

Al Madina for Finance and Investment Company – K.S.C.P.
And its subsidiaries
State of Kuwait

Consolidated Financial Statements and Independent Auditors' Report
For the financial year ended 31 December 2014

شركة المدينة للتمويل والاستثمار

Al Madina for Finance and Investment Company - K.S.C.P.
And its subsidiaries
State of Kuwait

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Deloitte.

Deloitte & Touche
Al-Wazzan & Co
Ahmed Al-Jaber Street, Sharq
Dar Al-Awadi Complex, Floors 7 & 9
P.O. Box 20174 Safat 13062 or
P.O. Box 23049 Safat 13091
Kuwait
Tel : + 965 22408844, 22438060
Fax: + 965 22408855, 22452080
www.deloitte.com

Al-ATEEQI
CERTIFIED ACCOUNTANTS

P.O. Box : 636, Safat - 13007 Kuwait
Tel : + 965 - 22412880 / 22410885
Fax: + 965 - 22454248
Ali Al-Salem Str., Thuwaini Bldg. 3rd Flr.
E-Mail: alateeqi@ateeqicpas.com
Website: www.ateeqicpas.com

Al Madina for Finance and Investment Company – K.S.C.P.

State of Kuwait

Independent Auditors' Report to the Shareholders

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Al Madina for Finance and Investment Company – K.S.C.P. "the Parent Company" and its subsidiaries (collectively referred to as "the Group") which comprise the consolidated statement of financial position as at 31 December 2014, and the consolidated statements of income, consolidated comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Parent Company Management's Responsibility for the Consolidated Financial Statements

Parent Company's Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted for use in the state of Kuwait, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted for use by the State of Kuwait.

Emphasis of matter

Without qualifying our opinion mentioned above, we refer to note (2.1) of these consolidated financial statements regarding the Wakala payable and accrued credit balances that are due but not paid and also the outstanding lawsuits between the Group and other creditors, an executive confiscation has been placed on the Parent Company's pledged assets against Wakala. The Parent Company submitted an application to the competent court for protection from the creditors in accordance with Law No. 2 of 2009 "Financial Stability Law". These matters in addition to other matters referred to in the above paragraph, indicate a material uncertainty that may cast significant doubt about the Parent Company's ability to continue as going concern.

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Al Madina for Finance and Investment Company – K.S.C.P.
State of Kuwait

Independent auditors' report to the shareholders (continued)

Report on Other Legal and Regulatory Requirements

Furthermore, in our opinion, proper books of accounts have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that we obtained the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies Law No. 25 of 2012, as amended, and its executive regulation and the Parent Company's Memorandum and Articles of Association, as amended, that an inventory was duly carried out and that, to the best of our knowledge and belief, no violation of provision of the Companies Law No. 25 of 2012, as amended, and its executive regulation or of the Parent Company's Memorandum and Articles of Association as amended, have occurred during the financial year ended 31 December 2014 that might have had a material effect on the business of the Group or on its consolidated financial position, except as disclosed in note (1) to the consolidated financial statements regarding the Parent Company's procedures which should be completed in order to comply with the requirements of the Companies' law no. 25 of 2012, as amended and its executive regulations.

We further report that, during the course of our audit, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business, and its related regulations, or of the provisions of Law No. 7 of 2010 concerning Capital Markets Authority and its related regulations during the financial year ended 31 December 2014 that might have had a material effect on the business of the Group or on its financial position, except as disclosed in note (13.6) to these consolidated financial statements regarding Wakala payable obtained from investment funds.

Talal Yousef Al-Muzaini
Licence No. 209A
Deloitte & Touche, Al Wazzan & Co.

Barrak Al-Ateeqi
Licence No. 69 A
Independent Member of B.K.R. International

Kuwait, 5 April 2015

Consolidated Statement of Financial Position as at 31 December 2014

(All amounts are in Kuwaiti Dinars)

	Notes	2014	2013
Assets			
Cash at banks and financial institutions	5	2,666,863	2,528,812
Investments in Islamic debt instruments	6	-	6,734,525
Investments at fair value through profit or loss	7	2,061,266	2,780,986
Receivables and other debit balances	8	9,808,225	11,358,030
Investment properties	9	27,857,525	32,016,582
Investments in associates	10	26,766,752	42,733,592
Goodwill	25	175,000	-
Available for sale investments	11	9,258,023	7,798,765
Property and equipment		238,334	181,597
Total assets		78,831,988	106,132,889
Liabilities and equity			
Liabilities			
Payables and other credit balances	12	7,512,474	13,477,752
Wakala payable	13	34,010,418	46,092,774
Employees' end of service indemnity		143,782	130,132
Total liabilities		41,666,674	59,700,658
Equity			
Share capital	14	40,706,523	40,706,523
Share premium		4,584,998	12,734,892
Treasury shares	15	(2,694,680)	(2,694,680)
Other reserves	17	(1,155,737)	(3,052,460)
Accumulated losses		(13,979,090)	(8,149,894)
Total equity attributable to shareholders of the Parent Company		27,462,014	39,544,381
Non-controlling interests	18	9,703,300	6,887,850
Total equity		37,165,314	46,432,231
Total liabilities and equity		78,831,988	106,132,889

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

Mohammad Darwesh Al-Shamali
Chairman

Abdulra'ouf Tawfeeq
Vice Chairman

Consolidated Statement of Income for the year ended 31 December 2014

(All amounts are in Kuwaiti Dinars)

	Notes	2014	2013
Revenues			
Real estate income	19	1,889,255	2,712,177
Consultancy services income		594,592	230,899
(losses)/ income of Murabha payable settlements	13.4	(986,021)	5,056,204
Other Income		206,033	295,994
		1,703,859	8,295,274
Expenses and other charges			
Losses from investments	20	7,025,085	3,612,620
Losses from investments in associates	21	3,338,191	1,071,187
Other expenses	22	1,776,640	2,453,162
Provide provisions and impairment in value	23	3,166,279	9,477,746
Gross loss from oil fields services and others		-	63,198
Losses from disposal of subsidiaries		-	551,299
		15,306,195	17,229,212
Net loss for the year		(13,602,336)	(8,933,938)
Attributable to:			
Shareholders of the Parent Company		(13,947,031)	(8,214,000)
Non-controlling interests		344,695	(719,938)
		(13,602,336)	(8,933,938)
Loss per share (fils)	24	(35.80)	(21.15)

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

Consolidated Statement of Comprehensive Income for the year ended 31 December 2014

(All amounts are in Kuwaiti Dinars)

	2014	2013
Net loss for the year	(13,602,336)	(8,933,938)
Other comprehensive income items:		
Items may be subsequently reclassified to statement of income:		
Investments in associates		
Group's share in associates' other comprehensive income items	(995,598)	(139,304)
Transferred to statement of income from sale of shares in associates	202,616	73,292
	(792,982)	(66,012)
Available for sale investments		
Change in fair value	(3,049,728)	(4,293,589)
Transferred to statement of income from sale of investments	948,347	(190,268)
Transferred to statement of income from impairment in value	4,820,054	1,389,964
Effect of disposal of shares in a subsidiary	-	5,472
	2,718,673	(3,088,421)
Foreign currency translation reserve		
Differences of translation during the year	-	110,955
Effect of disposal of shares in a subsidiary	-	(42,441)
	-	68,514
Total other comprehensive income items	1,925,691	(3,085,919)
Total comprehensive losses for the year	(11,676,645)	(12,019,857)
Attributable to:		
Shareholders of the Parent Company	(12,050,308)	(11,352,286)
Non-controlling interests	373,663	(667,571)
	(11,676,645)	(12,019,857)

