

# Auditors' Report



## **BDO JAWAD HABIB**

PO Box 787

5th Floor, UGB Tower

Diplomatic Area, Kingdom of Bahrain

Tel: 17 530077

Fax: 17 530088

[www.bdojawadhabib.com](http://www.bdojawadhabib.com)

### **TO THE SHAREHOLDERS OF THE COMPANY**

We have audited the accompanying balance sheet of Al Ahlia Insurance Company BSC ("the Company") as at 31 December 2005, and the related statements of income, changes in equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's Board of Directors. 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 plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Al Ahlia Insurance Company BSC as at 31 December 2005 and the results of its operations, the changes in its shareholders' equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board.

Further, as required by the Bahrain Commercial Companies Law 2001 and Bahrain Insurance Law 1987, we report that:

1. We have obtained all the information we considered necessary for the purpose of our audit;
2. The Company has maintained proper books of account and the financial statements are in agreement therewith; and
3. The financial information included in the Directors' report is consistent with the books of account.

In addition, we report that nothing has come to our attention which causes us to believe that the Company has breached any of the applicable provisions of the Bahrain Commercial Companies Law 2001, Bahrain Insurance Law 1987 (as amended), the Bahrain Monetary Agency's insurance regulations (as contained in volume 3 of the BMA rulebook), or of its Memorandum and Articles of Association which would materially affect its activities, or its financial position as at 31 December 2005.

## **BDO JAWAD HABIB**

Manama, Kingdom of Bahrain

2 March 2006