
Balance as of 1 April 2005	2,000,000,000	1,651,114,046	29,697,804	3,680,811,850
Grants & technical assistance	–	(5,697,280)	–	(5,697,280)
Foreign exchange difference	–	(10,236,733)	–	(10,236,733)
Grants transferred to loans	–	293,389	–	293,389
Transfer to special reserve	–	(7,822,449)	7,822,449	–
Transfer from net profit for the year	–	143,302,615	–	143,302,615
Balance as of 31 March 2006	2,000,000,000	1,770,953,588	37,520,253	3,808,473,841

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(All amounts are in Kuwaiti Dinars)

Statement of Cash Flow For the year ended 31 March 2006

	Year ended 31 March	
	2006	2005
Operating activities		
Net profit for the year	179,128,269	118,093,621
<i>:Adjustment for</i>		
Income from investment	(159,163,562)	(104,327,207)
Provision for decline in value of investments	263,321	8,730,039
Operating profit before changes in operating assets and liabilities	20,228,028	22,496,453
Development loans	(71,383,962)	(13,987,765)
Grants and technical assistance	(5,697,280)	(7,078,547)
Accrued interest and sundry receivables	(65,834)	(66,392)
Payment to the Public Authority for Housing Welfare	(31,232,488)	—
Accounts payable and other liabilities	(184,538)	377,899
Net cash (used in) / generated from operating activities	(88,336,074)	1,741,648
Investing activities		
Investment income received	156,169,688	103,728,771
Decrease / (increase) in investments before provision	27,800,702	(34,280,694)
Increase in time deposits with banks	(67,366,101)	(68,119,116)
Increase in participations in development institutions	(6,668,479)	(5,383,485)
Foreign exchange difference	(10,236,733)	(8,524,520)
Net cash generated from / (used in) investing activities	99,699,077	(12,579,044)
Net increase / (decrease) in cash and cash equivalents	11,363,003	(10,837,396)
Cash and cash equivalents at beginning of year	48,106,496	58,943,892
Cash and cash equivalents at end of year	59,469,499	48,106,496

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