



ANNUAL REPORT 2017



His Royal Highness Prince
Khalifa bin Salman Al
Khalifa

The Prime Minister of the
Kingdom of Bahrain



His Majesty King Hamad
bin Isa Al Khalifa

The King of the
Kingdom of Bahrain



His Royal Highness,
Prince Salman bin Hamad
Al Khalifa

Crown Prince, Deputy
Supreme Commander
and First Deputy Prime
Minister of the Kingdom
of Bahrain

THE BIBF IN 2017



The BIBF is pleased to Present the 2017 Annual Report, which provides an overview of the institute's achievements over the past year.

The report highlights the BIBF's array of programmes as well as the financial results providing a holistic view of the training and development opportunities it provides.

The BIBF works towards its slogan "Leading Excellence" to embody its founding philosophy to contribute to the progress and development of the Financial Sector, through providing training and development opportunities for all. Guided by this philosophy, all of the Learning Centres work towards offering excellence in their respective expertise.

Based on quality of education, the BIBF provides support to its learners and clients, managing the needs and requirements of business organisations according to

dynamic economic changes and provides tailor-made solutions to meet those needs.

The BIBF saw enhanced training and business conditions in many of its learning centres and a strong competitive performance right across its business in 2017.

The year 2017 was one of the most successful years for the institute, in pursuit of its mission and against its strategic objectives. We continued to extend the institute's global reach and impact by offering our training packages within Bahrain, the GCC, the wider Middle East and Europe.

Within these markets, our main priorities are realising the potential of digital technology and securing continued growth across all major business disciplines.

Many of the programmes are primarily "content-led" creating value by the provision of high quality resources of education, we increasingly supplement and strengthen that position by adding a range of related services. Our customised training packages draw upon BIBF's philosophy and distinctive capabilities, with the highest levels of integrity and ethics, a deep understanding of how education, teaching and research is best designed to have greatest impact and the ability to reach all individuals and organisations at a local, regional and international level.

**THE INSTITUTE
OF CHOICE
FOR THE DEVELOPMENT
OF BUSINESS
PROFESSIONALS**



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ABOUT BIBF

The BIBF is a semi-government training institute affiliated with the Central Bank of Bahrain, established in 1981. It plays a vital role in the training and development of human capital in Bahrain, the wider Middle East, North Africa, Europe and beyond.

The BIBF's commitment to excellence has strengthened its position as the leading educational provider across all major business disciplines. The Institute serves as a partner to numerous world-class institutions; delivering Thought Leadership, Assessment and Training in the areas of Banking, Islamic Finance, Executive Development, Accounting & Finance, Academic Studies, Leadership & Management, Insurance, Information Technology and Communication, Project Management and Supply Chain Management; resulting in a complete business solution.

BIBF

LEADING EXCELLENCE

MILESTONES

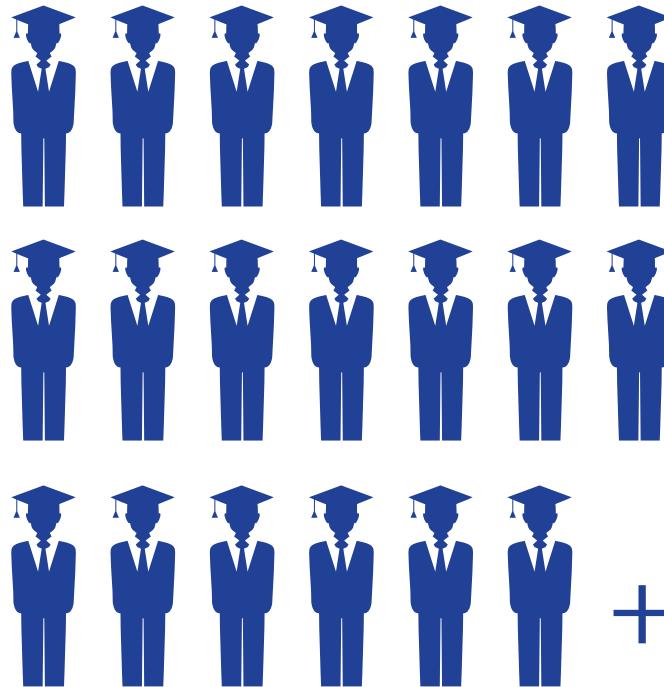


The BIBF qualifies over **20,000** learners a year across all major business disciplines and economic sectors. Since its establishment, it has provided training and development opportunities in 63 countries giving the institute a global footprint

The BIBF has delivered training to over

340,000

students in **63 countries** since its inception in 1981





**H.E.
Rasheed
Mohammed
Al Maraj**

CHAIRMAN'S STATEMENT

Bahrain Institute of Banking & Finance (BIBF) has been in operation for the past 37 years and has been providing world-class opportunities for training & development to enhance the skills and knowledge of the workforce both on an individual capacity and as employees within respective organisations.

Since its establishment in 1981, the BIBF has continuously provided the market with the required and relevant training, keeping its learners abreast of any updates or changes. The institute has provided training to more than 340,000 students of 63 different nationalities, through more than 400 training courses, initiatives, and conferences every year.

The BIBF has been a supporting pillar of human capital development for the finance sector, which in turn is vital for the national economy, and has become an established brand in the Kingdom as a world-class training provider focused on the development of the country's robust human resources.

With today's rapid market dynamics and advancements on many fronts, the BIBF strives to stay ahead of international trends such as digitization, technological innovation, and economic diversification amongst other trending topics.

During the year 2017, the institute's financials have reached a healthy stage. The role of vocational training providers revolves around their ability to effectively meet market demands through dynamic training programmes that enhance job performance and work environment.

The BIBF's distinct educational offering within the financial services industry has resulted in the creation of a highly talented human capital pool, providing the Kingdom with a competitive feature.

We look forward to more successful initiatives in 2018 and beyond.

Sincerely,

Rasheed Mohammed AlMaraj
Governor of the Central Bank of Bahrain (CBB)
Chairman of the Board of Directors (BIBF)



مصرف البحرين المركزي
Central Bank of Bahrain

BOARD OF DIRECTORS



H.E. Rasheed Al Maraj
Chairman,
Governor, Central Bank of Bahrain



Mr. Murad Ali Murad
Vice Chairman,
Chairman, Bank of Bahrain & Kuwait



Mr. Abdulhakeem Alkhayyat
Managing Director & CEO,
Kuwait Finance House – Bahrain



Mr. Adnan Yousif
Chief Executive Officer,
Al Baraka Banking Group



Mr. Ashraf Bseisu
Group Chief Executive,
Solidarity Group



Dr. Huda Al Maskati
Executive Director,
Central Bank of Bahrain



Mr. Jean Christophe Durand
Chief Executive Officer,
National Bank of Bahrain



Dr. Khaled Kawan
Group Chief Executive Officer,
Arab Banking Corporation



Mr. Mahomed Akoob
Managing Director,
Hannover Retakaful BSC



Ms. Najla Al Shirawi
Chief Executive Officer,
Securities & Investment Company



Mr. Usman Ahmed
Chief Executive Officer,
Citi Bahrain



Mr. Yahya Nooruddin
Chief Executive Officer,
T'azur Company BSC



Mr. Yassir Al Baharna
Chief Executive Officer,
Arab Insurance Group

BOARD COMMITTEES

Audit Committee



Mr. Murad Ali Murad
Chairman of the Audit
Committee



Ms. Najla Al Shirawi



Mr. Yahya Nooruddin



Mr. Yassir Al Baharna

Nomination and Remuneration Committee NRC



Mr. Ashraf Bseisu
Chairman of the NRC
Committee



Dr. Huda Al Maskati



Mr. Jean Christophe Durand



Mr. Mahomed Akoob

New Building Committee



Mr. Adnan Yousif
Chairman of the New Building
Committee



Mr. Abdulhakeem Alkhayyat



Dr. Huda Al Maskati

DIRECTOR'S STATEMENT

It is with great pride that I present to you BIBF's accomplishments through the Annual Review Report for 2017. This report highlights many notable achievements reached at the BIBF. We are proud to celebrate these achievements and continue progress in the pursuit of enhanced programmes, research, bridging the training gaps and knowledge for thousands of Bahrainis in the workforce.

2017 marked an incredibly active year for the BIBF. This report celebrates those accomplishments, in addition to providing objective testimonials from our students and learners.

