Notes to the financial statements for the year ended 31 December 2014

1. General

Omani Packaging Company SAOG (the "Company") is an Omani Joint Stock Company incorporated in the Sultanate of Oman on 3 May 1993 under a trade license issued by the Ministry of Commerce and Industry. The principal activities of the Company are manufacturing and selling of various types of paper packaging materials.

These financial statements are presented in Rials Omani (RO) since that is the currency in which the majority of the transactions are denominated.

2. Adoption of new and revised international financial reporting standards (IFRS)

2.1 New and revised IFRSs applied with no material effect on the financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2014, have been adopted in these financial statements. The application of these revised and new IFRSs have not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 32 Financial Instruments: Presentation relating to application guidance on the offsetting of financial assets and financial liabilities.

- Amendments to IAS 36 recoverable amount disclosures: The amendments restrict the requirements to disclose the recoverable amount of an asset or CGU to the period in which an impairment loss has been recognised or reversed. They also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less costs of disposal.

- Amendments to IAS 39 Financial Instruments: Recognition and Measurement, Novation of Derivatives and Continuation of Hedge Accounting.

- The amendment allows the continuation of hedge accounting when a derivative is novated to a clearing counterparty and certain conditions are met.

- Amendments to IFRS 10, IFRS 12 and IAS 27 – Guidance on Investment Entities on 31 October 2012, the IASB published a standard on investment entities, which amends IFRS 10, IFRS 12, and IAS 27 and introduces the concept of an investment entity in IFRSs.

2. Adoption of new and revised international financial reporting standards (IFRS) (continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted

The Company has not early applied the following new standards, amendments and interpretations that have been issued but are not yet effective:

New and revised IFRSs	Effective for annual periods beginning on or after
• Amendments to IFRS 7 *Financial Instruments*: Disclosures relating to disclosures about the initial application of IFRS 9.	When IFRS 9 is first applied
• IFRS 7 *Financial Instruments*: Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9.	When IFRS 9 is first applied
• IFRS 9 Financial Instruments (2009) issued in November 2009 introduces new requirements for the classification and measurement of financial assets. IFRS 9 Financial Instruments (2010) revised in October 2010 includes the requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 Financial Instruments (2013) was revised in November 2013 to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the own credit gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9. Finalised version of IFRS 9 (IFRS 9 Financial Instruments (2014)) was issued in July 2014 incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition. IFRS 9 (2009) and IFRS 9 (2010) were superseded by IFRS 9 (2013) and IFRS 9 (2010) also superseded IFRS 9 (2009). IFRS 9 (2014) supersedes all previous versions of the standard. The various standards also permit various transitional options. Accordingly, entities can effectively choose which parts of IFRS 9 they apply, meaning they can choose to apply: (1) the classification and measurement requirements for financial assets: (2) the classification and measurement requirements for both financial assets and financial liabilities: (3) the classification and measurement requirements and the hedge accounting requirements provided that the relevant date of the initial application is before 1 February 2015.	1 January 2018

2. Adoption of new and revised International Financial Reporting Standards (IFRS) (continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
• IFRS 15 Revenue from Contracts with Customers In May 2014, IFRS 15 was issued which established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition: ▪ Step 1: Identify the contract(s) with a customer. ▪ Step 2: Identify the performance obligations in the contract. ▪ Step 3: Determine the transaction price. ▪ Step 4: Allocate the transaction price to the performance obligations in the contract. ▪ Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation. Under IFRS 15, an entity recognises when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.	1 January 2017
• Annual Improvements to IFRSs 2012 - 2014 Cycle that include amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34.	1 July 2016
• Amendments to IAS 16 and IAS 38 to clarify the acceptable methods of depreciation and amortization.	1 January 2016
• Amendments to IFRS 11 to clarify accounting for acquisitions of Interests in Joint Operations.	1 January 2016
• Amendments to IAS 16 and IAS 41 require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16.	1 January 2016

2. Adoption of new and revised International Financial Reporting Standards (IFRS) (continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
• Amendments to IFRS 10 and IAS 28 clarify that the recognition of the gain or loss on the sale or contribution of assets between an investor and its associate or joint venture depends on whether the assets sold or contributed constitute a business.	1 January 2016
• Amendments to IAS 27 allow an entity to account for investments in subsidiaries, joint ventures and associates either at cost, in accordance with IAS 39/IFRS 9 or using the equity method in an entity's separate financial statements.	1 January 2016
• Amendments to IFRS 10, IFRS 12 and IAS 28 clarifying certain aspects of applying the consolidation exception for investment entities.	1 January 2016
• Amendments to IAS 1 to address perceived impediments to preparers exercising their judgment in presenting their financial reports.	1 January 2016
• Annual Improvements to IFRSs 2010 - 2012 Cycle that includes amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 38 and IAS 24.	1 July 2014
• Annual Improvements to IFRSs 2011 - 2013 Cycle that includes amendments to IFRS 1, IFRS 3, IFRS 13 and IAS 40.	1 July 2014
• Amendments to IAS 19 Employee Benefits clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service.	1 July 2014

The Board anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements for the period beginning 1 January 2015 or as and when they are applicable and adoption of these new standards, interpretations and amendments, except for IFRS 9 and IFRS 15, may have no material impact on the financial statements of the Company in the period of initial application.

