DLALA BROKERAGE AND INVESTMENTS HOLDING COMPANY Q.S.C

CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2009

CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

Independent auditors' report to the shareholders of Dlala Brokerage and Investments Holding Company Q.S.C

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Dlala Brokerage and Investments Holding Company Q.S.C (the "Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2009 and consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The consolidated financial statements of the Group as at and for the year ended 31 December 2008 were audited by another auditor whose report dated 4 February 2009 expressed an unqualified audit opinion.

Responsibility of the Directors for the consolidated financial statements

The Directors of the Company are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 the International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of 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 our 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, we consider 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 principles 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 financial position of the Group as at 31 December 2009, and of its financial performance, its cash flows and the changes in its equity for the year then ended in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

In addition, in our opinion, the Group has maintained proper accounting records and the consolidated financial statements are in agreement therewith. We have reviewed the accompanying report of the board of directors and confirm that the financial information contained theron is in agreement with the books and records of the Group. We are not aware of any violations of the provisions of Qatar Commercial Companies law No.5 of 2002 or the terms of Articles of Association having occurred during the year which might have had a material effect on the business of the Group or its financial position as at 31 December 2009. Satisfactory explanations and information have been provided to us by the management in response to all our requests.

Ahmed Hussain
KPMG
Qatar auditor's registry no. 197

27 January 2010
Doha, State of Qatar

Dlala Brokerage and Investments Holding Company Q.S.C

Consolidated statement of financial position
As at 31 December 2009 In Qatari Riyals

	Note	2009	2008
ASSETS			
Current assets			
Cash and bank balances	4	**190,425,190**	248,249,388
Bank balances – customer funds	5	**309,340,333**	441,323,691
Due from customers	6	**31,693,500**	6,187,470
Due from Qatar Exchange		**8,000,450**	75,137,536
Other assets	7	**5,269,021**	3,595,329
Total current assets		**544,728,494**	774,493,414
Non-current assets			
Available-for-sale investments	8	**22,709,212**	28,535,520
Investment in associates	9	**-**	10,455,888
Property and equipment	10	**59,600,069**	64,738,230
Total non-current assets		**82,309,281**	103,729,638
Total assets		**627,037,775**	878,223,052
LIABILITIES AND EQUITY			
Current Liabilities			
Term loan – short term	11	**-**	3,931,800
Due to customers		**378,791,126**	578,704,047
Other liabilities	12	**31,013,003**	29,812,392
Total current liabilities		**409,804,129**	612,448,239
Non-current liabilities			
Provision for employees' end of service benefits		**1,009,127**	867,823
Term loan – long term	11	**-**	24,451,065
Total non-current liabilities		**1,009,127**	25,318,888
Total liabilities		**410,813,256**	637,767,127
EQUITY (page 8)			
Share capital	13	**200,000,000**	200,000,000
Legal reserve	14	**9,398,577**	9,398,577
Fair value reserve		**820,206**	(15,904,729)
Retained earnings		**5,964,658**	46,924,515
Total equity attributable to equity holders of the Company		**216,183,441**	240,418,363
Non-controlling interest		**41,078**	37,562
Total equity		**216,224,519**	240,455,925
Total equity and liabilities		**627,037,775**	878,223,052

The consolidated financial statements were approved by the Board of Directors and signed on its behalf by the following on 27 January 2010.

…………………………….	…………………………….	…………………………….
Chairman	Vice Chairman	CEO

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Consolidated statement of income
For the year ended 31 December 2009 In Qatari Riyals