Over the past year, I have had the pleasure of watching the BIBF raise the bar for ourselves and for our vocational and academic training performance. While the market and all sectors remains a very demanding environment, the BIBF continued to invest in the quality of our training programmes to ensure the alignment of our training content with market requirements; aligning the required skillsets with working effectively and making an impact.

The BIBF is the home to an intellectual community with a distinctive history, built on the ideals of open discourse, rigorous inquiry and analysis, in addition to a diversity of perspective.

Many things make the BIBF special, but the core is not just a collection of required courses, it is the identity of the institute and the expression of our ideals.

Among those ideals is our commitment to offer relevant training opportunities with the excellence expected of the BIBF. Our success is derived from that mission centred on providing our learners with the opportunity to reach their potential and go beyond.

Although the BIBF is a not-for-profit organisation, profits are reinvested to improve the quality of our programmes and offerings. Our success is due to the dedication of our faculty, staff, and students who work day in and day out to advance the BIBF as a centre of thought leadership in various disciplines.

As we move forward in 2018 and beyond, I am proud of the BIBF's achievements of last year. With a strong community and a vibrant team, together we will continue our efforts to bridge the gap in training requirements and uphold our pursuit of excellence for all our trainees.

Thank you and I look forward to another amazing year at the BIBF

Sincerely,

Dr. Ahmed AbdulHameed AlShaikh

Director

Bahrain Institute of Banking and Finance (BIBF)



**Dr.
Ahmed
Al Shaikh**

BIBF
LEADING EXCELLENCE



Dr. Abdulla Al-Sada
Head of Leadership & Management,
Assessment & Development



Ahmed Naeemi
Head of Operations, IT & Project
Management



Amal Al Awadhi
Acting Head of Academic & Quality
Assurance Department



Amal Al Sorani
Head of Marketing & Corporate
Communications



Burhanu Deen Jayah
Head of Banking & Accounting



Farooq Abdulqader
Head of Registration



Jaideep Rana
Head of Finance



Manal Mashkooor
Head of Insurance



Meaad Al Awadhi
Head of Human Resources



Mujtaba Khalid
Head of Islamic Finance

MANAGEMENT TEAM

A nighttime photograph of a city skyline reflected in water. The most prominent feature is the two towers of the Burj Khalifa, illuminated with blue and purple lights. Other buildings are lit up in various colors, and their lights create a shimmering reflection on the water's surface. The sky is dark, and the overall scene is vibrant and modern.

**THE BIBF IS A PREMIER
PROVIDER OF
PERFORMANCE-BASED
TRAINING AND
DEVELOPMENT
SOLUTIONS, WITH A
PRIMARY FOCUS ON
CHANGE AND
INNOVATION**

CENTRE FOR **BANKING**

The Banking Centre at BIBF plays a pivotal role in the development of human capital for the financial services sector in Bahrain and across the wider region. It prides itself by maintaining a well-trained and quality workforce to sustain the growth of the banking and financial services industry in the island.

The Banking Centre revised many of its programmes to incorporate latest developments in the industry in line with the needs of the banking sector. It continues to improve its curriculum to bring in much needed change in the core subject areas of banking, in consultation with the regulators and practitioners to reshape the human capital towards a better institutional governance framework.





TRAINING COMPLIANCE WITH CBB RULEBOOK

100% of the CBB Rulebook content is now covered in the Banking Centre curriculum



TRAINING FOR CENTRAL BANKS

Organised by the BIBF, the US Federal Reserve delivered a course for Central Bank Supervisors in the region on "Risk Focused Supervision and Risk Assessment" Representatives from all GCC countries, Jordan and Egypt were also present at this Training Programme



INVESTMENT ACADEMY

Bahrain Bourse and the BIBF launched the "Investment Academy" to promote Capital Markets Training courses including the Dealing Room Simulation Courses



JUDGES TRAINING

The BIBF provided Banking & Finance Training for Bahraini Judges, chaired by the Chief Justice - Justice and Legal Studies Institute (JLSI)

LOCAL TRAINING

In 2017, The BIBF delivered training for the Bahrain Financial Sector on the following topics:

- AML
- AML for Trade Finance
- AML Refresher
- Trade Based Money Laundering
- Retail Credit
- ACI Dealing
- Trade Based Money Laundering
- Credit Risk Analysis

INTERNATIONAL TRAINING

The BIBF delivered a Customised Training Programme for Relationship Managers on various Banking related topics:

- AML Refresher
- AML for Trade Finance
- Structured Products in Trade Finance
- Treasury Products
- Bank Strategic Management Simulation
- Loan Restructuring
- Risk Management
- Project Finance
- Trade Finance for Relationship Managers
- Relationship Managers Programme
- Certificate in International Trade and Finance (CITF)
- Financial Risk Manager (FRM)



PROFESSIONAL QUALIFICATIONS OFFERED FOR THE BANKING SECTOR

ACAMS ANTI-MONEY LAUNDERING (AML) / COMBATING FINANCING OF TERRORISM (CFT)

ACAMS – Association of Certified Anti Money Laundering



CAPITAL MARKETS

- Series 7
- Series 79
- ACI Dealing Certificate



COMPLIANCE

- ICA International Diploma in Governance, Risk & Compliance
- Trade Based Money Laundering



RISK

- PRM
- APRM
- FFR

**The London Institute
of Banking & Finance**

TRADE FINANCE

- Certificate in International Trade and Finance (CITF)
- Certified Documentary Credit Specialists (CDCS)
- Certificate for Specialists in Demand Guarantees (CSDG)



SIMULATION COURSES

- Through BIBF's state-of-the-art Simulated Dealing Room, Trading & Financial Market Analysis Level 5 (QCF) Diploma was delivered in cooperation with Amplify Trading & London Institute of Banking & Finance (LIBF)
- Simulation courses on Bank and Financial Strategic Management through the BIBF's Dealing Room was also delivered for the College of Banking & Financial Studies (CBFS) Oman

EUROMONEY



EXECUTIVE SUITE OF COURSES

The BIBF also launched an Executive suite of courses with EuroMoney Learning including:

- Chief Compliance Officer Programme,
- Corporate Finance School
- Chief Risk Officer (CRO)
- Advanced Company Analysis & Financial Modeling
- Chief Financial Officer (CFO)

A woman wearing a black hijab and a dark blue long-sleeved shirt is sitting at a desk in a trading office. She is looking at two computer monitors. The left monitor displays a trading platform with various charts and data. The right monitor shows a grid of data. In the background, other people are working at their desks, and a man in a suit is standing. The office has a modern, professional look with multiple computer monitors and a clean environment.

I would highly recommend this Trading & Financial Market Analysis programme to anyone that is interested in entering the trading profession and consider this as an extra source of income. It is amazing to see and learn how the human psychology plays a big role in making steady positive returns. On top of all the professional learning experience, you get to keep 60% of your profit!

YOSRA QADMI
Showroom Manager
Manama Medical Equipment



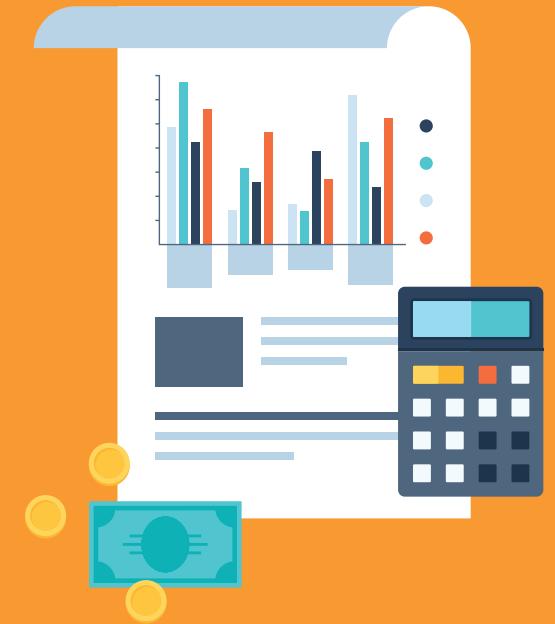
Joining the Trading & Financial Market Analysis programme at the BIBF was an amazing experience! The programme was very useful throughout its three phases, starting with the basics of trading to analysing the global markets and the different trading strategies. To enhance our practical part, we were provided a fully-leveraged account to trade with real monies, which gave us a great exposure to the actual financial market

HAMAD BUCHEERY

Manager - Treasury Sales
Al Ahli Bank

CENTRE FOR **ACCOUNTING & FINANCE**

The Centre for Accounting and Finance at BIBF excels in the fields of financial accounting, managerial accounting, internal auditing, financial modelling, performance management, fraud, professional ethics and International financial reporting standards (IFRS) among many other sub specialisations. The centre is focused on giving state of the art training solutions to its clients to enhance staff skills working in both the financial services sector and all other industry sectors.