3. Summary of significant accounting policies

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as promulgated by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB. The financial statements comply with the relevant disclosure requirements of the Commercial Companies Law of 1974, as amended and the provisions for disclosure included in the Executive Regulations of the Capital Market Law.

3. Summary of significant accounting policies (continued)

Basis of preparation

The financial statements have been prepared on the historical cost basis modified to include certain financial assets and liabilities at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board that makes strategic decisions.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable, net of discounts and returns for the sale of goods and services in the ordinary course of the Company’s activities. Revenue is recognised when the Company has delivered products to the customer, and the customer has accepted the products.

3. Summary of significant accounting policies (continued)

Interest income and expense

Interest income and expense are accounted for on the accrual basis using effective interest rate method**.**

Foreign currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Rials Omani, which is the Company’s functional and presentation currency.

Foreign currency transactions are translated into Rials Omani at the exchange rate prevailing on the transaction date. Foreign currency assets and liabilities are translated into Rials Omani at the exchange rate prevailing at the reporting date. Differences on exchange are recognised in the profit or loss.

Taxation

Taxation on the results for the year comprises of current tax calculated as per the fiscal regulations of the Sultanate of Oman and deferred tax.

Current tax is recognised in the profit or loss as the tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax. Deferred income tax assets and liabilities are offset as there is a legally enforceable right to offset these in Oman. The tax effects on the temporary differences are disclosed under non-current liabilities as deferred tax.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The principal temporary differences arise from depreciation on property, plant and equipment and provisions for impairment of trade receivables and slow moving and obsolete inventories.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any identified impairment loss. The cost of property, plant and equipment is their purchase price together with any incidental expenses. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

3. Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

The cost of property, plant and equipment is written down to residual value in equal installments over the estimated useful lives of the assets. The estimated useful lives are:

	Years
Building - civil works	25
Building - electro mechanical	10
Plant and machinery and dies	8 – 20
Furniture and fixtures, office and laboratory equipment	6
Motor vehicles	5

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

In accordance with its policy, the Company reviews the estimated useful lives of its property and equipment on an ongoing basis. This review indicated that the actual lives of certain machinery and equipment at its manufacturing plants were longer than the estimated useful lives used for depreciation purposes in the Company's financial statements. As a result, effective 1 January 2014, the Company changed its estimates of the useful lives of its dies and stereos to better reflect the estimated periods during which these assets will remain in service. The estimated useful lives of the machinery and equipment that previously averaged 5 years were increased to an average of 8 years. In accordance with the requirements of IAS 8, the change in estimated has been recognised prospectively. The effect of this change in estimate was to reduce 2014 depreciation expense by RO 29,729, increase 2014 profit by RO 26,162, and increase 2014 basic and diluted earnings per share by RO 0.001.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

Capital work-in-progress is stated at cost. When commissioned, capital work-in-progress is transferred to the appropriate property, plant and equipment category and depreciated in accordance with the Company's policy.

Interest costs on borrowings to finance specific property, plant and equipment are capitalised, during the period that is required to bring the asset to a condition when it is ready for use.

Impairment

At each reporting date, the Company reviews the carrying amounts of its assets (or cash-generating units) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

3. Summary of significant accounting policies (continued)

Impairment (continued)

The loss arising on an impairment of an asset is determined as the difference between the recoverable amount and carrying amount of the asset and is recognised immediately in the profit or loss.

Where an impairment loss subsequently reverses (except for goodwill), the carrying amount of the asset is increased to the revised estimate of its recoverable amount and the increase is recognised as income immediately, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised earlier.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less estimated cost of completion and all estimated costs to be incurred in marketing and distribution. Provision is made where necessary for slow moving and obsolete items.

Financial assets

Financial assets are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

The Company classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise trade and other receivables and bank and cash in the statement of financial position.

Trade and other receivables

Trade and other receivables are recognised initially at fair value, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. An estimate is made for doubtful debts based on a review of all outstanding amounts at the year end. The amount of the allowance is recognised in the profit or loss within 'general and administrative expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'general and administrative expenses' in the profit or loss.

3. Summary of significant accounting policies (continued)

Cash and cash equivalents

For the purpose of the statement of cash flows, all bank balances and short term deposits with a maturity of three months or less from the date of placement are considered to be cash equivalents.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Interest is charged as an expense using the effective interest rate method, with unpaid amounts included in ‘trade and other payables’.