	Note	2009	2008
Revenue			
Brokerage and commission income	15a	**67,005,297**	132,774,200
Brokerage and commission expense	15b	**(21,540,432)**	(41,073,972)
Brokerage and commission income, net		**45,464,865**	91,700,228
Finance income		**11,582,102**	8,046,631
Investment income	16	**4,743,218**	8,413,813
Reversal of provision for operational losses	12	**3,165,214**	-
Share of profit in associate		**-**	240,835
		64,955,399	108,401,507
Expenses			
General and administrative expenses	17	**(20,591,252)**	(24,560,167)
Staff costs	18	**(20,034,111)**	(28,131,224)
Provision for legal cases	19	**-**	(2,228,800)
Impairment of available-for-sale investments	8	**(15,161,421)**	(1,417,392)
Impairment of property and equipment	10	**(9,444,699)**	-
Finance costs		**(680,257)**	(1,559,092)
Total expenses		**(65,911,740)**	(57,896,675)
(Loss)/profit for the year		**(956,341)**	50,504,832
Attributable to			
Owners of the Company		**(959,857)**	50,494,326
Non-controlling interest		**3,516**	10,506
Total		**(956,341)**	50,504,832
(Loss)/earnings per share	20	**(0.05)**	2.52

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Dlala Brokerage and Investments Holding Company Q.S.C

Consolidated statement of comprehensive income
For the year ended 31 December 2009

In Qatari Riyals

	Note	2009	2008
(Loss)/profit for the year		**(956,341)**	50,504,832
Other comprehensive income			
Net change in fair value of available-for-sale investments	8	**2,610,834**	(13,838,488)
Net change in fair value of available-for-sale financial assets transferred to profit or loss	8	**13,390,618**	4,828,324
Cumulative change in fair value reserve transferred to statement of income on disposal of associate		**723,483**	-
Total other comprehensive income for the year		**16,724,935**	(9,010,164)
Total comprehensive income for the year		**15,768,594**	41,494,668
Attributable to			
Owners of the company		**15,765,078**	41,484,162
Non-controlling interest		**3,516**	10,506
Total comprehensive income for the year		**15,768,594**	41,494,668

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Dlala Brokerage and Investments Holding Company Q.S.C

Consolidated statement of changes in equity
For the year ended 31 December 2009

In Qatari Riyals

	Share Capital	Legal reserve	Fair value reserve	Retained earnings	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance at 1 January 2008	200,000,000	4,348,093	(6,894,565)	25,479,622	222,933,150	28,107	222,961,257
Total comprehensive income for the year							
Profit	-	-	-	50,494,326	50,494,326	10,506	50,504,832
Other comprehensive income							
Net change in fair value of available-for-sale investments	-	-	(13,838,488)	-	(13,838,488)	-	(13,838,488)
Net change in fair value of available-for-sale financial assets transferred to profit or loss	-	-	4,828,324	-	4,828,324	-	4,828,324
Total other comprehensive income	-	-	(9,010,164)	-	(9,010,164)	-	(9,010,164)
Total comprehensive income for the year	-	-	(9,010,164)	50,494,326	41,484,162	10,506	41,494,668
Dividend	-	-	-	(24,000,000)	(24,000,000)		(24,000,000)
Transfer to legal reserve	-	5,050,484	-	(5,049,433)	1,051	(1,051)	-
Balance at 31 December 2008	200,000,000	9,398,577	(15,904,729)	46,924,515	240,418,363	37,562	240,455,925
Balance at 1 January 2009	200,000,000	9,398,577	(15,904,729)	46,924,515	240,418,363	37,562	240,455,925
Total comprehensive income for the year							
Loss	-	-	-	(959,857)	(959,857)	3,516	(956,341)
Other comprehensive income							
Net change in fair value of available-for-sale investments	-	-	2,610,834	-	2,610,834	-	2,610,834
Net change in fair value of available-for-sale financial assets transferred to profit or loss	-	-	13,390,618	-	13,390,618	-	13,390,618
Cumulative change in fair value reserve transferred to statement of income on disposal of associate	-	-	723,483	-	723,483	-	723,483
Total other comprehensive income	-	-	16,724,935	-	16,724,935	-	16,724,935
Total comprehensive income for the year	-	-	16,724,935	(959,857)	15,765,078	3,516	15,768,594
Dividend	-	-	-	(40,000,000)	(40,000,000)	-	(40,000,000)
Transfer to legal reserve	-	-	-	-	-	-	-
Balance at 31 December 2009	**200,000,000**	**9,398,577**	**820,206**	**5,964,658**	**216,183,441**	**41,078**	**216,224,519**