INTERNAL AUDITING

CIA Training Courses delivered to:

- The Ministry of Education (Arabic Language)
- Bahrain Islamic Bank



GLOBAL ACHIEVEMENT

BIBF student – Manal Azim - achieves Global Prize for F9 – scoring 96% (Financial Management Paper) in addition to many other students achieving regional and local prizes in ACCA papers



IFRS MASTERCLASSES

IFRS 9, 15 and 16 Masterclasses have been launched to update the Financial Sector based on CBB guidelines



CFA GLOBAL PASS RATE

BIBF students exceed Global pass rates for CFA level 1 (BIBF batch achieving 60% pass rate against 43% Globally)

LOCAL TRAINING

The Centre for Accounting & Finance delivered Customised training to various institutions in Bahrain on the following topics:

- Financial Crime and Fraud Prevention
- Financial Crimes
- Financial modeling
- Accounting & Financial Analysis for Bankers
- IFRS 9 Financial instruments
- Islamic Accounting Standards
- Payroll
- Finance for Non-Finance Managers Training
- VAT Awareness Masterclasses
- Financial Statements Training
- Family Business Training



INTERNATIONAL TRAINING

Customised Training was also delivered to a number of institutions in Saudi Arabia, Kuwait, and Oman on Accounting-related topics such as:

- VAT Awareness
- Understanding Financial Statements
- Finance for Non Finance Managers
- IFRS 9 Financial Instruments
- Project Financing
- Financial Analysis & Forecasting
- Gap Analysis – IFRS 9 & IAS 39
- Understanding & Analyzing Financial Statements
- Trade & Working Capital Finance
- Financial Risk Manager (FRM)





Choosing to study ACCA at the BIBF played a great role in my career growth. I was able to achieve three local prizes (highest in Bahrain), two regional prizes (highest in the Middle East) and 1 global prize during my ACCA journey. I believe that these achievements would not have been possible had I not been studying at the BIBF because the quality of knowledge and resources that I was provided with played a notable role in these achievements

MANAL AZIM
ACCA Student Ambassador



I am glad that I started my ACCA journey at the BIBF, which is considered one of the most remarkable institutes in Bahrain. The ACCA programme helped me discover my strengths and pursue a career in which I can excel. I would definitely recommend this programme to my learning peers, as the quality of teaching is amazingly great at the BIBF and ACCA is an excellent career choice for professional accountants.

FARHEEN KADEEJA
ACCA

CENTRE FOR **INSURANCE**

The Centre for Insurance at BIBF has supplied the regional insurance industry with skilled, qualified human capital for over thirty years. Due to its unique relationship with the market, BIBF is able to identify the training needs of the industry and design quality, innovative solutions that cater to those needs.

The BIBF offers the Insurance industry a remarkable balance between localised applied theory and global best practices, along with internationally recognised professional qualifications in partnership with the world's leading awarding bodies and associations.





Chartered
Insurance
Institute
Standards. Professionalism. Trust.

CII ACCREDITATION

In 2017, the BIBF's Centre for Insurance achieved CII's accreditation up to September 2020, considered the highest credit in the MENA Region for Insurance Training



SIMULATION TRAINING

A simulation course on the Strategic Management of the Insurance Business was delivered in the BIBF Dealing Room in association with Oxyor - a global leader in financial simulation training

TAKAFUL TAKAFUL DIPLOMA PROGRAMME

In 2017, the BIBF provided the 1st of its kind Takaful Insurance Diploma integrating Islamic Insurance, Investment and Sharia Standards



DEVELOPMENT OF ARABIC MATERIAL

The Centre for Insurance has developed the Arabic material for the Associate Life Management Institute (ALMI) designation of Life Office Management Association (LOMA – USA)

LOCAL TRAINING

Customised Insurance Training was also offered in 2017 on the following topics :

- Home and Domestic Worker Insurance
- Preparation classes for the CII Diploma in Insurance (Dip CII) qualification

BIBF INTERMEDIATE INSURANCE DIPLOMA (BIID)

- Motor Insurance
- Medical Insurance
- Commercial Property & Business Interruption Insurances
- Personal Insurance

BIBF ADVANCED INSURANCE DIPLOMA (BAID):

- Liability Insurance
- Engineering Insurance
- Cargo and Goods in Transit Insurances
- Reinsurance
- Life Assurance

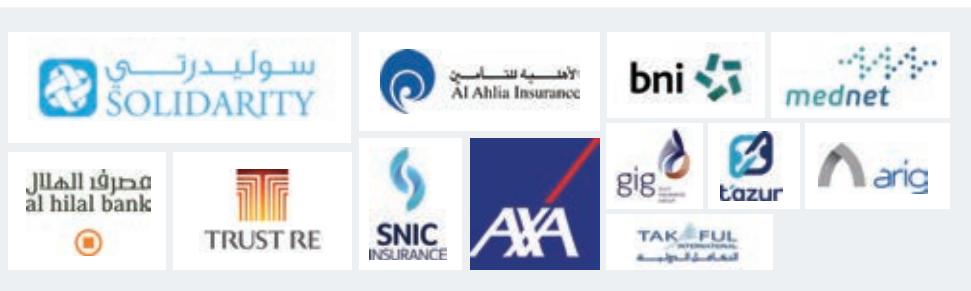
BIBF INSURANCE MANAGEMENT DIPLOMA (BIMD):

- Risk Management
- Insurance Corporate Management
- Insurance Marketing
- Advanced Underwriting
- Advanced Claims

INTERNATIONAL TRAINING

Various Insurance Training sessions were also offered to companies in Jordan, Oman, Saudi Arabia, and Kuwait on the topics below:

- Basic Underwriting
- Pricing for Non-Life Insurance
- Underwriting Policies and Strategies (Advanced)
- Preparation for the CII's Diploma in Insurance (Dip CII) qualification
- Preparation for IF3 Insurance Underwriting Process
- Preparation for IF4 Insurance Claims Handling Process
- Insurance Broker Skills
- Insurance Fraud
- Insurance Sales Skills
- Introduction to Insurance
- Managerial and Technical Skills
- Marine Insurance
- Reinsurance
- Underwriting Fundamentals





Achieving my Diploma in Insurance (DIP CII) at the BIBF was an excellent experience. The instructors were very cooperative and knowledgeable, which helped me pass all the subjects from the first attempt and develop my personal knowledge about Insurance. Being qualified by the CII has helped me build a better reputation as a high performing employee and improve my chances of climbing the corporate ladder

MAHMOOD KHALAF

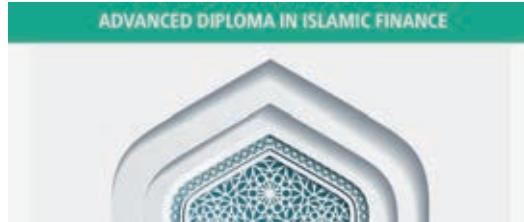
Senior Officer - Underwriting
Solidarity Al Ahlia Insurance

CENTRE FOR ISLAMIC FINANCE

The Centre for Islamic Finance focuses on operations, products, services and professional qualifications. The Centre offers the oldest Islamic finance professional qualification in the world - the Advanced Diploma in Islamic Finance (ADIF), which also is the only such Islamic finance qualification with a progression route into a UK MBA.

The Centre also provides advisory and technical services to clients wishing to structure Islamic products or gain access to the Middle East capital markets or who need governance and regulatory framework development assistance.