Deferred government grant

Interest subsidy is recognised in the statement of financial position initially as a deferred government grant when there is reasonable assurance that it will be received and that the Company will comply with the conditions attached to it. This deferred government grant is amortised over the life of the loans to which it relates on a systematic basis in the same periods in which the interest expense is incurred. Amortisation of the deferred government grant is recognised in the profit or loss.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

End of service benefits and leave entitlements

End of service benefits are accrued in accordance with the terms of employment of the Company's employees at the reporting date, having regard to the requirements of the Oman Labour Law 2003 and its amendments. Employee entitlements to annual leave and leave passage are recognised when they accrue to employees and an accrual is made for the estimated liability arising as a result of services rendered by employees up to the reporting date. These accruals are included in current liabilities, while that relating to end of service benefits is disclosed as a non-current liability.

Contributions to a defined contribution retirement plan and occupational hazard insurance for Omani employees in accordance with the Omani Social Insurances Law of 1991 are recognised as an expense in the profit or loss as incurred.

3. Summary of significant accounting policies (continued)

Trade and other payables

Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

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

Earnings per share

The Company presents basic and diluted earnings per share (EPS) 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. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Directors' remuneration

The Directors' remuneration is governed as set out by the Commercial Companies Law and the rules prescribed by the Capital Market Authority.

The Annual General Meeting shall approve the remuneration and the sitting fees for the Board of Directors provided that such fees shall not exceed 5% of the annual net profit after deduction of the legal reserve and the optional reserve and the distribution of dividends to the shareholders. Such fees shall not exceed RO 200,000 in one year. The sitting fees for each Director shall not exceed RO 10,000 in one year.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividend is approved by the Company's shareholders.

4 Critical accounting estimates and judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities at the reporting date and the resultant provisions and changes in fair value for the year. Such estimates are necessarily based on assumptions about several factors involving varying, and possibly different degrees of judgement and uncertainty and actual results may differ from management's estimates resulting in future changes in estimated assets and liabilities. Estimates are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

4 Critical accounting estimates and judgements (continued)

Trade receivables

The management reviews the trade receivables ageing on a monthly basis and submits the same to the Board of Directors. In case of difficult unsecured trade receivables whose outstanding is in excess of the credit period allowed, regular follow up is made to collect the same. In case considered necessary, legal options are also explored. Trade receivables impairment provision is estimated by the management in case of doubtful trade receivables. In the event of a trade receivable becoming bad, after exploring all possible options including legal, the same is written off with the Board of Directors' approval as and when identified.

Useful lives of property and equipment

Depreciation and amortization are charged so as to write off the cost of assets over their estimated useful lives. The calculation of useful lives is based on management's assessment of various factors such as the operating cycles, the maintenance programs, and normal wear and tear using its best estimates.

Inventories

Allowance for slow moving and obsolete items is established on percentages based on the age analysis of slow moving and obsolete inventories. Further, items identified to be obsolete or damaged are fully provided.

5 Segment information

Management has determined the operating segments based on the reports reviewed by the strategic steering committee (Board of Directors) that are used to make strategic decisions. The directors review on an overall Company basis, monthly analysis of production and sales by volume; monthly sales, collections, cost of sales and factory cost by value; variance with budgets; financial position; working capital facilities with utilisation status; and month end inventory and debtors balances.

The Company operates in one business segment of manufacture and sale of packaging material which constitutes 100% (2013: 100%) of total revenue of the Company. The geographical information in respect of the operating segment is as follows:

	2014 **RO**	2013 RO
Local Oman sales	**10,168,734**	10,718,064
GCC countries	**2,101,380**	929,662
Others	**16,823**	13,038
	12,286,937	11,660,764

Notes to the financial statements for the year ended 31 December 2014 (continued)

6 Expenses by nature

	2014 RO	2013 RO
Changes in inventories of finished goods and work-in-progress	**(16,027)**	(26,875)
Raw materials and spare parts used	**9,390,442**	8,889,680
Staff costs (note 10)	**1,204,436**	1,122,863
Depreciation (note 14)	**493,537**	504,809
Transportation expenses	**366,053**	296,899
Other expenses	**730,927**	596,641
	12,169,368	11,384,017

7 Cost of sales

Cost of raw materials consumed	**8,998,739**	8,498,243
Staff costs (note 10)	**850,102**	800,623
Cost of spare parts	**391,703**	391,437
Depreciation (note 14)	**444,695**	458,230
Other direct costs	**531,510**	375,112
	11,216,749	10,523,645

8 General and administrative expenses

Staff costs (note 10)	**354,334**	322,240
Transportation and vehicle expenses	**377,456**	306,389
Depreciation (note 14)	**48,842**	46,579
Directors' sitting fees (note 29)	**36,300**	38,000
Legal and professional fees	**27,494**	42,066
Provision for impairment of trade receivables (note 16)	**2,213**	11,091
Dubai office expenses	**34,161**	26,236
Advertisement and sales promotion	**13,234**	15,622
Repairs and maintenance	**766**	2,259
Communication	**14,167**	14,396
Printing and stationery	**13,947**	12,137
Board advisory fees	**17,500**	12,000
Postage and courier	**2,360**	3,006
Insurance	**5,909**	5,200
Miscellaneous expenses	**3,936**	3,151
	952,619	860,372