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

Dlala Brokerage and Investments Holding Company Q.S.C

Consolidated statement of cash flows
For the year ended 31 December 2009 In Qatari Riyals

	Note	2009	2008
OPERATING ACTIVITIES			
(Loss)/profit for the year		**(956,341)**	50,504,832
Adjustments for:			
Depreciation	10	**5,632,662**	6,305,902
Finance income		**(11,582,102)**	(8,046,631)
Impairment of available-for-sale investments	8	**15,161,421**	1,417,392
Impairment on property and equipment	10	**9,444,699**	-
Provision for employees' end of service benefit		**456,172**	147,880
Profit on sale of available-for-sale investments and associate	16	**(2,792,119)**	(7,550,241)
Provision for legal cases	19	**-**	2,228,800
Finance costs		**680,257**	1,559,092
Reversal of provision for operational losses	12	**(3,165,214)**	-
Share of profit of associate	9	**-**	(240,835)
		12,879,435	46,326,191
Change in due from customers		**(25,506,030)**	267,719,105
Change in due from Qatar Exchange		**67,137,086**	(75,137,536)
Change in other assets		**(2,201,415)**	1,572,112
Change in customer funds		**131,983,358**	(83,584,802)
Change in due to customers		**(199,912,921)**	148,919,940
Change in due to Qatar Exchange		**-**	(117,158,136)
Change in other liabilities		**(1,894,602)**	11,491,925
Change in term deposits		**(80,000,000)**	-
Employees' end of service benefits paid		**(314,868)**	-
Net cash (used in)/from operating activities		**(97,829,957)**	200,148,799
INVESTING ACTIVITIES			
Proceeds from sale of available-for-sale investments		**8,795,756**	18,224,614
Proceeds from sale of associate		**11,842,073**	-
Purchase of property and equipment	10	**(9,941,740)**	(52,463,189)
Proceeds from sale of property and equipment		**2,540**	-
Finance income received		**12,109,825**	5,920,742
Net cash from/(used in) investing activities		**22,808,454**	(28,317,833)
FINANCING ACTIVITIES			
Dividend paid		**(33,739,573)**	(24,000,000)
Finance costs paid		**(680,257)**	(1,559,092)
(Repayment) / proceeds from loan	11	**(28,382,865)**	28,382,865
Net cash (used in)/ from financing activities		**(62,802,695)**	2,823,773
Net (decrease) / increase in cash and cash equivalents		**(137,824,198)**	174,654,739
Cash and cash equivalents at 1 January		**248,249,388**	73,594,649
Cash and cash equivalents at 31 December	4.1	**110,425,190**	248,249,388

The accompanying notes 1 to 26 form an integral part of these consolidated financial statements.

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Dlala Brokerage and Investments Holding Company (QSC) (the “Company”) is a Qatari Shareholding Company (Q.S.C.) incorporated in the State of Qatar on May 24, 2005 under Commercial Registration No.30670. The Company is governed by the provisions of the Qatar Commercial Companies law No. 5 of 2002, Qatar Exchange and Qatar Financial Markets Authority regulations. The Company together with its subsidiaries (together referred to as the "Group") is engaged in brokerage activities at the Qatar Exchange and in investment activities.

2 BASIS OF PREPARATION

a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the applicable requirements of Qatar Commercial Companies’ Law No. 5 of 2002.