ADIF REGISTRATIONS

The year 2017 saw the highest number of registrations for the Advanced Diploma in Islamic Finance (ADIF) in the past 10 years

iStandards BIBF / AAOIFI eLearning Platform



SHARIA STANDARDS

The Centre for Islamic Finance developed e-Learning Modules for all 54 AAOIFI Sharia Standards, using animated videos and easy to grasp explanations on an online platform



MOU WITH AAOIFI

The BIBF signed an agreement to become the official training partner for AAOIFI - CIPA Programme

ADIF graduates now receive exemptions for two modules from the Certified Islamic Professional Accountant (CIPA) programme

LOCAL TRAINING

The Centre for Islamic Finance offered Customised training to various organisations in Bahrain on the following topics:

- Advanced Diploma in Islamic Finance (ADIF)
- Advanced Diploma in Islamic Commercial Jurisprudence (ADICJ)
- Risk Management
- Ethics & Governance



INTERNATIONAL TRAINING

The Centre for Islamic Finance offered Training to several International organisations including:

- The Astana International Financial Centre, under The Central Bank of Kazakhstan
- The Bangladesh Association of Banks
- Dubai's Legal Affairs Department (Training for expat lawyers)
- The Central Bank of Oman



BIBF TRAINING OUTSOURCED

In 2017, Training by the Centre for Islamic Finance was outsourced to:

- Bangor University, UK
- University of Bahrain





ISLAMIC FINANCE SIMULATION TRAINING

The Centre for Islamic Finance developed the first ever Islamic Banking Simulation Software.

This simulates the entire working of Islamic Banks including Treasury, Risk Management, & Non-compliance issues



ADIF DISTANT LEARNING

Also in 2017, the Content of the Advanced Diploma in Islamic Finance (ADIF) was developed as a Distant Learning Programme with the support of Waqf Fund

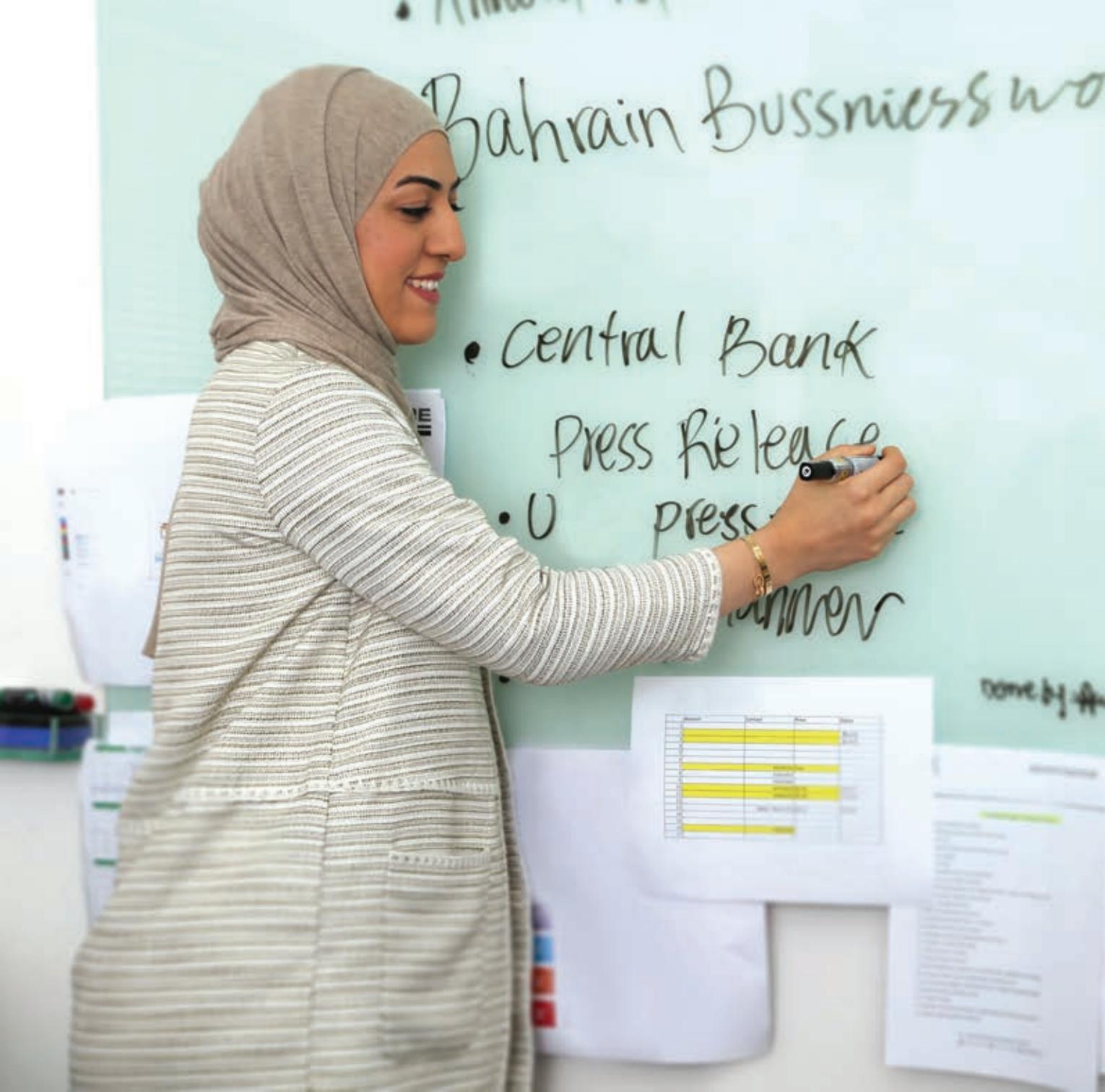


PARTNERSHIP FOR E-LEARNING

The BIBF signed an MOU with the Islamic Finance Services Board (IFSB) to collaborate on e-learning

THE BIBF IS THE ONLY INSTITUTE IN THE WORLD WORKING ON E-LEARNING WITH BOTH STANDARD SETTING BODIES:

- AAOIFI – SHARIA & ACCOUNTING STANDARDS
- IFSB – RISK MANAGEMENT STANDARDS



My experience with the ADIF programme at the BIBF was unforgettable. ADIF is considered one of the best qualifications, especially for those working in the Islamic Finance sector. Several years ago, when competition in the Islamic Finance industry was lower, you could potentially beat someone out with some knowledge and experience. Today however, professional qualifications are essential to pursue your career

MAI AL HAYKI

Vice President, Head of
Treasury & Capital Markets
Investrade Company BSC

CENTRE FOR

IT & PROJECT MANAGEMENT

The IT Centre aims to become a leading provider for innovative IT Training programmes. The BIBF offers a number of professional qualifications in addition to a range of standard training courses that cover various IT skills.

The Project Management Centre aims to provide learning opportunities to develop the essential skill of project management for all professions. Based on the belief that Project Management is for everyone, the BIBF offers various innovative training programmes that are tailored to the requirements of participants.





ECONOMIC DIVERSIFICATION FORUM

The Economic Diversification Forum was organised by the BIBF in cooperation with KHCB under the patronage of the EDB, with more than 500 participants, a distinguished panel of experts and speakers from around the world



AWS TRAINING PARTNER

The BIBF's Centre for IT & Project Management Launched the Amazon Web Services (AWS) Training Programmes



BLOCKCHAIN TRAINING

The BIBF organised the First Blockchain Symposium in Bahrain, which saw the registration of more than 200 participants, benefiting from the expertise of Blockchain experts from Russia



TEAM BUILDING ACTIVITIES

The BIBF organised a number of Team Building Activities arranged for various organisations with the aim of experiential learning and providing teams with a common platform to experience working together



CYBER SECURITY FORUM & EXPO

The BIBF held the Cyber Security Forum & Expo which included International Speakers and Experts in this field. The Workshops conducted had 400 participants. This event was held Under the Patronage of the Central Bank of Bahrain (CBB)

DURING THE FORUM, THE 1ST PROFESSIONAL QUALIFICATION IN THIS FIELD WAS LAUNCHED ENTITLED "MANAGING CYBER SECURITY FOR THE FINANCIAL SECTOR" WITH THE CHARTERED INSTITUTE OF INVESTMENTS & SECURITIES (CISI)

LOCAL TRAINING

Specialised IT Training was also offered to major organisations in Bahrain, on the following topics:

- Cyber Security
- Blockchain
- Project Management
- Dashboarding
- Business Intelligence



INTERNATIONAL TRAINING

Specialised IT Training was also offered to international organisations, on the following topics:

- AWS Programmes Training
- Project Management Fundamentals
- Cyber Security Awareness
- Information Security Awareness
- Oracle HRMS Training
- Project Management Team Building
- Working Smarter - Using Technology to your Advantage
- Cyber Attack Simulation
- Cyber Defense - The How and What





Getting my PMP certificate had a significant impact on the recognition from my management and colleagues, the thing that gives an impression of a promising promotion. I would absolutely advise my peers to take a PMP prep class at the BIBF, as I have found the BIBF a very convenient place to study, with all the facilities provided and the proficient selection of tutors

HUSAIN AL FARAJ

Web Developer
American Express

CENTRE FOR

LEADERSHIP & MANAGEMENT

The Leadership and Management courses are designed to improve competencies by developing the knowledge, skills and attitude of the participants, as well as ensuring a positive learning environment. The training workshops help participants fulfil their potential through effective training in areas including Leadership, Management, HR, Marketing, Team Building, Strategic Planning, Decision Making, Executive Workshops and Soft Skills. All BIBF courses provide valuable insights, proven to work in a “real world” environment.