Notes to the financial statements for the year ended 31 December 2014 (continued)

9 Other income

	2014 RO	2013 RO
Sale of scrap	**267,408**	270,072
(Loss) / gain on disposal of property, plant and equipment	**(4,841)**	256
Miscellaneous income	**10,515**	7,056
	273,082	277,384

10 Staff costs

	2014 RO	2013 RO
Wages and salaries	**943,379**	891,307
Leave and air fare	**55,680**	56,699
Staff rent	**58,580**	54,399
End of service benefits (note 22)	**25,306**	22,110
Social security costs	**20,705**	14,546
Other costs	**100,786**	83,802
	1,204,436	1,122,863
Staff cost allocation		
Cost of sales (note 7)	**850,102**	800,623
General and administrative expenses (note 8)	**354,334**	322,240
	1,204,436	1,122,863

11 Finance income and costs and exchange gain

	2014 RO	2013 RO
Interest income:		
- release of deferred government grant	**21,074**	26,634
- bank deposits	**22**	21
	21,096	26,655
Interest expense:		
- overdrafts	**(99,579)**	(85,184)
- long term loan	**(31,674)**	(43,223)
- letter of trust receipt	**-**	(5,918)
	(131,253)	(134,325)

Notes to the financial statements for the year ended 31 December 2014 (continued)

11 Finance income and costs and exchange gain (continued)

	2014 RO	2013 RO
Exchange gain:		
- Realised exchange gain during the year	**18,598**	54,132
- Un-realised exchange gain on financial liabilities	**3,859**	11,916
	22,457	66,048

12 Taxation

(a) The tax charge for the year is as follows:

	2014	2013
Current tax:		
In respect of current year	**(33,739)**	(58,348)
In respect of prior year	**-**	(59)
	(33,739)	(58,407)
Deferred tax:		
In respect of current year	**955**	417
	(32,784)	(57,990)

(b) Taxation has been agreed with Oman Taxation Authorities for all periods up to 31 December 2009. In respect of tax year 2010 and 2011, the Company received assessment order from Secretariat General for Taxation raising additional tax demand of R0 18,485 and RO 9,772 respectively with regard to unrealized exchange loss. The Company has filed an objection as per article 160 of Income Tax Law against the additional tax demand and thereafter, no further correspondence has been received in this respect.

The Company's income tax assessment for year 2012 and 2013 has not yet been finalised. The management considers that the amount of additional taxes, if any, that may become payable on finalisation of the open tax years would not be material to the Company's financial position as at 31 December 2014.

(c) The reconciliation of tax on the accounting profit at the applicable rate of 12% (2013 - 12%) after the basic exemption limit of RO 30,000 with the taxation charge in the statement of comprehensive income is as follows:

	2014 RO	2013 RO
Tax on accounting profit of RO 302,951 (2013 - RO 512,509)	**32,754**	57,901
Add tax effect of:		
Prior year tax charge	**-**	59
Others	**30**	30
	32,784	57,990

12 Taxation (continued)

(d) Movement in current taxation for the year comprises:

	2014 RO	2013 RO
At 1 January	**58,348**	186,515
Charge for the year	**33,739**	58,407
Paid during the year	**(58,348)**	(186,574)
	33,739	58,348

13 Basic and diluted earnings per share

The par value of each share is RO 0.100 (2013 - RO 0.100). The basic earnings per share is calculated by dividing the profit for the year and total comprehensive income by the weighted average number of shares outstanding during the year.

	2014	2013
Net profit attributable to shareholders	**RO 270,167**	RO 454,519
Weighted average number of shares outstanding	**32,435,860**	32,435,860
Earnings per share	**RO 0.008**	RO 0.014

As the Company does not have any dilutive potential shares, the diluted earnings per share is the same as the basic earnings per share.

14 Property, plant and equipment

(a) Buildings are erected on land leased from the Public Establishment for Industrial Estates for a period of 25 years commencing from 1 January 1993 and 1 July 2002, respectively.

(b) Property, plant and equipment are held under charge to the extent of RO 3,879,000, created in favour of banks, for facilities granted (note 23).