The consolidated financial statements were authorised for issue by the Board of Directors on 27 January 2010.

b) Basis of measurement

The financial statements are prepared under the historical cost convention except for available-for-sale investments that have been measured at fair value. The accounting policies are consistent with those used in the previous year, except for certain disclosure changes noted in 2 d).

c) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 22.

d) Standards, amendments and interpretations issued

Standards, amendments and interpretations issued and effective on or after 1 January 2009

The following standards, amendments and interpretations have been issued and are effective for financial years beginning on or after 1 January 2009 and therefore, these have been adopted and applied in the preparation if these consolidated financial statements:

i) Determination and presentation of operating segments

As of 1 January 2009 the Group determines and presents operating segments based on the information that internally is provided to the CEO, who is the Group’s chief operating decision maker. This change in accounting policy is due to the adoption of IFRS 8 *Operating Segments*. Previously operating segments were determined and presented in accordance with IAS 14 *Segment Reporting*. The new accounting policy in respect of segment operating disclosures is presented as follows.

Comparative segment information has been re-presented in conformity with the transitional requirements of IFRS 8. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

2 BASIS OF PREPARATION (continued)

i) Determination and presentation of operating segments (continued)

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

ii) Presentation of financial statements

The Group applies revised IAS 1 Presentation of Financial Statements (2007), which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. This presentation has been applied in these consolidated financial statements as at and for the year ended 31 December 2009. Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

iii) Amendment to IFRS 7 Financial Instruments: Disclosures

The amendment to the standard requires an entity to provide a quantitative and qualitative analysis of those instruments recognised at fair value based on a three-level measurement hierarchy. Furthermore, for those instruments which have significant unobservable inputs (classified as Level 3), the amendment requires disclosures on the transfers into and out of Level 3, a reconciliation of the opening and closing balances, total gains and losses for the period split between those recognised in other comprehensive income, purchases, sales issues and settlements, and sensitivity analysis of reasonably possible changes in assumptions. In addition, disclosure is required of the movements between different levels of the fair value hierarchy and the reason for those movements. Finally, the standard amends the previous liquidity risk disclosures as required under IFRS 7 for non-derivative and derivative financial liabilities.

Entities are required to apply this amendment for annual periods beginning on or after 1 January 2009, with no requirement to provide comparatives on transition. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

iv) Improvements to IFRS (issued in May 2008)

Improvements to IFRS issued in May 2008 contained numerous amendments to IFRS that the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments effective for annual periods beginning on or after 1 January 2009 have been adopted by the Group and no material changes to accounting policies arose as a result of these amendments.

2 BASIS OF PREPARATION (continued)

d) Standards, interpretations and amendments issued (continued)

Standards, amendments and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2009, and have not been applied in preparing these consolidated financial statements. None of these are expected to have a material effect on the consolidated financial statements of the Group, with the exception of:

i) IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments,* published on 12 November 2009 as part of phase I of the IASB's comprehensive project to replace IAS 39, deals with classification and measurement of financial assets. The requirements of this standard represent a significant change from the existing requirements in IAS 39 in respect of financial assets. The standard contains two primary measurement categories for financial assets: amortised cost and fair value. A financial asset would be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. The standard eliminates the existing IAS 39 categories of *held to maturity, available for* sale and *loans and receivables.* For an investment in an equity instrument which is not held for trading, the standard permits an irrevocable election, on initial recognition, on an individual share-by-share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognised in other comprehensive income would ever be reclassified to profit or loss at a later date. However, dividends on such investments are recognised in profit or loss, rather than other comprehensive income unless they clearly represent a partial recovery of the cost of the investment. Investments in equity instruments in respect of which an entity does not elect to present fair value changes in other comprehensive income would be measured at fair value with changes in fair value recognised in profit or loss.

The standard requires that derivatives embedded in contracts with a host that is a financial asset within the scope of the standard are not separated: instead the hybrid financial instrument is assessed in its entirety as to whether it should be measured at amortised cost or fair value.

The standard is effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted. The Group is currently in the process of evaluating the potential effect of this standard.

ii) Improvements to IFRS (issued in April 2009)

Improvements to IFRS issued in April 2009 contained numerous amendments to IFRS that the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments are effective for annual periods beginning on or after 1 January 2010 with earlier adoption permitted. No material changes to accounting policies are expected as a result of these amendments.