RECRUITMENT ASSESSMENT SERVICES

Recruitment and Assessment services have also been offered for government and leading private sector organisations both in Bahrain and abroad



LEADERSHIP & PROFESSIONAL TRAINING FOR LOCAL ORGANISATIONS

Various Leadership & Professional Training programmes were offered to leading organisations in Bahrain





DISABILITY AWARENESS PROGRAMME

In 2017, the Second BIBF Simulated Disability Awareness Training course was delivered to Financial Institutions, emphasising the importance of serving people with special needs to provide appropriate services for them



BAPCO TRAINING

The BIBF offered customised English Language Training for BAPCO staff to support further Career Development opportunities

CPISP CANDIDACY PROGRAM

5TH CPISP BATCH

The Crown Prince International Scholarship Programme has completed its 5th year with the BIBF, with more than 80 candidates completing CMI level 3 training, in addition to their assessments

PROFESSIONAL QUALIFICATIONS OFFERED IN 2017



CIM TRAINING

Chartered Institute of Marketing
Level 4, 6
100% pass rate achieved

EXCLUSIVE PROVIDER

CIPR

CIPR TRAINING

Chartered Institute of Public Relations

BIBF Students achieve **83.3%** pass rate
The BIBF is the exclusive Provider of the
CIPR Qualification in Bahrain



CMI TRAINING

Chartered Management Institute
Level 3, 5 and 7



ILM TRAINING

Institute of Leadership & Management
Level 3 and 5

PROFESSIONAL QUALIFICATIONS OFFERED IN 2017



Pearson

IDBE TRAINING

International Diploma in Business
English (IDBE)
Business English Programme



CSCP TRAINING

Certified Supply Chain Professional (CSCP)



CIPD TRAINING

Chartered Institute of Personnel Development
Level 3 & 5

Advanced level 7 programmes in HRM

**THE BIBF IS THE EXCLUSIVE PROVIDER FOR
CIPD LEVEL 7 IN BAHRAIN**



LEADERSHIP DEVELOPMENT PROGRAMME

33 candidates completed training in Leadership Development Programme at Darden School of Business, University of Virginia, which has been running for more than 20 years so far



AL SALAM BANK
Bahrain البحرين

SUCCESSION PLANNING

The BIBF has teamed up with Al-Salam Bank providing a customised Succession Planning Training Programme in cooperation with CASS Business School



BOARD OF DIRECTORS TRAINING

The BIBF provides a comprehensive top-level development programme specifically designed for Board Members





The CIM Level 6 programme allowed me to outperform my daily tasks at my current job, which also endorsed me to be considered for the next steps of my career revolving around strategic roles. Due to having the right resources such as instructors, studying materials, proper communications and clear guidance, I was able to perform well in all my assignments and score high marks

SAWSAN SHAKER

Marketing Communications Executive
InterContinental Hotels Group (IHG®)



Studying CIM Level 6 at the BIBF was a great experience, mainly because the programme instructor was exceptional. He made us much more passionate about Marketing and really understand how marketers can lead an organisation, today more than ever! If you are a passionate marketer and want to understand how Marketing can have a big impact on the business, this is the course for you

ANWAR AL ALI
Account Executive
Ogilvy & Mather



I found the CIPR programme enriching and incredibly helpful in reinforcing key concepts and questions to keep in mind when devising an effective communications plan. I would recommend this programme as offered through the BIBF to peers who are either beginning or re-entering a career in PR. My experience was made even more rewarding with the great support extended by BIBF's team throughout the duration of the course

MANAL SULAIBEEKH
Executive - Digital Services
Bahrain EDB

CENTRE FOR ACADEMIC STUDIES

At the undergraduate level the Centre for Academic Studies works with Bangor University and the University of London to bring international degrees in Banking, Accounting, Finance, Islamic Finance, Economics and Management. Besides that the centre offers the only International Foundation Programme that is accredited by UK-NARIC in Bahrain.

At the postgraduate level the BIBF works with top business schools in the United States and the UK to bring to Bahrain world class Master's programmes in Business Administration and Human Resources.





PRIFYSGOL
BANGOR
UNIVERSITY

UNDERGRADUATE PROGRAMME

- The BIBF Bangor University graduates included 8 First Class Honours and 3 major Bangor Business School Prizes
- The Bangor University Programme has Successfully received a 5 year revalidation of its programme in Bahrain
- The BIBF also obtained Full Confidence in the BQA Programme Within-College Review

UNDERGRADUATE STUDENTS' ACHIEVEMENTS

- Undergraduate students won 1st place in the CFA challenge (CFA Society)
- Undergraduate Students won 2nd place in Trade Quest conducted by the Bahrain Bourse



POSTGRADUATE MBA PROGRAMMES



The BIBF has been offering postgraduate degrees in collaboration with DePaul University for more than 17 years, including a Master of Business Administration (MBA) and a Master of Science in Human Resources (MSHR). DePaul is one of the top-ten largest private universities in the United States. Its MBA programme was ranked as "Tier One" in North America in The CEO Magazine's 2017 global business school rankings, and as number three in Chicago in Bloomberg Businessweek's 2015 "Best Business Schools" ranking. DePaul is well-known for the quality of its faculty and is accredited by the Association of Advance Collegiate Schools of Business (AACSB) which is a distinction that is earned by less than 5% of business schools globally



University of
Strathclyde
Business
School

The BIBF also works in partnership with Strathclyde University from the UK, bringing an MBA programme that is triple crowned to Bahrain (i.e. accredited by AMBA, EQUIS and AACSB). Strathclyde Business School is the winner of seven Times Higher Education Awards, including University of the Year 2012 and Business School of the Year 2016 and has a world-wide reputation for teaching and research excellence. The programme has been running very successfully since its inception at the BIBF in 2016, with about 100 students enrolled



I enjoyed the experience of obtaining my Banking and Finance BSc degree from Bangor University at the BIBF, especially the social connections made, the knowledge gained and the bonds created with various faculty members. I would definitely recommend this programme to my peers. Primarily because the majority of lecturers made the experience worthwhile. The investment into the student's educational journey was what kept me motivated, on a personal level

ABDULLA AL SHAMLAN
Mubasher Financial Services
Assistant Broker

SUPPORT SERVICES MILESTONES

The BIBF's campus is equipped with the latest technologies and facilities, enabling the right environment for learning and development. We have invested significantly to enhance the student experience and to help students perform at their best. Students and learners will benefit from our modern facilities and our commitment to excellence in teaching and learning.

We are constantly updating our information technology and provide around-the-clock support through our online learning environment.





PLANS OF THE NEW BIBF BUILDING

The Board of Directors of the BIBF approved the blueprints for the Institute's new iconic building. This project represents an important milestone in the development of Bahrain's financial services sector and in the development of the national economy in general. The BIBF plays a vital role in positioning the Kingdom as a centre for excellence and professional development in the region



The project includes a master building consisting of 9 floors, with more than 50 lecture halls and a state-of-the-art auditorium that can accommodate more than 400 attendees, a car park building, with latest technology, quality and environmental protection standards



TRAIN THE TRAINER

Training is regularly conducted for Full Time and Part Time Trainers, to keep them abreast of latest trends and technology and to assure the Quality of the teaching at the BIBF is top notch



CAFÉ & STUDENT LOUNGE REVAMP

Both the Café and the Student Lounge have been upgraded as service areas for learners



BEST HR PRACTICE

The BIBF received the Gold Award of Excellence for Best HR Practices in 2017

OPEN SEMINARS CORPORATE SOCIAL RESPONSIBILITY



As part of its Corporate Social Responsibility Strategy, the BIBF regularly conducts free of charge specialised seminars and Masterclasses on Trending topics, delivering Thought-leadership and awareness on Research, Insurance, Technology and Islamic Finance.