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

Al Madina for Finance and Investment Company - K.S.C.P.
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Consolidated Statement of Changes in Equity for the year ended 31 December 2014

(All amounts are in Kuwaiti Dinars)

	Equity attributable to the shareholders of the Parent Company						Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Other reserves (note 17)	Accumulated losses	Total		
Balance at 1 January 2013	40,706,523	27,403,682	(2,960,493)	85,826	(14,668,790)	50,566,748	23,755,134	74,321,882
Net loss for the year	-	-	-	-	(8,214,000)	(8,214,000)	(719,938)	(8,933,938)
Other comprehensive income items	-	-	-	(3,138,286)	-	(3,138,286)	52,367	(3,085,919)
Amortization of accumulated losses	-	(14,668,790)	-	-	14,668,790	-	-	-
Effect of disposal of subsidiaries	-	-	265,813	-	(84,165)	181,648	(16,231,725)	(16,050,077)
Group's share in changes of an associate's equity	-	-	-	-	148,271	148,271	-	148,271
Change in non-controlling interests	-	-	-	-	-	-	32,012	32,012
Balance at 31 December 2013	40,706,523	12,734,892	(2,694,680)	(3,052,460)	(8,149,894)	39,544,381	6,887,850	46,432,231
Balance at 1 January 2014	40,706,523	12,734,892	(2,694,680)	(3,052,460)	(8,149,894)	39,544,381	6,887,850	46,432,231
Amortization of accumulated losses (note 27)	-	(8,149,894)	-	-	8,149,894	-	-	-
Net loss for the year	-	-	-	-	(13,947,031)	(13,947,031)	344,695	(13,602,336)
Other comprehensive income items	-	-	-	1,896,723	-	1,896,723	28,968	1,925,691
Effect of disposal of subsidiaries (note 25)	-	-	-	-	-	-	2,441,787	2,441,787
Group's share in changes of an associate's equity	-	-	-	-	(32,059)	(32,059)	-	(32,059)
Balance at 31 December 2014	**40,706,523**	**4,584,998**	**(2,694,680)**	**(1,155,737)**	**(13,979,090)**	**27,462,014**	**9,703,300**	**37,165,314**

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

Consolidated Statement of Cash Flows for the year ended 31 December 2014

(All amounts are in Kuwaiti Dinars)

	Note	2014	2013
Cash flows from operating activities			
Net loss for the year		(13,602,336)	(8,933,938)
Adjustments:			
Losses from investments		7,025,085	3,612,620
Losses/ (income) from Murabaha payable settlement		986,021	(5,056,204)
Losses from investments in associates		3,338,191	1,071,187
Real estate income		(1,369,010)	(2,207,683)
Finance cost		-	24,275
Losses from disposal of subsidiaries		-	551,299
Provide provisions and impairment in value		3,166,279	9,477,746
Depreciation and amortization		67,609	312,608
Staff end of service indemnity		13,650	2,364
Losses of operations before changing in the operating assets and liabilities		(374,511)	(1,145,726)
Investments at fair value through profit or loss		(99,168)	(23,846)
Receivables and other debit balances		2,451,088	1,246,634
Payables and other credit balances		(2,830,238)	(1,805,489)
Net cash used in operating activities		(852,829)	(1,728,427)
Cash flows from investing activities			
Cash paid for acquisition of investments in associates		(368,457)	(7,055,748)
Proceeds from selling of investments in associates		509,524	4,698,114
Paid for purchase of available for sale investments		(3,712,345)	(10,137,737)
Proceeds from selling of available for sale investments		4,822,354	9,848,240
Cash generated from disposal of subsidiaries		-	3,242,947
Paid for purchase of investment properties		(164,961)	(152,128)
Proceeds from sale of investment properties		116,370	795,114
Restricted cash for executive confiscation		-	71,668
Paid for purchase of property and equipment		(124,346)	(35,852)
Net cash generated from investing activities		1,078,139	1,274,618
Cash flows from financing activities			
Wakala payable paid		(87,259)	-
Net cash used in financing activities		(87,259)	-
Net increase/ (decrease) in cash and cash equivalents		138,051	(453,809)
Cash and cash equivalents at the beginning of the year		2,528,812	2,982,621
Cash and cash equivalents at the end of the year	5	2,666,863	2,528,812

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

1. Incorporation of the Group

Al Madina for Finance and Investment Company (the Parent Company) is a Public Kuwaiti Shareholding Company incorporated in Kuwait on 1980 and is registered as an investment company with the Central Bank of Kuwait on 27 April 2005. The shares of the Company were listed on Kuwait Stock Exchange on 24 April 2006. The Parent Company's headquarter office is domiciled at Al-Soor Street, Al-Murqab, Kuwait.

The Group comprises of the Parent Company and its subsidiaries, together referred to as "the Group" (Note 25).

The principal activities of the Group are represented in all investing activities, finance and management of funds and rights. Trading and leasing of lands and real estate and providing oilfield services. The activities of the Group are carried out in accordance with Noble Islamic Sharia principles.

The Companies Law issued on 26 November 2012 by Decree Law no 25 of 2012 (the "Companies Law"), which was published in the Official Gazette on 29 November 2012, cancelled the Commercial Companies Law No 15 of 1960. The Companies Law was subsequently amended on 28 March 2013 by Decree Law no 97 of 2013 (the Decree). In accordance with article No. (2) and (3) of the Decree, the executive regulations which issued by the Minister of Commerce and Industry and published in the official gazette on 6 October 2013 determine the basis and rules to be applied by the Company to adjust its status according to the Companies' Law, as amended during one year from the published date.

The Parent Company is still in the process of completing necessary to adjust its situation with the requirements of the Companies law No. 25 of 2012 as amended and its executive regulations.

The consolidated financial statements were authorized for issuance by the Board of Directors on 5 April 2015.

2. Basis of preparation and Significant accounting policies

2.1 Fundamental Accounting Concepts

As stated in Note 13 of these consolidated financial statements, all Wakala payable are matured and there is a legal dispute with all parties to Wakala contracts concerning the amounts to be paid and the executive confiscation has been placed on the Parent Company's assets that are mortgaged against such Wakala. The Parent Company also defaulted to pay its obligations in favor of the creditors and there is a legal dispute with these parties.

During the prior year, the Parent Company submitted an application to the Kuwaiti court for protection from the creditors in accordance with Law No. 2 of 2009 "Financial Stability Law" (the Law) and has submitted a restructuring plan (the Plan). The general counsel head of department a judgment accepting the request for restructuring and the resultant cessation of the civil procedures of litigation and execution, the Parent Company request for ceasing the lawsuits and the execution current by this request are in progress as per the law, till the finalization the request of restructuring.

Under this law and based on the instructions of Central Bank of Kuwait, an independent advisor is appointed to evaluate the Parent Company's assets, its financial solvency, the ability to work as a going concern and feasibility of the submitted plan. The advisory body submitted a preliminary report on such matters. The final report is under process, including a revised plan for restructuring (the revised plan), which concluded that there is sufficient amount of assets for the settlement of amounts due to creditors in full, with a portion of the assets remaining in the Parent Company to the shareholders of the Parent Company, and in total, the option of settlement will be more beneficial to all parties. The final report was submitted to the Central Bank of Kuwait, who in turn provide a report of the futility of the revised plan for restructuring to the court. There is court hearing scheduled on 11 June 2015 for the settlements made by the Group with certain creditors (note 13).

The Parent Company has prepared the consolidated financial statements based on the going concern basis which is dependent to that the restructuring procedures leading to positive results.

Had the going concern basis not been used, adjustments would have been necessary to restate the recorded amounts of assets and liabilities to reflect the fact that the Parent Company may be required to realize its assets and extinguish its liabilities, other than in the normal course of business, at amounts different from those stated in these consolidated financial statements.