(c) Depreciation charge for the year has been allocated between the cost of sales and general and administrative expenses as follows:

	2014 RO	2013 RO
Depreciation charge for the year		
Cost of sales (note 7)	**444,695**	458,230
General and administrative expenses (note 8)	**48,842**	46,579
	493,537	504,809

Notes to the financial statements
for the year ended 31 December 2014 (continued)

14 Property, plant and equipment

	Building - civil works RO	Building - electro mechanical RO	Plant, machinery and dies RO	Furniture and fixtures RO	Office equipment RO	Laboratory equipment RO	Motor vehicles RO	Total RO
Cost								
At 1 January 2013	1,778,184	669,933	5,925,019	121,746	78,655	22,990	260,252	8,856,779
Additions	178,495	12,150	281,804	6,192	3,088	4,348	8,653	494,730
Disposals	-	-	(3,454)	(3,673)	(4,843)	(2,321)	(10,000)	(24,291)
At 1 January 2014	**1,956,679**	**682,083**	**6,203,369**	**124,265**	**76,900**	**25,017**	**258,905**	**9,327,218**
Additions	**18,200**	**14,690**	**128,860**	**4,423**	**1,429**	**5,341**	**54,400**	**227,343**
Disposals	**-**	**-**	**(28,745)**	**(626)**	**(992)**	**(273)**	**(17,752)**	**(48,388)**
At 31 December 2014	**1,974,879**	**696,773**	**6,303,484**	**128,062**	**77,337**	**30,085**	**295,553**	**9,506,173**
Depreciation								
At 1 January 2013	510,068	283,860	2,687,967	96,035	47,087	14,565	154,590	3,794,172
Charge for the year	74,851	52,757	327,049	6,960	7,367	2,014	33,811	504,809
Disposal	-	-	(1,886)	(2,884)	(4,619)	(2,319)	(9,998)	(21,706)
At 1 January 2014	**584,919**	**336,617**	**3,013,130**	**100,111**	**49,835**	**14,260**	**178,403**	**4,277,275**
Charge for the year	**78,411**	**54,149**	**306,499**	**6,130**	**7,060**	**2,573**	**38,715**	**493,537**
Disposal	**-**	**-**	**(20,054)**	**(535)**	**(884)**	**(272)**	**(17,751)**	**(39,496)**
At 31 December 2014	**663,330**	**390,766**	**3,299,575**	**105,706**	**56,011**	**16,561**	**199,367**	**4,731,316**
Carrying value								
At 31 December 2014	**1,311,549**	**306,007**	**3,003,909**	**22,356**	**21,326**	**13,524**	**96,186**	**4,774,857**
At 31 December 2013	1,371,760	345,466	3,190,239	24,154	27,065	10,757	80,502	5,049,943

15 Inventories

	2014 RO	2013 RO
Raw materials	**1,831,197**	1,653,650
Spare parts	**802,631**	839,600
Consumables	**43,028**	38,122
Work-in-progress	**59,283**	82,582
Finished goods	**108,296**	68,970
	2,844,435	2,682,924
Less: allowance for slow moving and obsolete inventories:		
Spare parts	**(110,038)**	(109,164)
	2,734,397	2,573,760

Inventories are held under charge, created in favour of banks, for facilities granted (note 23).

The movement in allowance for slow moving and obsolete inventories is given below:

	2014 RO	2013 RO
At 1 January	**109,164**	104,273
Add: Charge for the year	**874**	4,891
At 31 December	**110,038**	109,164

16 Trade and other receivables

Trade receivables	**3,879,582**	3,536,151
Less: allowance for impairment of trade receivables	**(54,777)**	(62,738)
Net trade receivables	**3,824,805**	3,473,413
Advances to suppliers	**2,682**	14,184
Prepaid expenses and deposits	**27,587**	26,094
Other receivables	**19,730**	12,827
	3,874,804	3,526,518

At the reporting date, 12.17% of trade receivables were receivable from one party (2013 – 13.30% from one party) in the Sultanate of Oman.

The fair values of trade and other receivables are assumed to be the same as their carrying amounts above.

Trade receivables include RO 111,168 (2013 – RO 166,973) due from related parties.

16 Trade and other receivables (continued)

Details of gross exposure of trade receivables are:

	2014	2013
	RO	RO
Neither past due nor impaired	**3,499,926**	3,114,150
Past due but not impaired	**324,879**	359,263
Impaired	**54,777**	62,738
	3,879,582	3,536,151

As of 31 December 2014, trade receivables of RO 324,879 (2013 - RO 359,263) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these past due not impaired trade receivables is as follows:

	2014	2013
	RO	RO
Past due - 121 to 180 days	**269,257**	235,480
Past due - 181 days and above	**55,622**	123,783
	324,879	359,263

As of 31 December 2014, trade receivables of RO 54,777 (2013- RO 62,738) were impaired and fully provided for.

Movement of the allowance for impairment of trade receivables is as follows:

	2014	2013
	RO	RO
At 1 January	**62,738**	58,678
Charge for the year	**2,213**	11,091
Written off	**-**	(195)
Written back	**(10,174)**	(6,836)
	54,777	62,738

The other classes with trade and other receivables do not contain any impaired balances.

Trade receivables are under charge, created in favour of banks, for facilities granted (note 23).

16 Trade and other receivables (continued)

The carrying amounts of the Company's trade receivables are denominated in the following currencies:

	2014 RO	2013 RO
Currency		
Rial Omani	**3,025,353**	3,081,696
Arab Emirates Dirham	**854,229**	454,455
	3,879,582	3,536,151

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above.