3 SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been applied in the preparation of these consolidated financial statements:

(a) Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of Dlala Brokerage and Investments Holding Company Q.S.C and its subsidiaries as at and for the year ended 31 December 2009. The financial statements of the subsidiaries are prepared for the same year as the Company, using consistent accounting policies.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interest represents the portion of profit or loss and net assets not held by the Company and presented separately in the consolidated statement of income and within shareholders' equity in the consolidated statement of financial position separately from equity attributable to the equity holders of the Company.

The consolidated financial statements include the financial statements of Dlala Brokerage and Investments Holding Company Q.S.C and the following subsidiaries.

	Country of Incorporation	Percentage interest 2009	2008
▪ Dlala Brokerage W.L.L.	Qatar	99.98%	99.98%
▪ Dlala Islamic Brokerage W.L.L.	Qatar	99.98%	99.98%
▪ Dlala Real Estate L.L.C.	Qatar	100.00%	100.00%
▪ Dlala Investment Company L.L.C (Dormant).	Qatar	99.90%	99.50%
▪ Dlala International W.L.L (Dormant).	Qatar	99.50%	99.50%
▪ Dlala Information Technology S.P.C (Dormant)	Qatar	100.00%	-

(b) Foreign currency

i) Functional and presentation currency

The financial statements are presented in Qatari Riyals, which is the Company's functional and presentation currency.

ii) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. Non-monetary items measured in terms of historical costs in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income.

SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Revenue recognition

Brokerage and commission income is recognized when a sale or purchase transaction is completed and when the Group's right to receive the income has been established.

Dividend income is recognized when the right to receive is the income established. This is usually the ex-dividend date for equity securities. Interest income is accrued on a time apportioned basis, by reference to the principal outstanding and the effective interest rate applicable.

(d) Financial instruments

Financial instruments represent the Group's financial assets and liabilities. Significant financial assets include cash and bank balances, available-for-sale investments and certain other assets. Significant financial liabilities include customer accounts.

(i) Classification

Available-for-sale investments are financial assets that are not investments carried at fair value through the statement of income nor are held to maturity nor loans or receivables.

(ii) Recognition

The Group initially recognizes all financial assets and liabilities on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

(iii) Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Group also derecognizes certain assets when it charges off balances pertaining to the assets deemed to be uncollectable. The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

(iv) Measurement

Financial instruments are recognized initially at fair value plus, for instruments not at fair value through the statement of income, any directly attributable transaction costs. Subsequent to initial recognition, available-for-sale investments are measured at fair value. Gains and losses arising from a change in the fair value of available-for-sale investments are recognized in a separate fair value reserve in equity and when the investments are sold, impaired, collected or otherwise disposed of, the cumulative gain or loss previously recognized in the fair value reserve is transferred to the statement of income.

Cash and bank balances and amounts due from customers are carried at amortized cost in the balance sheet.

(e) Fair value

The fair value of the marketable financial assets represents the quoted bid price at the balance sheet date and in case of non availability of quoted prices for certain financial assets, fair value will be arrived at using suitable pricing models.

SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment (if any). Depreciation is computed using the straight-line method to write-off the cost of the assets over their estimated useful lives as follows:

Leasehold improvements	20%
Furniture and fixture	10%
Computers and software	20% - 33.33%
Office equipment	20%
Motor vehicles	20%

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their relevant amount.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of income in the year the asset is derecognised.

(g) Capital work in progress

This account represents work-in-progress on assets, which are carried at cost, less any recognized impairment loss. Upon the completion of the work, the balance of work performed is transferred to the relevant property and equipment category.

(h) Impairment

i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Impairment losses, if any, are recognized in the statement of income and reflected in an allowance account created for this purpose.

The Group determines that available-for-sale equity investments are impaired when there has been a ‘significant’ or ‘prolonged’ decline in the fair value below its cost. This determination of what is ‘significant’ or ‘prolonged’ requires judgment and is assessed based on qualitative and quantitative factors, for each available-for-sale investment separately. In making a judgment of impairment, the Group evaluates among other factors, evidence of deterioration in the financial health of the entity, impact of delay in execution, industry and sector performance, changes in technology and operational and financing cash flows.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the profit or loss, the impairment loss is reversed, with the amount of the reversal recognised profit or loss. However, any subsequent recovery in the impaired available-for-sale equity security is recognised in other comprehensive income.

SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Impairment (continued)

ii) Non-financial assets

The carrying amount of the Group's assets, other than financial assets, is reviewed at each balance sheet 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 recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses are recognized in the statement of income. Impairment losses are reversed only if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

(i) Employee end of service benefits

Non Qatari Employees

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' length of service and the completion of a minimum service period. The Group treats this obligation as a non-current liability.

Qatari Employees

With respect to the Qatari employees, the Group makes contributions to Government Pension Fund calculated as a percentage on the employees' salaries in accordance with the requirements of law No. 24 of 2002 pertaining to Retirement and Pensions. The Group's obligations are limited to the contributions which are expensed when due.

(j) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(l) Dividend

Dividends to shareholders are recognised as a liability in the period in which it is declared.

4. CASH AND BANK BALANCES

	2009	2008
Cash on hand	**23,114**	2,193
Fixed deposits	**137,500,000**	152,500,000
Call accounts	**26,055,898**	63,538,798
Current accounts	**26,846,178**	32,208,397
	190,425,190	248,249,388

Fixed deposits and call accounts represent short term placements with various banks, with effective interest rate ranging from 5.9% to 6.4%, and maturity upto 6 months.

4.1 CASH AND CASH EQUIVALENTS

	2009	2008
Cash on hand	**23,114**	2,193
Fixed deposits	**57,500,000**	152,500,000
Call accounts	**26,055,898**	63,538,798
Current accounts	**26,846,178**	32,208,397
	110,425,190	248,249,388

Fixed deposits within cash and cash equivalents represent the portion that matures within three months.

5. BANK BALANCES – CUSTOMER FUNDS

Customer funds represent bank balances for the customers, which the Group holds in trust until the customers commit those funds to the purchase of shares following which the Group transfers the committed funds to the Group's bank accounts and settles the transaction with the settlement authority.

6. DUE FROM CUSTOMERS

	2009	2008
Amounts due from customers	**35,723,770**	10,217,740
Less: Provision for doubtful debts	**(4,030,270)**	(4,030,270)
Net	**31,693,500**	6,187,470

The Group provides fully for all balances from its customers which are under legal cases. No interest is charged on overdue balances. The normal credit term for the Group is transaction day plus three days.

7. OTHER ASSETS

	2009	2008
Profit and interest accrued on time and call deposits	**1,598,165**	2,125,889
Prepayments and other debit balances	**3,670,856**	1,469,440
	5,269,021	3,595,329

8. AVAILABLE-FOR-SALE INVESTMENTS

	Quoted	Unquoted	Total
At Cost			
As at 1 January 2008	**48,916,897**	**5,112,855**	**54,029,752**
Acquisition during the year	41,553,290	-	41,553,290
Transferred from associate (note 9)	-	1,778,779	1,778,779
Impairment	(1,417,392)	-	(1,417,392)
Disposal during the year	(52,227,663)	-	(52,227,663)
As at 31 December 2008	**36,825,132**	**6,891,634**	**43,716,766**
Acquisition during the year	**-**	-	**-**
Transferred from associate (note 9)	-	103,860	103,860
Impairment	(13,233,061)	(1,928,360)	(15,161,421)
Disposal during the year	(4,729,199)	(2,041,000)	(6,770,199)
As at 31 December 2009	**18,862,872**	**3,026,134**	**21,889,006**
Fair value adjustments			
As at 1 January 2008	**(6,171,083)**	**-**	**(6,171,083)**
Reversal of fair value reserve on disposal	4,828,324	-	4,828,324
Movement during the year	(13,032,439)	(806,048)	(13,838,487)
As at 31 December 2008	**(14,375,198)**	**(806,048)**	**(15,181,246)**
Reversal of fair value reserve on disposal and impairment	12,943,998	446,620	13,390,618
Movement during the year	2,366,214	244,620	2,610,834
As at 31 December 2009	**935,014**	**(114,808)**	**820,206**
At Fair value			
As at December 31, 2009	**19,797,886**	**2,911,326**	**22,709,212**
As at December 31, 2008	22,449,934	6,085,586	28,535,520

All available-for- sale investments represent investments in equity securities within the Middle East region.