2.2 Basis of Preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) as adopted for use in the state of Kuwait for financial institution regulated by the Central Bank of Kuwait and Capital Market Authority on the historical cost basis except for certain investment properties and financial instruments that are re-measured at fair values, as explained in the accounting policies below.

2.3 New and revised standards

New and revised IFRSs issued and effective

In the current year, the Group has applied a number of new and revised IFRSs that are issued and effective for accounting periods that begin on or after 1 January 2014.

Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities

The Group has applied the amendments to IFRS 10, IFRS 12 and IAS 27 *Investment Entities* for the first time in the current year. The amendments to IFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

Consequential amendments have been made to IFRS 12 and IAS 27 to introduce new disclosure requirements for investment entities. The application of the amendments has had no impact on the disclosures or the amounts recognized in the Group's consolidated financial statements.

Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities

The Group has applied the amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities for the first time in the current year. The amendments to IAS 32 clarify the requirements relating to the offset of financial assets and financial liabilities.

The amendments have been applied retrospectively. The Group has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments has had no impact on the amounts recognised in the Group's consolidated financial statements.

Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets

The Group has applied the amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets for the first time in the current year. The amendments to IAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU.

Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal.

The application of these amendments has had no material impact on the disclosures in the Group's consolidated financial statements.

New and revised IFRSs in issue but not yet effective

The Group has not applied the followings new and revised IFRS that have been issued and not yet effective.

For annual periods beginning on or after 1 July 2014

Amendments to IAS 19 *Defined Benefit Plans: Employee Contributions*

The *Annual Improvements to IFRSs 2010-2012 Cycle*:

- *IFRS 2 Share-based Payment*
- *IFRS 3 Business Combinations*
- *IFRS 8 Operating Segments*
- *IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets*
- *IAS 24 Related Party Disclosures*

The *Annual Improvements to IFRSs 2011-2013 Cycle*:

- *IFRS 3 Business Combinations*
- *IFRS 13 Fair Value Measurement*
- *IAS 40 Investment Property*

The directors of the Group do not anticipate that the application of these amendments will have a material impact on the Group's consolidated financial statements.

For annual periods beginning on or after 1 January 2016

Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*

Amendments to IAS 16 & IAS 38 *Clarification of Acceptable Methods of Depreciation & Amortisation*

Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants*

The directors of the Group do not anticipate that the application of these amendments will have a material impact on the Group's consolidated financial statements.

Effective for annual periods beginning on or after 1 January 2017

IFRS 15 *Revenue from Contracts with Customers*

The directors of the Parent Company anticipate that the application of these IFRS 15 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect until the Group undertakes a detailed review.

Effective for annual periods beginning on or after 1 January 2018

IFRS 9 *Financial Instruments*

The directors of the Parent Company anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect until the Group undertakes a detailed review.

2.4 Significant Accounting Policies

2.4.1 Basis of Consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company and its subsidiaries. Control is achieved when the Company (a) has power over the investee (b) is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affects its returns.

The company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three components of controls listed above.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the Company losses control over subsidiary. Specifically, income and expenses of subsidiary acquired or disposed of during the year are included in the consolidated statement of income or other comprehensive income from the date the Company gains control until the date when Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in statement of income and is calculated as the difference between:

(a) the aggregate of the fair value of the consideration received and the fair value of any retained interest and

(b) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations

Acquisitions of businesses combination are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in statement of income as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except deferred tax assets or liabilities, liabilities or equity instruments related to share based payment arrangements and assets that are classified as held for sale in which cases they are accounted for in accordance with the related IFRS.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, the excess is recognised immediately in statement of income as a bargain purchase gain.

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date (the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the consolidated statement of income. Amounts of interests that have previously been recognised in the statement of comprehensive income, before the date of acquisition, are reclassified to statement of income had the interest been fully disposed off.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired.

If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in statement of income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies.

The joint venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of this arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The results of business, assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting except for any investment classified as investment held for sale, as it is accounted for in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations". Under the equity method, an investment in an associate or joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and any other comprehensive income of the associates or joint ventures. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, (including any long-term interests represent a part of the Group's net investment in an associate or a joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Upon acquisition of an associate or a joint venture, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate or a joint venture, recognised at the date of acquisition, is recognised as goodwill. Goodwill is included within the carrying amount of the investment in an associate or a joint ventures. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized in the consolidated statement of income.

Requirements of IAS 39 are applied to determine whether it is necessary to recognize the impairment losses of the associates or joint ventures. The entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with the requirements of IAS No. (36) "Impairment of Assets".

When a group entity transacts with its associate or joint venture, profits and losses resulting from the transactions with the associates or joint ventures are disposed only to the extent of interests in the associate or joint venture.

2.4.2 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

All financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added or deducted on initial recognition. Transaction costs directly attributable to the acquisition are recognised immediately in the statement of income.

Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), held to maturity, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised on a trade date basis. The Group has determined the classification of its financial assets as follows:

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL on acquisition.

Financial assets at FVTPL are stated at its fair value. The net gains or losses are recognised in the statement of income and incorporates any dividend or interest earned on the financial asset and recognized in the line of "other profits or losses". Fair value is determined in the manner described in note 3.3.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including Islamic debt instruments, other receivables, and cash and cash equivalents) are measured at amortised cost using the effective interest method less any impairment losses.

Available for sale (AFS) financial assets

AFS financial assets are non-derivatives and are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

The financial assets available for sale is re-measured at fair value. The fair value is determined in the manner described in note 3.3.

Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of changes in fair value reserve. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss is reclassified to the consolidated statement of income.

AFS unquoted equity investments and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period.

Dividends on AFS equity instruments are recognised in the statement of income when the Group's right to receive the dividends is established. Foreign exchange gains and losses are recognised in other comprehensive income.

Impairment in value

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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 of the investment have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

A provision for impairment in value is made to address the threat of credit related to receivables when there is an objective for the Group that it cannot collect all amounts owed to them. The amount of the provision is the difference between the book value and recoverable amount of the asset which is determined based on the current value for the cash flows, taking into consideration the exclusion of the recoverable amounts of the guarantees and collaterals discounted based on the rate of return. The provision is recognized in the statement of income.

In addition, in accordance with Central Bank of Kuwait instructions, a minimum general provision of 1% of all receivables net of certain restricted categories of collateral and not subject to specific provision.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to the statement of income.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to statement of income in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through statement of income to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in statement of income are not reversed through statement of income. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of income.

Financial liabilities

Financial liabilities (including Wakala payables and trade and other payables) are recognised initially at fair value, net of transaction costs incurred and subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of income over the period of the borrowings using the effective interest method.

Derecognition

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged and expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of income.

2.4.3 Land and real estate held for trading

Land and real estate acquired for resale are classified as held for trading and carried out at cost, cost is determined according to each cost of land or real estate individually as the cost is represented in the fair value for the consideration plus ownership transferring expenses. Land and real estate held for trading are classified within current assets and carried out at the lower of cost and net realizable value. Net realizable value is the estimated selling price less estimating selling costs.

2.4.4 Land and real estate under development

Lands and real estate under development are recorded including cost of development. When finishing the process of development, they are reclassified as either property investment or land and real estate held for trading in accordance with management intention of future use of these lands and real estate. Construction cost of units is distributed using the appropriate distribution bases such as land and real estate area as well as sale prices of units.

Lands and real estate under development to be used as property investment are recognized at cost and re-measured by fair value. In case of absence of reliable method of measuring the fair value of these lands under development, they are recorded at cost till either the date of the completion of the real estate development or the date of reliable determination of its fair value, which is earlier.