[tech talks](#)

[islamic finance talks](#)

[research talks](#)

[insurance talks](#)



TRAINING MANAGERS ANNUAL MEETING

Keeping in touch with Market requirements, the BIBF conducted the Training Managers Meeting, which is also held annually to address training requirements & improvement opportunities of various organisations within different sectors.



FINANCIAL STATEMENTS



Bahrain Institute of Banking and Finance

FINANCIAL STATEMENTS

31 DECEMBER 2017

Chairman	H.E. Rasheed Mohammed Al Maraj
Director	: Ahmed Abdulghani Al Shaikh
Office	: Building 1456 Road 4034, Block 340, Juffair P.O.Box 20525 Kingdom of Bahrain Tel: 1781 5555 Fax: 1772 9928
Bankers	: Al Salam Bank BSC Kuwait Finance House BSC Ithmar Bank BSC Khaleeji Commercial Bank BSC Bank of Bahrain and Kuwait BSC National Bank of Kuwait National Bank of Bahrain BSC Al Baraka Islamic Bank BSC (c)
Auditors	: KPMG Fakhro

FINANCIAL STATEMENTS
For the year ended 31 December 2017

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Audit
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Kingdom of Bahrain

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Fax +973 17 227443
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CR No. 6220

INDEPENDENT AUDITORS' REPORT TO THE CHAIRMAN

Bahrain Institute of Banking and Finance
Juffair, Kingdom of Bahrain

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Bahrain Institute of Banking and Finance (the "Institute"), the which comprise the statement of financial position as at December 31, 2017, and the statement of income and expenses and other comprehensive income, statement of accumulated surplus and statement of cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Institute as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of the Institute for the year ended 31 December 2016 were audited by another auditor who expressed an unmodified opinion on these financial statements on 25 April 2017.

Other information

The board of directors is responsible for the other information. The other information comprises the Annual Report. The Annual Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the board of directors for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE CHAIRMAN (continued)

*Bahrain Institute of Banking and Finance
Juffair, Kingdom of Bahrain*

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



KPMG Fakhro
Partner Registration No. 136
24 April 2018

STATEMENT OF FINANCIAL POSITION
As at 31 December 2017

Bahraini Dinars

	Note	2017	2016
ASSETS			
Non-current assets			
Property, furniture and equipment	5	262,492	692,660
Long - term bank deposits		531,975	5,771,067
Total non-current assets		794,467	6,463,727
Current assets			
Tuition fees and levy receivables	6	3,558,038	512,858
Other receivables	7	633,860	445,628
Short - term bank deposits		13,368,025	7,463,500
Cash and cash equivalents	8	1,268,475	823,327
Total current assets		18,828,398	9,245,313
Total assets		19,622,865	15,709,040
ACCUMULATED FUNDS AND LIABILITIES			
Accumulated Funds			
Accumulated surplus		14,627,278	13,157,147
Total accumulated funds (page 5)		14,627,278	13,157,147
Liabilities			
Non-current liabilities			
Staff saving scheme	9	595,917	562,744
Provision for employees' leaving indemnities	10	231,302	258,695
Total non-current liabilities		827,219	821,439
Current liabilities			
Accounts payable		101,689	344,123
Accruals and other payables	11	4,066,679	1,386,331
Total current liabilities		4,168,368	1,730,454
Total liabilities		4,995,587	2,551,893
Total accumulated funds and liabilities		19,622,865	15,709,040



H.E. Rasheed Mohammed Al Maraj
 Chairman



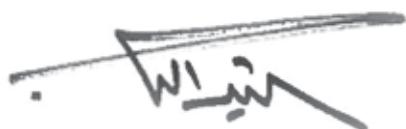
Ahmed Abdulghani Al Shaikh
 Director

STATEMENT OF INCOME AND EXPENSES AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2017

Bahraini Dinars

	Note	2017	2016
INCOME			
Tuition fees	13	4,452,796	3,577,885
Direct tuition costs	14	(1,355,093)	(1,144,514)
Net tuition fees		3,097,703	2,433,371
Levy		2,215,044	2,175,052
Contribution		15,000	15,000
Financial income		478,043	376,649
Other income		8,619	62,900
Total Income		5,814,409	5,062,972
Staff costs	15	(3,319,966)	(3,550,653)
General and administrative expenses	16	(504,024)	(581,000)
Depreciation		(211,654)	(205,322)
Provision for impairment- net		(44,630)	35,607
Total expenses		(4,080,274)	(4,301,368)
Net operating surplus before non- recurring impairment of assets		1,734,135	761,604
Impairment of capital work in progress		(264,004)	-
Surplus for the year		1,470,131	761,604
Other comprehensive income		-	-
Total comprehensive income for the year		1,470,131	761,604



H.E. Rasheed Mohammed Al Maraj
Chairman



Ahmed Abdulghani Al Shaikh
Director

STATEMENT OF ACCUMULATED SURPLUS
For the year ended 31 December 2017

Bahraini dinars

	2017
At 1 January	13,157,147
Surplus for the year	1,470,131
At 31 December	14,627,278

	2016
At 1 January	12,395,543
Surplus for the year	761,604
At 31 December	13,157,147

STATEMENT OF CASH FLOWS
For the year ended 31 December 2017

Bahraini Dinars

	Note	2017	2016
OPERATING ACTIVITIES			
Surplus for the year		1,470,131	761,604
Adjustment for:			
Depreciation	5	211,654	205,322
Impairment of capital work in progress		264,004	-
Financial income, net of allocation to staff saving scheme		(478,043)	(376,649)
Provision for impairment - net	6	44,630	(35,607)
Provision for employees' leaving indemnities	10	70,799	62,202
		1,583,175	616,872
Changes in operating assets and liabilities:			
Tuition fees and levy receivables		(3,089,812)	992,963
Prepayments and other assets		(188,231)	46,903
Trade payables		(242,434)	58,560
Accruals and other liabilities		2,680,348	221,944
Cash from operations		743,046	1,937,242
Employees' leaving indemnities paid		(98,192)	(59,710)
Net change in staff saving scheme		33,172	(5,943)
		678,026	1,871,589
Cash flows generated from operating activities			
INVESTING ACTIVITIES			
Payments for acquisition of property, plant and equipment		(45,488)	(94,683)
Financial income received		478,043	526,123
Movement in bank deposits		(665,433)	(2,202,123)
		(232,878)	(1,770,683)
		445,148	100,906
Net increase in cash and cash equivalents			
Cash and cash equivalents at 1 January		823,327	722,421
Cash and cash equivalents at 31 December	8	1,268,475	823,327

1 STATUS AND OPERATIONS

Bahrain Institute of Banking and Finance (the "Institute") was formed in the Kingdom of Bahrain by the approval of the Specific Council for Vocational Training (Banking Sector). The Institute is an unregistered non-profit entity and commenced its first training year on 1 January 1980. Royal Decree Number 33 passed during October 2015 has transferred the responsibilities of the High Council for Vocational Training to the Labour Fund, Tamkeen. In October 2016, Decree number. 21 stipulated that the Institute will be under the supervisory authority of the Central Bank of Bahrain.

The Institute is to provides training to employees working in the financial sector of the Kingdom of Bahrain.

2 BASIS OF PREPARATION

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting standards.

b) Basis of measurement

The financial statements have been drawn up from the accounting records of the Institute under the historical cost convention.

c) Functional and presentation currency

Items included in the financial statements of the Institute are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Bahraini Dinars ("BD"), which is the Institute's functional and presentation currency. All financial information presented in Bahraini Dinars has been rounded to the nearest Bahraini Dinar.

d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are described in note 4.

e) New standards, amendments and interpretations effective on or after 1 January 2017

The new / revised standards, amendments and interpretations, which became effective on or after 1 January 2017, do not have any material impact on the Institute's financial statements.

NOTES TO THE 2017 FINANCIAL STATEMENTS

Bahraini Dinars

2 BASIS OF PREPARATION (continued)**f) New standards, amendments and interpretations issued but not yet effective**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2017, and have not been applied in preparing these financial statements. Those, which are relevant to the Institute, are set out below: The Institute does not plan to early adopt these standards.

(i) IFRS 15 - Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

The amendments can be applied prospectively so that prior periods do not have to be restated. Retrospective, or early, application is permitted if companies have the required information. The amendments are effective for annual periods commencing on or after 1 January 2018.

The Institute is currently performing an initial assessment of the potential impact of the adoption of IFRS 15 on its financial statements.

