



AUDITORS' REPORT TO THE MEMBERS

The Members
Bahrain Transparency Society
Manama - Bahrain

We have audited the balance sheet of **BAHRAIN TRANSPARENCY SOCIETY** - Manama, Bahrain as at December 31, 2010 and related statements of Income & Expenditure and Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the managing committee of the society. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing Standards. Those Standards require that we plan and perform the 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 statements' 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 **BAHRAIN TRANSPARENCY SOCIETY** as at December 31, 2010, and of the results of its operations and its cash flows for the year then ended, in accordance with International Financial Reporting Principles.

Furthermore, in our opinion, and to the best of our knowledge and belief, no violations of the Amiri Decree No (21) for the year 1989 of Social and Cultural for Societies and Clubs, occurred during the year ended December 31, 2010 that might have had a material adverse effect on the business of the society or on its financial position

NABEEL AL SAIE - PUBLIC ACCOUNTANTS

NABEEL A AL SAIE

Manama - Bahrain
June 02, 2011

BAHRAIN TRANSPARENCY SOCIETY
MANAMA - BAHRAIN


EXHIBIT - A


BALANCE SHEET AS AT DECEMBER 31, 2010

(Amounts are expressed in Bahraini Dinars)

	<u>Note</u>	<u>2010</u>	<u>2009</u>
ASSETS EMPLOYED			
CURRENT ASSETS:			
Cash & Bank	- 3 -	30,974	33,188
Account receivable		-	2,025
		-----	-----
TOTAL CURRENT ASSETS		30,974	35,213
		-----	-----
CURRENT LIABILITIES:			
Others Accounts payable and accruals		2,749	972
		-----	-----
TOTAL CURRENT LIABILITIES		2,749	972
		-----	-----
NET CURRENT ASSETS		28,225	34,241
		-----	-----
FIXED ASSETS	- 2 (b) & 4 -	1,670	1,180
		-----	-----
TOTAL NET ASSETS		29,895	35,421
		=====	=====
FUNDS EMPLOYED:			
Capital Funds Balance - Exhibit B		29,850	34,876
Capital Reserve	- 5 -	545	545
		-----	-----
TOTAL FUNDS EMPLOYED		29,895	35,421
		=====	=====

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS


 Mr. Abdul Nabi Hassan Al Alkri
 (President)


 Mr. Sheraf Mohsin Al Moosa
 (Treasurer)

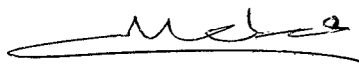
BAHRAIN TRANSPARENCY SOCIETY
MANAMA – BAHRAIN

EXHIBIT – B


STATEMENT OF INCOME, EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts are expressed in Bahraini Dinars)

INCOME	<u>Note</u>	<u>2010</u>	<u>2009</u>
Membership fee		930	445
Other Income		-	1,400
Work shop and seminar income		11,334	11,157
		-----	-----
		12,264	13,002
 EXPENSES	 - 7 -	 12,790	 (14,221)
		-----	-----
Excess of Income over (expenditure)		(5,526)	(1,219)
Fund balance - opening balance		34,876	36,095
		-----	-----
Fund balance at the end of the year - Exhibit A		29,350	34,876
		=====	=====

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS



Mr. Abdul Nabi Hassan Al Akri
(President)



Mr. Sheraf Mohsin Al Moosa
(Treasurer)


**BAHRAIN TRANSPARENCY SOCIETY
MANAMA – BAHRAIN**


EXHIBIT - C

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010**
(Amounts are expressed in Bahraini Dinars)

	<u>2010</u>	<u>2009</u>
OPERATING ACTIVITIES		
Excess of (expenditure) over Income	(5,526)	(1,219)
Add: non cash items :		
Depreciation	729	605
	<u>(4,797)</u>	<u>(614)</u>
Changes in working capital		
Increase / (Decrease) in accounts payable and accruals	1,777	(194)
Increase in account receivable	2,025	(2,025)
	<u>(995)</u>	<u>(2,833)</u>
FUNDS FROM INVESTING ACTIVITIES		
Assets Purchased	(1,219)	(410)
Net cash flow out from investing activities	<u>(1,219)</u>	<u>(410)</u>
Net changes in cash and cash equivalents	<u>(2,214)</u>	<u>(3,243)</u>
Cash and cash equivalents at the beginning of the year	33,188	36,431
Cash and cash equivalent at the end of the year	<u>30,974</u>	<u>33,188</u>
	=====	=====
Comprising : Cash & bank balance	<u>30,974</u>	<u>33,188</u>
	=====	=====

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS


Mr. Abdul Nabi Hassan Al Akri
(President)


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