

SETTLEMENT GUARANTEE FUND

**Report and financial statements
for the year ended 31 December 2015**

SETTLEMENT GUARANTEE FUND

Report and financial statements for the year ended 31 December 2015

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**Independent auditor's report
to the members of
Settlement Guarantee Fund**

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Report on the financial statements

We have audited the accompanying financial statements of **Settlement Guarantee Fund** ("the Fund"), which comprise of the statement of financial position as at 31 December 2015, and the statements of profit or loss and other comprehensive income, changes in net assets attributable to members and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 3 to 15.

Members' responsibility for the financial statements

Members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the 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 Fund'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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independent auditor's report
to the members of
Settlement Guarantee Fund (continued)**

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Deloitte & Touche (M.E.) & Co. LLC
Muscat, Sultanate of Oman
Xx April 2016**

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Statement of financial position at 31 December 2015

| | Notes | 2015 RO | 2014 RO |
|---|-------|------------------|------------------|
| Assets | | | |
| Cash and bank balances | 4 | 315,838 | 326,562 |
| Bank deposits | 5 | 2,747,716 | 2,830,488 |
| Accrued income | 6 | 48,260 | 50,976 |
| Intangible asset | 7 | 1,444 | - |
| Total assets | | 3,113,258 | 3,208,026 |
| Liabilities | | | |
| Other payables and accruals | | 4,437 | 3,920 |
| Net assets attributable to the members | | 3,108,821 | 3,204,106 |
| Represented by: | | | |
| Members' account | 8 | 3,108,821 | 3,204,106 |

Chairman of fund's committee

Member of the committee

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

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**Statement of profit or loss and other comprehensive income
for the year ended 31 December 2015**

| | Note | 2015 RO | 2014 RO |
|---|------|----------------|----------------|
| Income | | | |
| Interest income | 9 | 117,193 | 116,859 |
| Expenses | | | |
| General and administrative expenses | 10 | (9,170) | (8,602) |
| Profit and total comprehensive income for the year | | <u>108,023</u> | <u>108,257</u> |

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

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Statement of changes in net assets attributable to members for the year ended 31 December 2015

| | 2015 RO | 2014 RO |
|--|------------------|------------------|
| At 1 January | 3,204,106 | 3,095,849 |
| Profit and total comprehensive income for the year | 108,023 | 108,257 |
| Net movement in members' account | (203,308) | - |
| At 31 December | 3,108,821 | 3,204,106 |

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