2.4.5 Investment properties

Land and real estate acquired for rental purpose or for capital appreciation in future are classified as investment properties (including investment properties under construction held for the same purposes). The investment properties are initially measured at cost including transaction costs.

After initial recognition, investment properties are measured at fair value. Gain and loss arising from changes in fair value of investment properties is recognized in the statement of income of the same reporting period.

The properties investment are derecognised when sold or disposed and expected not to generate future benefits. Gains and losses resulted from disposal (calculated by the difference between net proceeds from disposals and the book value of the asset) are recorded in the statement of income at the period at which it is derecognised.

2.4.6 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes the purchase price and directly associated costs of bringing the asset to a working condition for its intended use. Maintenance and repairs, replacements and improvements of minor importance are expensed as incurred. In situations, where it is clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditure is capitalized.

Depreciation is calculated based on estimated useful life of the applicable assets except for the land on a straight line basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The assets' residual values, useful lives and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Gains or losses on disposals of properties, entities and equipment are determined by the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of income.

2.4.7 Impairment of tangible and intangible assets other than goodwill

The Group reviews the carrying amount of its tangible and intangible assets annually to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets, that do not have a definite useful life, and intangible assets, which are not yet utilized, are tested at least annually to determine the impairment loss.

The net recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Impairment losses are recognized in the statement of income for the period in which they arise. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of income.

2.4.8 End of service's indemnity

The Group is liable under Kuwait Labour Law to make payments under defined benefit plans to employees at termination of employment, regarding the labour in other countries; the indemnity is calculated based on law identified in these countries. Such payment is made on a lump sum basis at the end of an employee service. Defined benefit plan is un-funded and is based on the liability that would arise on involuntary termination of all employees on the balance sheet date. This basis is considered to be a reliable approximation of the present value of the Group's liability.

2.4.9 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are measured at the present value of the consideration expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.4.10 Treasury shares

Treasury shares represent the Company's own shares that have been issued, subsequently purchased by the Group and not yet reissued or cancelled. Treasury shares are accounted for using the cost method. Under the cost method, the total cost of the shares acquired is reported as a contra account within equity when the treasury shares are disposed; gains are credited to a separate un-distributable account in equity "gain on sale of treasury shares". Any realised losses are charged to the same account in the limit of its credit balance, any additional losses are charged to retained earnings to reserves and then to premium. Gains realised subsequently on the sale of treasury shares are first used to offset any previously recorded losses in reserves, retained earnings and the gain on sale of treasury shares.

2.4.11 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Kuwaiti Dinars' (KD).

Transactions and balances

Foreign currency transactions are translated into Kuwaiti Dinars using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Foreign exchange gains and losses are resulted from the settlement of such transactions and from the translation at year-end in the statement of income.

Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.
- Income and expenses for each income statement are translated at average exchange rates.
- All resulting exchange differences are recognized as a separate component of equity.

2.4.12 Revenues recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns and other similar allowances or deductions.

- Revenues from sale of inventory are stated only when the risks and benefits associated with the inventory ownership are transferred to the purchaser. These risks and benefits are transferred to the purchaser, on delivery.
- Services revenues are recognized when the services are rendered.
- Dividend income is recognized when the right to receive payment has been established.
- Deposits interests are recognized on a time basis.

2.4.13 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

2.4.14 Zakat

The Parent Company calculates and announces Zakat payable on each share. The shareholders are responsible for the payment.

2.4.15 Fiduciary assets

Assets held in trust or in a fiduciary capacity are not treated as assets of the Group and accordingly are not included in these consolidated financial statements.

3. Financial risk management

3.1 Financial risk factors

The activities of the Group expose it to a Group of financial risks, which are market risks, which include (foreign currency risks and risks of fair value resulting from the changes in interest rates, and risks of fluctuations in cash flows resulting from changes in interest rates, and risks of market prices) in addition to credit risk and liquidity risks.

The Group is managing these financial risks through concentrating in continues evaluation of the market conditions and trends as well as the management's assessment for long and short-term market factors change.

(A) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. Foreign exchange risk arises when future commercial transactions take place on assets or liabilities recognized in the Group's financial statements which are denominated in a foreign currency.

The Group has set up policies to manage its foreign exchange risk against their functional currency, through diversifying its investments geographically and financing its investments in foreign currency through borrowing denominated in the same currency. In general, the Group concentrates its investments in Kuwait Dinar to avoid the fluctuation in foreign currency rates.

The Group is mainly exposed to foreign currency risk as a result of gain or losses from translated assets and liabilities denominated in foreign currencies, such as cash and cash equivalents, investments, receivables, creditors, loans and bank facilities. Following is the carrying amount of the Group's monetary assets and liabilities which are denominated in foreign currencies as at the end of year:

	Assets		Liabilities	
	2014	2013	2014	2013
AED	1,492,267	1,080,790	-	1,659,418
US Dollar	4,119	4,151	-	2,819,862

The effect of foreign currency change by 10% on the statement of income and equity as at 31 December, would be as follows:

	Statement of Income	
	2014	**2013**
AED	149,227	57,863
US Dollar	412	281,571

(ii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified in the consolidated statement of financial position as investments fair value through profit or loss and available for sale investments. To manage this risk, the Group diversifies its portfolio, studying the market conditions and study the investment opportunities before engaged in it within the Group's strategy. These policies are carried out by the regulatory that are authorized by the Board of Directors. Most of the Group investments are in quoted and unquoted securities and funds.

The table below summarizes the impact on work results and equity with the assumption that KSE index had decreased by 5% with all other variables held constant.

	2014	**2013**
Effect on net profit	36,466	70,948
Effect on change on fair value reserve	80,711	334,005

(iii) Interest Rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group is not exposed to interest rate risk as the group works under Islamic Sharia. Returns from Murabaha and Wakala investments and costs of Murabaha and Wakala payables are allocated based on the effective yield method.

The Group does not calculate fixed returns on Musharakat contracts based on the opinion of Sharia Supervisory Board (note 6), as well it ceased to recognize the finance costs (note 13).

(B) Credit risk

The credit risk is the risk that the Group will incur a loss as a result from its customers, clients or counterparties failure to discharges their contractual obligations against the Group. Assets which are exposed to credit risk are cash and cash equivalents, finance lease receivables, Wakala and Murabaha receivables, receivables on sale of properties and due from related parties.

For cash and cash equivalent the Group manages this risk by dealing with high credit reputation institutes.

For other receivables, the Group manages this risk by assessing the customer's credit quality taking into consideration their financial position, past experience and reputation. Furthermore, the Group keeps the ownership of the sold assets until settling the outstanding installments or obtaining other collaterals.

The table below shows the maximum exposure to credit risk for the components of the balance sheet without taking into consideration the collaterals:

	2014	**2013**
Cash at banks and financial institutions	2,662,177	2,514,932
Investments in Islamic debt instrument	1,532,737	13,700,509
Receivables from selling real estate	3,970,476	5,194,626
Due from related parties	1,747,757	7,764,598

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, management has diversified funding sources, manages assets and monitors future cash flows and liquidity on a daily basis. This encompasses an assessment of expected cash flows and the availability of high grade collaterals which could be used to secure additional funding if required.

Most of the Group's financial liabilities are due and the group is currently negotiating with the creditors to settle the due debts.

3.2 Capital risk management

The Group manages its capital to make sure that the Group will be able to continue as a going on concern in addition to provide the maximum rate of return for shareholders through the optimal use of equity.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings and non-controlling interests).