17 Bank and cash

	2014 RO	2013 RO
Current accounts	**167,183**	75,403
Cash in hand	**650**	650
	167,833	76,053

18 Share capital

Authorised share capital 32,435,860 shares of RO 0.100 each (2013 - 32,435,860 shares of RO 0.100 each)	**3,243,586**	3,243,586
Issued and paid up share capital 32,435,860 shares of RO 0.100 each (2013 - 32,435,860 shares of RO 0.100 each)	**3,243,586**	3,243,586

Share premium represents the unused balance of the premiums received for the increase of the share capital.

The Company has one class of ordinary shares which carries no right to fixed income.

18 Share capital (continued)

Shareholders

The shareholders of the Company who own 10% or more of the Company's shares and the number of shares held by them are as follows:

	2014	2013	**2014**	2013
	Percentage shareholding		**No. of shares**	
Sheikh Salim Saeed Hamed Al Fannah Al Araimi	**15.80**	15.80	**5,125,970**	5,125,970
Al Saud Co. Sharjah	**9.88**	12.33	**3,203,933**	4,000,000
Al Baraka Financial Investments	**11.41**	11.41	**3,700,485**	3,700,485

19 Legal reserve

In accordance with the Commercial Companies Law of Oman 1974, as amended, annual appropriations of 10% of the profit for the year are made to this reserve until the accumulated balance of the reserve is equal to one third of the value of the Company's paid-up share capital. This reserve is not available for distribution.

20 General reserve

The general reserve was established in the year 2002 at the Company's Ordinary General Meeting in accordance with Article 106 of the Commercial Companies Law.

21 Deferred tax

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 12% (2013 - 12%). The net deferred tax liability and deferred tax (charge) /credit in the profit or loss are attributable to the following items:

	1 January 2014 RO	**Charge to profit or loss RO**	**31 December 2014 RO**
Deferred income tax asset:			
Tax effect of provisions	**20,628**	**(850)**	**19,778**
Deferred income tax liability:			
Tax effect of depreciation	**(125,482)**	**1,805**	**(123,677)**
Net deferred tax liability	**(104,854)**	**955**	**(103,899)**

	1 January 2013 RO	Charge to profit or loss RO	31 December 2013 RO
Deferred income tax asset:			
Tax effect of provisions	19,554	1,074	20,628
Deferred income tax liability:			
Tax effect of depreciation	(124,825)	(657)	(125,482)
Net deferred tax liability	(105,271)	417	(104,854)

22 End of service benefits

	2014 RO	**2013 RO**
At 1 January	**198,594**	185,148
Charge for the year (note 10)	**25,306**	22,110
Paid during the year	**(8,835)**	(8,664)
At 31 December	**215,065**	198,594

23 Bank borrowings

	2014 RO	2013 RO
Non-current		
Long term loan from bank	**249,560**	449,208
Less: deferred government grant	**(11,017)**	(32,090)
Less: due within one year classified as current borrowings	**(199,648)**	(199,648)
	38,895	217,470
Current		
Short term borrowings	**3,395,535**	2,781,038
Current portion of deferred government grant	**10,263**	21,074
Current portion of long term loan	**199,648**	199,648
	3,605,446	3,001,760

The long term loan from Oman Development Bank SAOC, to finance the acquisition of plant and machinery, carries an interest rate of 3% per annum (2013: 3% per annum) and is repayable in 20 quarterly instalments starting from 23 May 2011. The loan is secured against the Company's property, plant and equipment and net working capital. The above loan has been recognised at fair value in accordance with International Accounting Standard - 39 and the difference between the carrying value and fair value of the loan is shown as 'Deferred government grant'.

In accordance with Capital Market Authority (CMA) Circular No. 1 of 2002 and IFRS, the difference between the carrying value and fair value of the loan has to be shown as "deferred government grant" and is to be recognized as income in the profit or loss as an income each year over the loan period to match with the related interest costs, on a systematic basis. The recognised portion of deferred government grant is equivalent to the related interest cost.

The repayment schedule of the long term loan is given below:

	2014 RO	2013 RO
Within 1 year	**199,648**	199,648
Within 2 to 5 years	**49,912**	249,560
	249,560	449,208

Overdrafts and short term borrowings are obtained from commercial banks at interest rates ranging from 3% to 7.5% (2013 - 3.1% to 7.5%) per annum. The interest rates may be re-negotiated by the banks on renewal of the facilities, which generally takes place on an annual basis in the case of overdrafts and at one to six months intervals for short term borrowings.

The fair values of non-current borrowings approximate to their face values as they carry commercial rates of interest.