(ii) IFRS 9 - Financial Instruments

In July 2014, the International Accounting Standards Board issued the final version of IFRS 9 Financial Instruments.

IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. The Institute currently plans to apply IFRS 9 initially on 1 January 2018.

The actual impact of adopting IFRS 9 on the Institute's financial statements in 2018 is not known and cannot be reliably estimated because it will be dependent on the financial instruments that the Institute holds and economic conditions at that time as well as accounting elections and judgements that it will make in the future. The new standard will require the Institute to revise its accounting processes and internal controls related to reporting financial instruments and these changes are not yet complete.

(iii) IFRS 16 - Leases

IFRS 16 introduces a single, on-balance lease sheet accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard- i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial application of IFRS 16.

The amendments are not expected to have any material impact on the financial statements of the Institute.

The Institute does not plan to early adopt these standards.

3 SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been consistently applied by the Institute and are consistently applied during the reporting period.

a) Property, furniture and equipment

(i) Recognition and measurement

Items of property, furniture and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of the assets includes the cost of bringing the asset to its present location and condition and the consideration paid for acquiring the assets. An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount. When parts of an item of property, furniture and equipment have different useful lives, they are accounted for as separate items (major components) of property, furniture and equipment.

When an asset is sold or otherwise retired, the cost and related accumulated depreciation are removed from the accounts and any resultant gain or loss of an item of property, furniture and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, furniture and equipment and are recognised net within "other income" in the statement of income and expenses

(ii) Subsequent expenditure

Expenditure incurred to replace a component of an item of property, furniture and equipment that is accounted for separately, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, furniture and equipment. All other expenditure is recognised in the statement of income and expenses as an expense as incurred.

The cost of replacing part of an item of property, furniture and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Institute and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

(iii) Depreciation

Depreciation is charged to the statement of income and expenses on a straight-line basis over the estimated remaining useful lives of items of property, furniture and equipment. The estimated useful lives are as follows:

Asset categories	Estimated useful life in years
Buildings	20
Furniture and fixtures	5 - 7
Machinery and equipment	3 - 5
Training material	3
Motor vehicles	5

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

NOTES TO THE 2017 FINANCIAL STATEMENTS

Bahraini Dinars

3 SIGNIFICANT ACCOUNTING POLICIES (continued)*(iv) Capital work-in-progress*

Capital work-in-progress represented design costs of a building in Bahrain Financial Harbour.

b) Non-derivative financial instruments

The Institute deals only in non-derivative financial instruments. Non-derivative financial instruments comprise, tuition fee and other receivables, levy receivables, cash and cash equivalents, bank deposits, accounts and other payables.

(i) Receivables

Fee and other receivables are initially recorded at invoiced amount which represents the fair value of services rendered. Subsequent to initial recognition, tuition fee and other receivables are stated at cost, being the fair value, less any impairment allowance.

(ii) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and bank balances

(iii) Payables

Liabilities for payables are recognised on an accrual basis for the amounts to be paid for goods or services received, whether billed by the supplier or not.

(iv) Other non-derivative financial instruments

Other non-derivative financial instruments are measured at cost due to the short term nature of these instruments.

c) Employee benefits

Short-term employee benefits are recognised in the statement of comprehensive income on an accrual basis.

Pensions and other social benefits for *Bahraini employees* are covered by the Social Insurance Organisation's scheme to which employees and employers contribute monthly on a fixed-percentage-of-salaries basis. The Institute's contribution to this scheme, which represents a defined contribution scheme under International Accounting Standards 19 – Employee Benefits, is expensed as incurred.

Expatriate employees are entitled to leaving indemnities payable under the Bahrain Labour Law for the Private Sector - Law no. (36) of 2012, based on length of service and final remuneration. Provision for this unfunded commitment which represents a defined benefit plan under International Accounting Standards 19 – Employee Benefits has been made by calculating the notional liability had all employees left at the reporting date.

Staff saving scheme

The Institute operates a staff saving scheme. The employee and the Institute contribute a minimum of 5% each based on the employee's current monthly basic salary. Financial income is calculated based on the respective term deposit rates for each year.

d) Provisions

A provision is recognised in the statement of financial position when the Institute has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

NOTES TO THE 2017 FINANCIAL STATEMENTS

Bahraini Dinars

3 SIGNIFICANT ACCOUNTING POLICIES (continued)**e) Revenue recognition**

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Institute and the amount of the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable from services provided in the normal course of business.

- Tuition fees income is recognised as and when the services are provided.
- Contributions are recognised when the right to receive payment is established.
- Levy and financial income are recognised as they accrue.
- Interest income from bank deposits is recognised on accrual basis
- Income from other services is recognised when the services are provided.

f) Operating leases

An operating lease is a lease other than a finance lease. Operating leases is recognised in the statement of income and expenses on a straight line basis over the lease term.

g) Foreign currency transactions

Transactions in foreign currencies are translated to Bahraini Dinars at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Bahraini Dinars at the foreign exchange rate ruling at that date. All foreign exchange differences arising on conversion and translation are recognized in the statement of income and expenses

h) Impairment*(i) Financial assets*

Each financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial assets is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flow of that asset. If any such evidence exists, the asset's recoverable amount is estimated and impairment loss is recognised whenever the carrying amount of an asset exceeds its estimated recoverable amount. All impairment losses are recognised in the statement of income and expenses

(ii) Non-financial assets

The carrying amounts of the Institute's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its estimated recoverable amount. All impairment losses are recognised in the statement of income and expenses

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements includes:

a) Useful life and residual value of property, furniture, equipment

The Institute reviews the useful life and residual value of the property, furniture, equipment and investment properties at each reporting date to determine whether an adjustment to the useful life and residual value is required. The useful life and residual value is estimated based on the similar assets of the industry, and future economic benefit expectations of the management.

b) Impairment of receivables

The Institute reviews the carrying amounts of the receivables at each reporting date to determine whether the receivables have been impaired. The Institute identifies the receivables, which have been impaired based on among other factors, the age of the receivables, the receivables recoverable amount is estimated based on past experience and estimated cash flows.

NOTES TO THE 2017 FINANCIAL STATEMENTS

Bahraini Dinars

5 PROPERTY, FURNITURE AND EQUIPMENT

	Building and leasehold improvements	Furniture and fixtures	Machinery and equipment	Training material	Motor vehicles	Capital work-in-progress	2017	2016
Cost								
At 1 January	1,778,704	652,008	1,226,342	218,621	35,250	264,002	4,174,927	4,080,244
Additions	-	2,842	42,646	-	-	-	45,488	94,683
Disposals	-	(294,133)	(726,006)	-	-	-	(1,020,139)	-
Written - off	-	-	-	-	-	(264,002)	(264,002)	-
At 31 December	1,778,704	360,717	542,982	218,621	35,250	-	2,936,274	4,174,927
Depreciation								
At 1 January	1,609,174	592,758	1,037,261	218,621	24,453	-	3,482,267	3,276,945
Charge for the year	37,474	31,325	135,805	-	7,050	-	211,654	205,322
Disposals	-	(294,133)	(726,006)	-	-	-	(1,020,139)	-
At 31 December	1,646,648	329,950	447,060	218,621	31,503	-	2,673,782	3,482,267
Net carrying value	132,056	30,767	95,922	-	3,747	-	262,492	692,660

NOTES TO THE 2017 FINANCIAL STATEMENTS

Bahraini Dinars

5 PROPERTY, FURNITURE AND EQUIPMENT (continued)

The existing building is constructed on a plot of land donated by H. R. H. Prince Khalifa Bin Salman Al Khalifa, the Prime Minister on behalf of the Government of the Kingdom of Bahrain and is registered in the name of the Central Bank of Bahrain. No rental is charged to the Institute.

Capital work-in-progress represented design costs of a building in Bahrain Financial Harbour, and were stated net of costs written-off during 2015 amounting to BD 1,216,850 following decision of management to re-design the building to better accommodate the logistical needs and financial means of the Institute. Subsequent to the year end, the Board has approved a new plan for the building and has therefore written off the remaining balance of capital work-in-progress retrospectively at 31 December 2017.