The gearing ratio as at 31 December is as follows:

	2014	2013
Total finance	34,010,418	46,092,774
Less : Cash at banks and financial institutions	(2,666,863)	(2,528,812)
Net debt	31,343,555	43,563,962
Total equity	37,165,314	46,432,231
Total capital	68,508,869	89,996,193
Gearing ratio (%)	45.75	48.41

3.3 Fair value estimation

The fair values of financial assets and financial liabilities are determined as follows:

- Level one: Quoted prices in active markets for identical assets or liabilities.
- Level two: Quoted prices in an active market for similar instruments or prices quoted by managers of investment funds or other valuation methods where all the important inputs are based on comparative market data either directly or indirectly.
- Level three: Inputs for the asset or liabilities that are not based on observable market data.

The table below gives information about how the fair values of the financial assets and liabilities are determined:

	Fair value as at 31 December		Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	2014	2013				
Fair value through profit or loss						
Local quoted shares	756,597	1,418,961	Level 1	Last bid price	-	-
Local Funds Units	1,018,709	1,076,065	Level 2	Prices by Funds Manager	-	-
Local unquoted shares	285,960	285,960	Level 3	Discounted cash flows	Discount Rate: 8%	The higher the discount rate, the lower the value
Available for sale investment:						
Local quoted shares	1,582,563	6,680,096	Level 1	Last bid price	-	-

The fair value of other financial assets and liabilities approximate their carrying amounts as at the financial statements date.

The fair value of these other financial assets and liabilities are determined according to the third level based on the management's estimations of expected cash flows.

4. Critical accounting judgments and estimates

In the application of the Group's accounting policies, which is stated in note (2), the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision and future periods if the revision affects future periods.

The following are the key estimates and assumptions concerning the future that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial years.

Valuation of financial instruments

Certain assets and liabilities of the group are measured at fair value for preparing the financial statements. The group's management determines the appropriate key methods and inputs required for the fair value's measurement. Upon determining the fair value of assets and liabilities, the management uses an observable market data. Information about the evaluation methods and necessary inputs, which are used to determine the fair value of assets and liabilities, has been disclosed in note (3.3).

Evidence of impairment of investments

Management determines the impairment in equity instruments classified as available for sale when there is a significant or prolonged decline in the fair value of these investments. Determination of what is significant or prolonged requires judgment from management. The Group evaluates, among other factors, the usual fluctuation of listed stock prices, expected cash flows and discount rates of unquoted investments, impairment is considered appropriate when there is objective evidence on the deterioration of the financial position for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows (note 20).

Impairment of Associates

An estimation for Impairment losses of associate is made when there is an indication for such impairment. Determination of the impairment is made for the full book value of the Group's investment in associate including goodwill and therefore, the impairment of goodwill is not separately determined. The impact of the above on the consolidated financial statements is set out in note (23).

Impairment of Receivables

The Group's management determines impairment of receivables in the light of the Group's previous experience about collectability, overdue period exceeding the average credit period, change in global and local economies which led the customers to default in payment. The impact of such impairment on these consolidated financial statements is disclosed in note (23).

Impairment of Murabaha and Musharakat Receivables

The Group's management determines impairment of receivables in the light of the Group's previous experience about collectability, overdue period exceeding the average credit period, change in global and local economies which led the customers to default in payment. A specific provision is made for irregular balances of finance receivables. A general provision is made with a minimum of 1% on all credit facilities for which no specific provisions are made as per the instructions of Central Bank of Kuwait (note 23).

Contingent liabilities / liabilities

Contingent liabilities are potential liabilities that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Provisions for liabilities are recorded when a loss is considered probable and can be reasonably estimated. The determination of whether or not a provision should be recorded for any potential liabilities is based on management's judgment (note 28).

Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the consolidated statement of income. The Group engaged independent valuation specialists to determine fair values and the valuers have used valuation techniques to arrive at these fair values. These estimated fair values of investment properties may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (notes 9, 19).

5. Cash at banks and financial institutions

	2014	2013
Current accounts at banks	1,037,605	1,270,789
Cash at portfolios and Kuwait Clearing company	1,624,572	1,244,143
Cash on hand	4,686	13,880
Cash and cash equivalents for statement of cash flows purpose	2,666,863	2,528,812

6. Investments in Islamic debt instruments

	2014	2013
Murabaha	475,000	475,000
Musharakat	1,057,737	13,225,509
	1,532,737	13,700,509
Provision for impairment in value	(1,532,737)	(6,965,984)
	-	6,734,525

6.1 During previous years, Murabaha receivables were due but has not been paid and for which a full provision has been provided. During the current year, there were settlements of certain Musharaka contracts (note 26.1).

6.2 All Musharakat contracts have been signed with related parties. The Group does not calculate fixed returns on Musharakat contracts based on authorization by Fatwa and Sharia Board until the settlement of these contracts. All Musharaka receivables are matured during 2015.

6.3 The movement on provision for impairment of investments in Islamic debt instruments during the year is as follows:

	2014	2013
Opening balance	6,965,984	748,424
Net (reverse)/ provide	(521,221)	6,217,560
Debts written off	(4,912,026)	-
Closing balance	1,532,737	6,965,984

7. Investments at fair value through profit or loss

	2014	2013
Held for trading investments	756,597	1,418,961
Investments at fair value through profit or loss at acquisition	1,304,669	1,362,025
	2,061,266	2,780,986
Investments in local shares – quoted	756,597	1,418,961
Investments in local shares – unquoted	285,960	285,960
Investments in local funds – unquoted	1,018,709	1,076,065
	2,061,266	2,780,986

7.1 Investments have been valuated based on the valuation techniques as described in note (3.3).

8. Receivables and other debit balances

	2014	2013
Receivables from selling real estate	3,970,476	5,194,626
Deferred revenue	(253,422)	(375,797)
	3,717,054	4,818,829
Due from related parties (note 26)	1,747,757	7,764,598
Cash restricted against letter of guarantee	825,200	876,322
Accrued income	655,904	207,820
Accrued rents	491,210	491,210
Settlement receivables (note 13.5)	2,775,379	-
Other debit balances	1,327,517	1,161,596
	11,540,021	15,320,375
Less: provision for doubtful debts	(1,731,796)	(3,962,345)
	9,808,225	11,358,030

8.1 Receivables from selling real estate represent the remaining balance due from selling developed properties. The ownership of these properties will be transferred upon the payment of all the remaining amounts paid.

8.2 Receivables from selling real estate that are not due amounted to KD 2,747,560 as at 31 December 2014 (KD 2,934,420 as at 31 December 2013). Such balances include an amount of KD 598,027 as at 31 December 2014 (KD 639,870 as at 31 December 2013) represent installments that are due upon delivery and registration in favour of the clients.

8.3 Receivables and other related parties' balances that are due but not impaired are amounted to KD 1,730,087 as at 31 December 2014 (KD 6,553,669 as at 31 December 2013). The following is the aging of these debts:

	2014	2013
Due from 3 to 6 months	554,512	954,199
Due from 6 to 12 months	323,355	1,435,687
More than one year	852,220	4,163,783
	1,730,087	6,553,669

8.4 Receivables and accrued rent that are due and impaired amounted to KD 1,731,796 as at 31 December 2014 (KD 3,962,345 – as at 31 December 2013) for which a fully provision has been provided. Provision for doubtful debts has been provided based on management's estimates of the recoverable amounts, dates of collection, settlements and guarantees obtained by the Group against some of these balances. The movement on the provision for doubtful debts during the year as follows:

	2014	2013
Opening balance	3,962,345	2,667,433
Net (reversal)/ provision during the year	(2,230,549)	3,260,185
On disposal of a subsidiary	-	(1,965,273)
	1,731,796	3,962,345

8.5 During the year, the Group had settled some of the due from related parties (note 26.1).

9. Investment properties

The movement on investment properties during the year was as follows:

	2014	2013
Opening balance	32,016,582	68,375,237
Effect of disposal of a subsidiary (note 25)	(5,576,658)	(38,751,827)
Additions	164,961	152,128
Disposals	(87,173)	(64,075)
Change in fair value	1,339,813	2,305,119
Closing balance	27,857,525	32,016,582

9.1 The fair value of the Group's investment properties has been determined as of the financial statements date on the basis of a valuation carried out on the respective date by independent valuers not related to the Group. These valuers are registered at the related governmental bodies, and they have appropriate and recent experience in the valuation of properties in the relevant locations. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties and the discounted cash flows. In estimating the fair value of the properties, best use of the properties is their current use.