24 Trade and other payables

	2014	2013
	RO	RO
Trade payables	**2,125,553**	2,157,400
Accrued expenses	**133,000**	126,060
Provision for leave pay and air passage	**83,718**	84,640
Unclaimed dividend	**340**	314
Advances received from customers	**10,224**	10,368
	2,352,835	2,378,782

The Company has transferred an amount of RO 10,174 (2013 - RO 3,685) of the unclaimed dividend to the investors trust fund.

25 Net assets per share

Net assets per share are calculated by dividing the shareholders equity at the year end by the number of shares issued and paid up, as follows:

	2014	2013
Shareholders' equity	**RO 5,201,258**	RO 5,255,450
Number of shares outstanding at year end	**32,435,860**	32,435,860
Net assets per share	**RO 0.160**	RO 0.162

26 Purchase commitments

At the end of the reporting period, the value of outstanding purchase commitments amounted to RO 736,007 (2013 - RO 1,047,555).

27 Lease commitments

The future minimum lease payments under the non-cancellable operating leases are as follows:

	2014 RO	2013 RO
Less than 1 year	**11,059**	11,052
Between 1 year and 5 years	**31,458**	37,765
More than 5 years	**74,022**	78,686
	116,539	127,503

28 Cash generated from operations

The reconciliation of profit before taxation to cash generated from operations is shown below:

	2014 RO	2013 RO
Cash flows from operating activities		
Profit before taxation	**302,951**	512,509
Adjustments for:		
Depreciation on property, plant and equipment	**493,537**	504,809
Loss / (gain) on disposal of property, plant and equipment	**4,841**	(256)
Allowance for trade receivables written back	**(10,174)**	(7,031)
Allowance for slow moving and obsolete inventories	**874**	4,891
Allowance for impairment of trade receivables	**2,213**	11,091
Interest expense	**131,253**	134,325
Interest income	**(21,096)**	(26,655)
End of service benefit expense	**25,306**	22,110
Cash flow before working capital changes	**929,705**	1,155,793
Changes in working capital:		
Inventories	**(161,511)**	(171,915)
Trade and other receivables	**(340,325)**	480,362
Trade and other payables	**(25,947)**	(748,285)
Cash generated from operations	**401,922**	715,955

29 Related parties

Related parties comprise the shareholders, directors, key business personnel and business entities (collectively referred as related parties) in which these related parties have the ability to exercise significant influence in the financial and operating decisions of such entities.

The Company has balances with these related parties which arise in the normal course of business from the commercial transactions, that are entered into at terms and conditions which the management consider to be comparable with those adopted for arm's length transactions with third parties.

During the year the Company entered into transactions with related parties in the normal course of business.

Transactions with related parties:

	2014	2013
	RO	RO
Sale of goods	**633,572**	716,151
Purchase of services	**5,720**	5,940

The year end balances arising from the sale / purchase of goods and services are as under:

	2014	2013
	RO	RO
Receivable from related parties	**111,168**	166,973
Payable to a related party	**220**	880

No provision for impairment has been made in 2014 and 2013 in respect of amounts due from related parties.

29 Related parties (continued)

Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

The remuneration of directors and other members of key management during the year were as follows:

	2014	2013
	RO	RO
Short term benefits	**181,151**	186,139
Post-employment benefits	**6,971**	6,713
Directors' sitting fees (note 8)	**36,300**	38,000
Board advisory fees (note 8)	**17,500**	12,000
	241,922	242,852

30 Financial risk management

Financial instruments carried on the statement of financial position comprise trade and other receivables, bank and cash, long term loan, bank borrowings and trade and other payables.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been impacted.

Financial risk factors

The Company's activities expose it to a variety of financial risks including effects of changes in market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Chief Executive Officer and Audit Committee under policies approved by the Board. Management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity, if any.

30 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Company's functional currency.

The Company is exposed to foreign exchange risk arising from currency exposures primarily with respect to US Dollars, UAE Dirhams and Japanese Yen.

For foreign currency transactions that are either in US Dollars or in currencies linked to US Dollar (UAE Dirhams), the management believes that should these currencies weaken or strengthen against the Rial Omani there would be an insignificant or no impact on the profits for the year of the Company.

At 31 December 2014 , if the Rial Omani were to have strengthened or weakened by 5% against the Japanese Yen with all other variables held constant, pre-tax profits for the year would have been higher/lower respectively by RO 2,084 (2013 - RO 2,976) mainly as a result of foreign exchange variations with respect to Yen denominated liabilities.

Interest rate risk

The Company's interest rate risk arises from bank borrowings which are exposed to changes in market interest rates. The Company borrows from commercial banks at commercial rates of interest. Long-term borrowings are at fixed rates of interest and, accordingly, not sensitive to the short-term changes in the applicable interest rates.

Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's policy is to maintain almost all of its borrowings in fixed rate instruments. During 2013 and 2014, the Company's borrowings were denominated in Rial Omani currency. The Company analyses its interest rate exposure on a regular basis and reassesses the source of borrowings and renegotiates interest rates at terms favourable to the Company.