6 TUITION FEE AND LEVY RECEIVABLES

	2017	2016
Tuition fee receivables	1,099,385	779,870
Levy receivable	2,983,263	244,853
Less: Impairment allowance	(524,610)	(511,865)
	3,558,038	512,858

The movement in impairment allowances in respect of tuition fees and levy receivables during the year is as follows:

	2017	2016
At 1 January	511,865	639,109
Charge during the year against levy receivable	41,744	-
Charge during the year against tuition fees receivable	2,886	-
write-back of tuition fees receivable during the year	-	(35,607)
Written off during the year	(31,885)	(91,637)
At 31 December	524,610	511,865

7 OTHER RECEIVABLES

	2017	2016
Interest receivables	364,358	182,193
Blocked margin against bank guarantees	169,653	172,604
Prepaid expenses	72,626	68,895
Advance to staff	19,829	19,767
Others	7,394	2,169
	633,860	445,628

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8 CASH AND CASH EQUIVALENTS

	2017	2016
Cash in hand	1,075	1,000
Cash at bank	1,267,400	822,327
	1,268,475	823,327

9 STAFF SAVING SCHEME

	2017	2016
At 1 January	562,744	568,687
Financial income	29,181	22,231
Charge for the year - employees	82,106	85,239
Charge for the year – BIBF (note 15)	82,106	81,867
Payments during the year	(160,220)	(195,280)
At 31 December	595,917	562,744

The Institute started a saving scheme program in January 2003 where the Institute contributes an amount equal to 5% of each employee's monthly salary in addition to the 5% contribution by each employee after the completion of the first five years of employment. Partial payment is made by the Institute for employees who resign before completing five years of employment. The Institute allocates financial income on the staff saving scheme on a basis decided by management annually. The underlying assets relating to the scheme are included in the balances with banks (deposits).

10 PROVISION FOR EMPLOYEES' LEAVING INDEMNITIES

	2017	2016
At 1 January	258,695	256,203
Charge for the year	70,799	62,202
Paid during the year	(98,192)	(59,710)
At 31 December	231,302	258,695

11 ACCRUALS AND OTHER PAYABLES

	2017	2016
Unearned revenue	3,218,552	557,784
Bonus and other staff related accruals	617,541	561,062
Due to levy payers	85,187	155,144
Esterad - BIBF fund	27,684	27,684
Students refundable deposits	5,260	5,460
Others	112,455	79,197
	4,066,679	1,386,331

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12 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties comprise the Directors of the Institute.

Transactions with key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute. The key management personnel comprise the Institute's directors and their compensation during the year was as follows:

	2017	2016
Salaries and other short-term benefits	368,768	364,923
Post-employment benefits, including staff saving scheme	25,321	35,997
	394,089	400,920

13 TUITION INCOME

	2017	2016
Professional courses	3,054,613	2,368,477
Special courses	829,981	632,281
Public courses	237,563	190,048
External courses	215,790	204,162
Other courses	114,849	182,917
	4,452,796	3,577,885

14 DIRECT TUITION COSTS

	2017	2016
Professional courses	879,569	656,890
Special courses	240,524	177,972
External courses	87,815	83,376
Public courses	77,630	76,515
Other courses	69,555	149,761
	1,355,093	1,144,514

15 STAFF COSTS

	2017	2016
Salaries	2,037,453	2,198,174
Bonus	563,000	495,452
Contribution to staff saving scheme (note 9)	82,106	81,867
Provision for employees' end of service benefits	70,990	62,202
Other benefits	566,417	712,958
	3,319,966	3,550,653

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19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

31 December 2016

	Loans and receivables	Financial liabilities at amortised cost	Total carrying amount
Assets			
Tuition fee and levy receivables	512,858	-	512,858
Other receivables (excluding prepayments)	376,733	-	376,733
Bank deposits	7,463,500	-	7,463,500
Cash and cash equivalents	823,327	-	823,327
	9,176,418	-	9,176,418
Liabilities			
Accounts payable	-	344,123	344,123
Accruals and other payables	-	1,386,331	1,386,331
	-	1,730,454	1,730,454

The Institute has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Institute's exposure to each of the above risks, the Institute's objectives, policies and processes for measuring and managing risk. The note also presents certain quantitative disclosures in addition to the disclosures throughout the financial statements.

The Board of directors has overall responsibility for the establishment and oversight of the Institute's risk management framework.

The Institute's risk management policies are established to identify and analyse the risks faced by the Institute, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Institute's activities.

The accounting policies for financial assets and liabilities are described in note 3.

a) Credit risk

Credit risk is the risk that one party to the financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Institute is exposed to credit risk on tuition fees and levy receivables, other receivables, bank deposits and cash and cash equivalents.

(i) The Institute's exposure to credit risk is influenced mainly by the individual characteristics of each student. Geographically the concentration of credit risk is in the Kingdom of Bahrain and as majority of the customers are based in Bahrain, hence having less of an influence on the geographical credit risk;

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19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) The creditworthiness of each customer is evaluated prior to sanctioning credit facilities. Credit review procedures are in place to identify at an early stage exposures, which require more detailed monitoring and review. Appropriate procedures for follow-up and recovery are in place to monitor the credit risk.

(iii) The Institute limits its exposure to credit risk on bank balances by maintaining balances with banks of good repute and the Institute does not expect any bank to fail to meet its obligations.

The maximum exposure to credit risk at the reporting date was:

	2017	2016
Tuition fee and levy receivables	3,558,038	512,858
Other receivables (excluding prepayments)	561,234	376,733
Bank deposits	13,900,000	13,234,567
Bank balances	1,267,400	822,327
	19,286,672	14,946,485

The ageing of the tuition fee and levy receivables at the reporting date was:

	Gross 2017	Impairment 2017	Gross 2016	Impairment 2016
Not past due (0 - 60 days)	3,262,057	-	102,430	-
Past due but not impaired (61 days and above)	295,981	-	410,428	-
Past due and impaired	524,610	524,610	511,865	511,865
	4,082,648	524,610	1,024,723	511,865

Until the date of approval of the financial statements, BD 932,133 out of the total tuition and levy fee receivables of BD 4,082,648 (2016: BD 1,024,723) have been realised and the management of the Institute is confident, based on past experience, that an allowance for impairment of BD 524,610 (2016: BD 511,865) is adequate.

b) Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in raising funds to meet commitments associated with financial instruments.

The Institute's approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Institute's reputation.

The following are the contractual maturities of financial liabilities including interest payments, if any:

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19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

2017	Carrying amount	Contractual undiscounted cash flows	6 months or less
Accounts payable	101,689	101,689	101,689
Accruals and other payables	4,066,679	4,066,679	4,066,679
At 31 December	4,168,368	4,168,368	4,168,368

2016	Carrying amount	Contractual undiscounted cash flows	6 months or less
Accounts payable	344,123	344,123	344,123
Accruals and other payables	1,386,331	1,386,331	1,386,331
At 31 December	1,730,454	1,730,454	1,730,454

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Institute's income or the value of its holdings of financial instruments.

(i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Institute's exposure to foreign currency risk is minimised as transactions are in Bahraini Dinars and other GCC currencies.

(ii) Interest/ profit rate risk

Interest /profit rate risk is the risk that the Institute's earnings will be affected as a result of fluctuations in the value of financial instruments due to changes in market interest/ profit rates.

The effective interest/ profit rate on this is as follows:

	2017	2016
Bank deposits	2.20% - 4.50%	2.20% - 4.50%

Fair value sensitivity analysis for variable rate instruments

The Institute does not account for any financial assets or financial liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss. A change in 100 basis points in interest rate in interest/ profit bearing financial instruments would have increased/ (decreased) equity by BD 139,000 (2016: BD 132,346). This analysis assumes that all other variables remain constant.

Fair value sensitivity analysis for fixed rate instruments

The Institute does not account for any fixed rate financial liabilities at fair value through the statement of comprehensive income. Therefore a change in interest rates at the reporting date would not affect the statement of comprehensive income. Increase or decrease in equity resulting from variation in interest rates is not expected to be significant.

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19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**(iii) Other market price risk**

Other market rate risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factor specific to the individual financial instruments or its issuers, or factors affecting all similar financial instrument traded in the market. The Institute does not face any significant other market risk on its financial instruments.

d) Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Institute has access at that date. The fair value of a liability reflects its non-performance risk.

Underlying the definition of fair value is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

The fair values of financial assets and liabilities of the Institute are not materially different from their carrying values due to their short term in nature.

20 COMPARATIVES

The previous year's figures have been regrouped wherever necessary, in order to conform to the current year's presentation. Such regrouping does not affect previously reported total equity or total comprehensive income.