Details of investment properties and information about the fair value hierarchy are as follow:

			Fair value as at 31 December	
	Level 2	Level 3	2014	2013
Local real estate	1,917,000	7,056,000	8,973,000	8,710,000
Foreign real estate	-	18,884,525	18,884,525	23,306,582
	1,917,000	25,940,525	27,857,525	32,016,582

9.2 A portion of the investment properties amounting to KD 1,870,000 as at 31 December 2014 (KD 1,731,000 as at 31 December 2013) is recorded in the name of related parties, and there are letters of assignment in favor of the Group.

10. Investments in associates

	Ownership percentage (%)	2014	Ownership percentage (%)	2013
Ekttitab Holding Company – (K.S.C.P)	16.48	3,203,660	21.80	6,352,200
Hits Telecom Company - (K.S.C.P)	29.22	11,944,817	37.18	20,327,173
Sarh Capital Real Estate (K.S.C Closed)	33.80	11,618,275	48.91	16,054,219
		26,766,752		42,733,592

10.1 Investments in associates include a goodwill of KD 413,015 as at 31 December 2014 (KD 612,992 – 2013).

10.2 Although the Group interest in Ektitab Holding Company and Hits Telecom Company are listed on Kuwait Stock Exchange. The fair value of the Group's investments in these two companies amounted to KD 2,513,280 and KD 7,582,892 respectively as at 31 December 2014 (KD 5,070,878 and KD 16,422,117 – 2013).

10.3 Although the share in Ekttitab Company's decreased from 20%, the Group has significant influence over the Company through material effect on the financial and operation Company's polices as the Group has direct and indirect representatives in Board of Directors.

10.4 The impairment of investments in Ekttitab Holding Company and Hits Telecom Company has been recorded with KD 1,170,711 and KD 4,490,032 during the year ended 31 December 2014 as the net recoverable amount was less than book value, the recoverable amount was determined based on study prepared by the Group taking into consideration market price rate.

10.5 The following is summarized financial information related to the associates. The summarized financial information set out below represents the amounts shown in the latest financial information available for these companies prepared as per IFRS:

Ekttitab Holding Company:

Available financial information	Financial statements for the year ended 31 December 2014	Financial information for the period ended 30 September 2013
Assets	30,120,790	38,148,498
Liabilities	2,475,289	8,118,838
Non-controlling interests	(37,978)	25,357
Losses	(2,743,111)	(811,764)
Loss for the year/ period	(3,197,603)	(1,067,631)
Other comprehensive income/ (loss) for the year/ period	2,505,826	(1,140,604)
Total comprehensive loss for the year/ period	(691,777)	(2,208,235)

The following is reconciliation of the above summarized financial information to determine the book value of the Group's share in the company recorded in the consolidated financial statements:

	2014	2013
Net assets of the associate	27,683,479	30,004,303
Group's share in net assets	4,563,109	6,540,938
Other adjustments	(1,359,449)	(188,738)
The Company's book value	3,203,660	6,352,200

Other adjustments represent unrealized gains as result of intra-transactions between the Group and the associate and also impairment in value.

Hits Telecom Company:

Available financial information	Financial information for the period ended 30 September 2014	financial information for the period ended 30 September 2013
Current assets	37,716,511	41,439,208
Non-current assets	46,681,332	87,877,347
Current liabilities	23,873,582	41,870,316
Non-current liabilities	348,339	13,023,550
Non-controlling interests	-	3,767,528
Revenues	127,147,788	44,754,701
Loss for the period	(687,218)	(166,664)
Other comprehensive income for the period	273,294	470,769
Total comprehensive (loss)/ income for the period	(413,924)	304,105

The following is reconciliation of the above summarized financial information to determine the book value of the Group's share in the company carried in the consolidated financial statements:

	2014	2013
Net assets of the associate	60,175,922	70,655,161
Group's share in net assets	22,377,264	26,269,589
Other adjustments	(10,432,447)	(5,942,416)
The Company's book value	11,944,817	20,327,173

Other adjustments represent unrealized gains on intra transactions between the Group and the associate in addition to the impairment loss.

Sarh Capital Real Estate Company:

	The audited financial statements for the year ended 31 December	
Available financial statements	**2014**	**2013**
Current assets	287,372	1,185,743
Non-current assets	40,748,876	38,857,140
Current liabilities	7,885,874	8,472,186
Income	454,188	16,989
Income/ (loss) for the year	293,815	(22,031)
Other comprehensive income for the year	1,285,862	91,527
Total comprehensive income for the year	1,579,677	69,496

The following is reconciliation of the above summarized financial information to determine the book value of the Group's share in the company recorded in the consolidated financial statements:

	2014	**2013**
Net assets of the associate	33,150,374	31,570,697
Group's share in net assets	11,205,260	15,441,227
Other adjustments	413,015	612,992
The Company's book value	11,618,275	16,054,219

Other adjustments represent goodwill.

11. Available for sale investments

	2014	**2013**
Local investments – quoted	1,582,563	6,680,096
Local investments – unquoted	743,669	1,118,669
Foreign investments – unquoted	6,931,791	-
	9,258,023	7,798,765

11.1 Available for sale investments were evaluated based on basis of valuation techniques mentioned in note (3.3).

11.2 Investments in unquoted shares were recorded at cost less impairment as its fair value cannot reliably measured at the financial statements date.

12. Payables and other credit balances

	2014	**2013**
Trade payable	48,900	326,528
Accrued to subcontractors	90,930	37,652
Payables on purchase of investment properties	781,250	2,440,668
Payables on purchase of investments	3,977,707	3,977,707
Provision for claims	437,904	3,257,766
Due to related parties (note 26)	734,917	1,310,912
Accrued dividends	322,613	322,613
Accrued expenses	47,469	435,951
Tax deductions	790,411	785,841
Other credit balances	280,373	582,114
	7,512,474	13,477,752

12.1 During prior years, a part of payables on purchase of property investments has been settled; accordingly the ownership of the related investments has been transferred in favor of the Group. Currently, the Group is in the process of releasing the pledges provided to the creditors represented in investments in an associate amounted to KD 631,724 as at 31 December 2014 (KD 1,074,733 as at 31 December 2013), as well as treasury shares with cost amounted to KD 1,234,208 as at 31 December 2014 (KD 1,234,208 as at 31 December 2013).

12.2 The Group has pledged investments in an associate with a book value of KD 429,637 (KD 680,759 as at 31 December 2013) and investments at fair value through profit or loss of KD 598,013 as at 31 December 2014 (KD 800,730 as at 31 December 2013) against payables on purchase of investments. The creditor has filed law suits against the Group to claim for repayment. A judgment has been issued obliging the Company for payment in addition to pay an amount of KD 5,001 as a temporary compensation. The Group has appealed against such judgment, which was rejected by the court which upheld the former judgment. The Group then filed an appeal to the Court of Cassation against such judgment which has been refused and reconfirm last judgment and this judgment has been appealed in cassation.