The short term borrowing interest rates with banks are subject to change upon re-negotiation of the facilities which takes place on an annual basis in the case of overdrafts and at more frequent intervals in the case of short term loans.

If the interest rate were to shift by 1% on short term borrowings balance as at 31 December 2014, there would be an increase or decrease in the interest cost of RO 33,955 (2013 - RO 27,810).

30 Financial risk management (continued)

Financial risk factors (continued)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from cash and bank as well as credit exposure to customers including outstanding amounts from related parties and committed transactions.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. All major customers are based in the Sultanate of Oman. The Company has established credit policies and procedures that are considered appropriate and commensurate with the nature and size of receivables.

The Company establishes an allowance for impairment of receivables that represents its estimate of potential losses in respect of trade and other receivables. The main components of this loss are a specific loss component that relates to individual exposures and a collective loss component established for similar assets in respect of any potential losses that may have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. The Company has a concentration of credit risk details of which are provided in note 16. The Company manages concentration of its credit risk by monitoring collections within the credit period.

Credit risk on receivables including related parties is limited to their carrying values as management regularly reviews these balances to assess recoverability and makes allowance for balances whose recoverability is in doubt.

With respect to exposures with banks, management considers the credit risk exposure to be minimal as the Company deals with reputed banks only. The management does not expect any losses from non-performance by these counterparties.

30 Financial risk management (continued)

Financial risk factors (continued)

Credit risk (continued)

Credit quality of financial assets

As per the credit policy of the Company, customers are extended a credit period in the normal course of business upto 120 days, which in some cases, due to the market conditions and historical business relationship with the customer may be extended by a further period of 30 days as the demands of business may require. The credit quality of financial assets is determined by the customers' history of meeting commitments, market intelligence related information and management's trade experience. External ratings generally are not available in the environment in which the Company is operating.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Age analysis of trade receivables (including receivable from related parties) has been presented in note 16.

The carrying amount of financial assets that represents the maximum credit exposure. The exposure to credit risk at the reporting date is on account of:

	2014 RO	2013 RO
Trade and other receivables	**3,904,112**	3,553,778
Cash at bank	**167,183**	75,403
	4,071,295	3,629,181

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters. In addition, the Company has access to credit facilities.

30 Financial risk management (continued)

Financial risk factors (continued)

Liquidity risk (continued)

Cash flow forecasting is performed by the management which monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal ratio targets.

The table below analyses the Company's financial liabilities into the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual discounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of discounting is not significant. The balances above twelve months also approximate to their carrying values as they carry commercial rates of interest and the impact of discounting is not significant.

31 December 2014	**Weighted average effective interest rate %**	**Less than 1 year RO**	**1 – 2 years RO**	**2 - 5 years RO**	**Total RO**
Borrowings	**3% - 7.5%**	**3,605,446**	**39,649**	**-**	**3,645,095**
Trade and other payables	**-**	**2,258,893**	**-**	**-**	**2,258,893**
		5,864,339	**39,649**	**-**	**5,903,988**
31 December 2013					
Borrowings	3% - 7.5%	3,001,760	209,911	18,575	3,230,246
Trade and other payables	-	2,283,774	-	-	2,283,774
		5,285,534	209,911	18,575	5,514,020

30 Financial risk management (continued)

Financial risk factors (continued)

Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	Loans and receivables	
	2014	2013
	RO	RO
Assets as per statement of financial position		
Trade and other receivables	**3,904,112**	3,553,778
Bank and cash	**167,833**	76,053
	4,071,945	3,629,831

	Financial liabilities held at amortised cost	
	2014	2013
	RO	RO
Liabilities as per statement of financial position		
Trade and other payables	**2,258,893**	2,283,774
Bank borrowings	**3,645,095**	3,230,246
	5,903,988	5,514,020

Fair value estimation

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of non-current financial liabilities are considered to approximate their carrying amounts as the impact of discounting is not significant.

31 Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and benefit other stakeholders. The management's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Management is confident of maintaining the current level of profitability by enhancing top line growth and prudent cost management.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown in the statement of financial position less bank and cash. Total capital employed is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratio at 31 December is as follows :

	2014	2013
	RO	RO
Total borrowings	**3,645,095**	3,230,246
Less: bank and cash	**(167,833)**	(76,053)
Net debt	**3,477,262**	3,154,193
Total equity	**5,201,258**	5,255,450
Total capital employed	**8,678,520**	8,409,643
Gearing ratio	**40%**	38%

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements other than the requirements of the Commercial Companies Law of 1974, as amended.

32 Proposed dividend

After the reporting date, the Board of Directors have proposed a cash dividend of 10% (10 Baisa per share) [2013 - 10% (10 Baisa per share)]. This dividend payment is subject to the approval of the shareholders at their Annual General Meeting and therefore, has not been included as a liability in the statement of financial position.

33 Approval of financial statements

These financial statements were approved by the Board of Directors and authorized for issue on 1 February 2015.