13. Wakala payable

	2014	2013
Wakala payable from local banks and external authorities	31,487,765	43,570,121
Wakala payable from investment funds	2,522,653	2,522,653
	34,010,418	46,092,774

13.1 The following assets are pledged against outstanding Wakala payables:

	2014	2013
Investments in associates	5,635,566	11,660,485
Investment properties	8,133,000	7,944,000
Investment in subsidiaries	-	6,507,448
	13,768,566	26,111,933

13.2 All Wakala payables were matured as at 31 December 2014 and 2013, but have not been renewed, or paid. The Group had ceased to record the finance cost thereon. There is a legal dispute with all parties of the Wakala contracts on the amounts that should be paid out. An executive confiscation has been placed on the Company's pledged assets for Wakala payable.

13.3 During the year, the Company submitted an application to the specialized court for protection from creditors in accordance with Law No. 2 for the year 2009 "Financial Stability Law" (the Law) and submitted a restructuring plan. Suspension of all judicial proceedings is in process as per Law (note 2).

13.4 During the year, the Group had settled Wakala payable with an amount of KD 12,082,356 against assets, resulted in losses of KD 986,021. Currently there are negotiations with some creditors for settlement during the next period.

13.5 Currently there is a settlement in process of the remaining balance of one of the local bank amounted to KD 4,800,000 as at 31 December 2014 against transferred assets. Part of the assets by KD 2,775,379 was transferred and recognized into receivables until completing all settlement items.

13.6 Wakala payable include an amount of KD 2,522,653 as at 31 December 2014 and 31 December 2013 represents in Wakala granted from investment funds.

14. Share capital

The authorized, issued and fully paid Parent Company's capital is KD 40,706,523 distributed over 407,065,225 shares with a nominal value of 100 fils each and all shares are in cash.

15. Treasury shares

	2014	2013
Number of shares	17,466,619	17,466,619
Percentage (%)	4.3	4.3
Market value	506,532	724,865

The Parent Company is required to retain reserves, retained earnings and share premium equivalent to the value of treasury shares throughout the period, as long as they are held by the Parent Company, pursuant to instructions of the relevant regulatory authorities.

16. Reserves

Statutory reserve

In accordance with the Companies Law and the Parent Company's Articles of Association, 10% of net profit before KFAS, National Labor Support Tax, Board of Directors' remuneration and Zakat expense are transferred to statutory reserve. Statutory reserve is not distribute able to shareholders; however, the reserve could be utilized to secure payment of a dividend of 5% of share capital in years when retained earnings are not sufficient for payment of dividends. When the balance of the reserve exceeds 50% of share capital, the General Assembly is permitted to utilize amounts in excess of 50% of the share capital in aspects seen appropriate for the benefit of the Parent Company and its shareholders.

Voluntary reserve

In accordance with the Parent Company's Articles of Association, a percentage of net profit as proposed by the Board of Directors and approved by the General Assembly is transferred to voluntary reserve. Such annual transfers may be discontinued by a resolution of the General Assembly based on the proposal of the Board of Directors.

17. Other reserves

	Employee share options reserves	Share of Group associates' reserves	Changes in fair value reserve	Foreign currency translation reserves	Total
Balance as at 1 January 2013	490,500	(777,995)	365,417	7,904	85,826
Total comprehensive loss for the year	-	(66,892)	(3,063,490)	(7,904)	(3,138,286)
Balance as at 31 December 2013	490,500	(844,887)	(2,698,073)	-	(3,052,460)
Balance as at 1 January 2014	490,500	(844,887)	(2,698,073)	-	(3,052,460)
Total comprehensive income for the year	-	(801,350)	2,698,073	-	1,896,723
Balance as at 31 December 2014	490,500	(1,646,237)	-	-	(1,155,737)

18. Non-controlling interests

	2014	2013
Balance at 1 January	6,887,850	23,755,134
Share from net profit/ (loss) for the year	344,695	(719,938)
Other comprehensive income items:		
Share in other comprehensive income items in an associate	8,368	880
Change in fair value of investments available for sale	(21,692)	(104,035)
Transferred to statement of income on sale of investments available for sale	14,071	(2,096)
Transferred to statement of income on impairment of investments available for sale	28,221	81,200
Foreign currency translation differences	-	76,418
	28,968	52,367
Change in non-controlling interests:		
Effect of disposed shares in a subsidiary	-	(16,231,725)
Change in subsidiary's shareholdings	2,441,787	32,012
Balance at 31 December	2,441,787	(16,199,713)
	9,703,300	6,887,850

19. Real estate income

	2014	2013
Change in fair value of investment properties	1,339,813	2,305,119
Rents from investment properties	520,245	504,494
Gain/ (loss) from sale of investment properties	29,197	(97,436)
	1,889,255	2,712,177

20. Losses from investments

	2014	2013
Losses on sale of financial investments at fair value through profit or loss	421,895	195,303
Change in fair value of financial investments at fair value through profit or loss	396,993	978,147
Losses on available for sale investments	1,386,143	305,536
Impairment loss in available for sale investments	4,820,054	2,133,634
	7,025,085	3,612,620

21. Losses from investments in associates

	2014	2013
Losses from trading	475,717	696,329
Group's share in associates' results	2,862,474	374,858
	3,338,191	1,071,187

22. Other expenses

Other expenses include staff costs of KD 963,918 for the year ended 31 December 2014 (KD 1,191,011 for the year ended 31 December 2013).

23. Provide provisions and impairment in value

	2014	2013
Net (reversal)/ provide of provision for doubtful debts	(2,230,549)	3,260,186
Impairment losses of investments in associates	5,660,743	-
Net (reversal)/ provide of provision for impairment in investments in Islamic debt instruments	(521,221)	6,217,560
Other provisions and expenses	257,306	-
	3,166,279	9,477,746

24. Loss per share

Loss per share is calculated by dividing net loss for the year by the weighted average number of outstanding shares during the year as follows:

	2014	2013
Net loss for the year attributable to Shareholders of the Parent Company	(13,947,031)	(8,214,000)
Weighted average number of issued and outstanding shares during the year	389,598,606	388,317,361
Loss per share (fils)	(35.80)	(21.15)

25. Investments in subsidiaries

25.1 Group's structure:

Company name	Legal form	Country of incorporation	Activity	Ownership (%)	
				2014	2013
Al Madina Royalty Company	W.L.L.C	Cayman Island	Real estate	-	100
Real Capita and its Subsidiaries	W.L.L.C	Kuwait	General trading	99	99
Rehab Al Madina Company	B.S.C	Bahrain	Real estate	100	100

- The subsidiaries' assets amounted to KD 55,979,815 as at 31 December 2014 (KD 67,679,016 as at 31 December 2013) and net losses amounted to KD 6,444,156 during the year ended 31 December 2014 (KD 3,044,239 during the year ended 31 December 2013).

- During the year, the Group had sold an interest of 8.61% in Tatweer Capital Real Estate Company (subsidiary to Real Capita Company) to one of the related parties, no profit or loss resulted from this transaction. This transaction was eliminated when preparing the consolidated statement of cash flows as it is non-cash transaction.

- During the year, Real Capita Company had acquired a subsidiary "British United General Trading and Contracting Company" (W.L.L) from a related party. The acquisition was made against payment of KD 175,000 in cash and settlement of the remaining amount against the current account of that party. The goodwill resulted from this acquisition was KD 175,000 as at 31 December 2014.

- During the year, the Group has sold its investment in Al-Madina Royalty Company against settlement of part of the Wakala creditor (note 13.4), a profit of KD 394,357 was resulted and recognized in the consolidated statement of income for the current year. The details of assets and liabilities of the subsidiary at the disposal date were as follows:

Investment properties	5,576,658
Creditors of purchase of investment properties	(1,203,451)
Net Company's assets at disposal date	4,373,207

25.2 Statement of subsidiaries not wholly owned by the Group (significant) including significant non-controlling interests:

There is no significant non-controlling interest share except in Tatweer Capital Real Estate Company ownership that owned by 66.82%. The following is summarized financial information of such company:

	2014	2013
Current assets	4,962,771	7,055,527
Non-current assets	28,164,537	26,496,171
Current liabilities	3,842,967	5,331,587
Equity attributable to owners of the Company	19,561,092	21,288,305
Non-controlling interests	9,723,249	6,931,806

	2014	2013
Revenues	2,404,628	4,357,189
Expenses	(1,338,951)	(1,243,221)
Profit attributable to the Shareholders of the Parent Company	682,638	2,395,741
Profit attributable to non-controlling interests	383,039	718,227
Profit for the year	1,065,677	3,113,968
Total other comprehensive income attributable to the Shareholders of the Parent Company	-	(258,561)
Total other comprehensive income attributable to non-controlling interests	-	(75,199)
Total other comprehensive income for the year	-	(333,760)
Total other comprehensive income attributable to the Shareholders of the Parent Company	682,638	2,137,180
Total other comprehensive income attributable to non-controlling interests	383,039	643,028
Total other comprehensive income for the year	1,065,677	2,780,208
Net cash flows from operating activities	142,178	399,293
Net cash flows used in investment activities	(347,643)	(989,526)
Net decrease in cash and cash equivalents	(205,465)	(590,233)

26. Related parties' transactions

Related parties represent in the Group's shareholders who have representation in the Board of Directors, members of the Board of Directors, senior management, subsidiaries and associates. In the normal course of business and subject to the Group's management approval, there were transactions with related parties during the year except what were disclosed in the other paragraph. The related parties significant transactions and outstanding balances were as follows:

	2014	2013
Transactions		
Net acquisition/ sale of investments	12,704,632	8,116,135
Net reverse of provisions, Musharaka and receivables	2,396,012	-
Provide other provisions	(713,273)	-
Written off Musharaka balances	4,912,026	-
Murabaha, Musharakat, rent and sale of investment income	-	152,600
Losses from sale of subsidiaries and investment properties	-	(550,945)
Key and Executive Management remunerations	(22,668)	(39,016)

	2014	2013
Balances		
Investments in Islamic debt instruments	1,057,737	13,225,509
Receivables and other debit balances	1,747,757	7,764,598
Payables and other credit balances	734,917	1,310,912
Restricted cash against letter of guarantee in favor of related parties	563,190	563,190

26.1 In addition to above, during the year, the Group had settled some of Musharaka and due from related parties amounted to KD 8,995,105 as at the beginning of the year, a profit of KD 3,180,325 resulted from the settlements mentioned above, the effect of these transactions were eliminated during preparing the consolidated statement of cash flows as these were non-cash transactions.

26.2 The Group manages portfolios on behalf of related parties, the net assets of those portfolios amounted to KD 3,664,755 as at 31 December 2014 (KD 9,694,690 as at 31 December 2013) and were recorded off consolidated statement of financial position items.

26.3 The Group has provided a joint security against a Murabaha payable granted to a related party of KD 2,457,534 as at 31 December 2014. There is a legal dispute with respect to those Murabaha and there was judgment has been issued from foreign court in favor of the creditor, which has filed a new lawsuit in Kuwaiti courts for the experts' report on 10 May 2015 .

26.4 Group's investments in associates and financial investments at fair value through profit or loss of KD 2,175,952 and KD 108,684 as at 31 December 2014 respectively, and treasury shares with a cost of KD 1,434,767 have been pledged to a subsidiary disposed during the prior year.

26.5 Group's investments in the associates and financial investments at fair value through profit or loss of KD 4,789,476 and KD 529,614 as at 31 December 2014 respectively have been pledged as guarantee against Wakala payable granted to one of the related parties of KD 4,777,104. Wakala payables are matured and did not renew or pay. There is a legal dispute with the party about the amounts that must be paid out of the amount. the Group obtained guarantees of un registered property's mortgage from that related party of KD 8.3 Million against that liabilities and against some of the receivables and accrued Musharaka from the same party with an amount of KD 2.6 Million as at 31 December 2014, therefore, the Group believe that there is no provision required for this purpose.

All related parties' transactions are subject to the approval of the General Assembly of the shareholders.

27. Board of Directors' proposals

On 11 June 2014, the General Assembly Meeting of the Shareholders approved the financial statements for the year ended 31 December 2013 and also approved to amortize the accumulated losses amounted to KD 8,149,894 as at 31 December 2013 against share premium.

On 5 April 2015, Board of Directors proposed not to distribute dividends for the year ended 31 December 2014.

28. Lawsuits and contingent liabilities

28.1 There are legal disputes between the Group and certain portfolio clients in respect of liquidation of those parties' accounts amounting to KD 4,868,122. The Group's management believes that there is no provision required for this purpose, as there are off-financial statements assets pledged by certain third parties in favor of the Group, with an amount of KD 3,360,670 that can be used to cover the judicial rulings outcome. An executive confiscation by a judgment has been made on certain assets for the other parties.

28.2 One creditor of purchase real estate creditors has filed a lawsuits the account; this lawsuits has been rejected in the first degree court. The selling party appealed the verdict and the case was transferred to experts department. The court verdict to close the case till resolution reached on stability law.

29. Segment distribution

The Group carries out the majority of its activities two major segments:

- Real estate segment: represents in develop and sell land and properties.
- Investment segment: represents in direct investment and portfolios management and investment funds for third parties.

Analysis of the financial information according to segments for year ended 31 December is as follows:

	Real Estate		Investment		Total	
	2014	2013	2014	2013	2014	2013
Segment income	1,889,255	2,712,177	(9,768,684)	(5,004,693)	(7,879,429)	(2,292,516)
Segment results	1,889,255	2,712,177	(9,768,684)	(5,028,482)	(7,879,429)	(2,316,305)
Segment assets	29,956,563	34,856,589	40,861,420	60,047,865	70,817,983	94,904,454
Segment liabilities	781,250	2,440,668	38,310,738	50,393,094	39,091,988	52,833,762

	2014	2013
Total segment results	(7,879,429)	(2,316,305)
Other income	(779,988)	5,352,198
Gross profit for oilfields services and others	-	(63,198)
Impairment provision	(3,166,279)	(9,477,746)
Other expenses	(1,776,640)	(2,428,887)
Net loss for the year	(13,602,336)	(8,933,938)
Total segment assets	70,817,983	94,904,454
Cash and cash equivalents	2,666,863	2,528,812
Receivables and other debit balances	4,933,808	8,518,026
Goodwill	175,000	-
Property and equipment	238,334	181,597
Total assets	78,831,988	106,132,889

Geographical distribution of assets and revenues

	2014			2013		
	Kuwait	Middle East	Total	Kuwait	Middle East	Total
Revenues	714,216	989,639	1,703,855	7,018,122	662,655	7,680,777
Business results	(14,591,975)	989,639	(13,602,336)	(8,030,126)	(903,812)	(8,933,938)
Assets	58,880,729	19,951,260	78,831,989	81,743,094	24,389,795	106,132,889
Liabilities	41,666,674	-	41,666,674	55,221,378	4,479,280	59,700,658

30. Off balance sheet items

The Group manages portfolios on behalf of others and investment funds, and does not present the balances of the portfolio and funds in the consolidated financial statements of the Group. The net assets of these assets managed on behalf of others amounted to KD 28,559,455 as at 31 December 2014 (KD 39,608,304 as at 31 December 2013).