Impairment of QR. 15,161,421 has been recorded during the year on the equity portfolio. This includes impairment of QR. 1,602,000, being 90% of the cost of investment in the unquoted shares of E-data, a Jordan based company, which the management considers irrecoverable.

9. INVESTMENT IN ASSOCIATES

During the year the Group has disposed a portion of its investment in the unquoted shares of Tuhama Investments, a Jordan based company, which diluted the shareholding of the Group from 22% to 1%. Subsequently, the investment in associate was reclassified as available-for-sale as the Group no longer has significant influence over Tuhama Investments. The movement on the investment in associates balance during the year is as follows:

	2009	2008
Balance as at the beginning of the year	10,455,888	11,993,832
Disposal of associate	(10,352,028)	-
Share of profit for the year	-	240,835
Reclassification to available-for-sale (note 8)	(103,860)	(1,778,779)
Balance as at the end of the year	**-**	10,455,888

10. PROPERTY AND EQUIPMENT

	Land	Leasehold improvements	Furniture and fixtures	Computers and software	Office equipment	Motor vehicles	Capital work in progress	Total
Cost:								
As at 1 January 2008	-	1,013,013	1,989,007	24,224,574	1,412,195	178,000	942,800	29,759,589
Additions	36,306,584	234,021	28,005	1,167,425	450,182	179,000	14,097,972	52,463,189
Transfer	-	-	-	942,800	-	-	(942,800)	-
As at 31 December 2008	**36,306,584**	**1,247,034**	**2,017,012**	**26,334,799**	**1,862,377**	**357,000**	**14,097,972**	**82,222,778**
Additions	157,579	3,550	3,801	1,134,885	22,640	-	8,619,285	9,941,740
Disposal	-	-	-	-	(2,540)	-	-	(2,540)
Transfer	-	-	-	1,310,313	-	-	(1,310,313)	-
As at 31 December 2009	**36,464,163**	**1,250,584**	**2,020,813**	**28,779,997**	**1,882,477**	**357,000**	**21,406,944**	**92,161,978**
Depreciation:								
As at 1 January 2008	-	235,012	406,247	10,134,364	344,204	58,819	-	11,178,646
Charge for the year	-	240,598	201,461	5,468,465	339,345	56,033	-	6,305,902
As at 31 December 2008	-	**475,610**	**607,708**	**15,602,829**	**683,549**	**114,852**	-	**17,484,548**
Charge for the year	-	248,899	202,168	4,737,115	373,079	71,401	-	5,632,662
As at 31 December 2009	-	**724,509**	**809,876**	**20,339,944**	**1,056,628**	**186,253**	**-**	**23,117,210**
Impairment	7,366,865	-	-	-	-	-	2,077,834	9,444,699
Net book value:								
As at 31 December 2009	**29,097,298**	**526,075**	**1,210,937**	**8,440,053**	**825,849**	**170,747**	**19,329,110**	**59,600,069**
As at 31 December 2008	36,306,584	771,424	1,409,304	10,731,970	1,178,828	242,148	14,097,972	64,738,230

Impairment of QR. 9,444,699 has been recorded on the Group’s Salwa Road property under refurbishment due to the impact the current market conditions have had on rental yields. The Group obtained an independent valuation to determine the amount of impairment to record.

11. TERM LOAN

	2009	2008
Total amount of loan due to bank	-	28,382,865
Less: current portion	-	(3,931,800)
Long term portion	-	24,451,065

During the year, the Group has repaid the entire amount of the term loan which was borrowed last year for the acquisition of land and a building.

12. OTHER LIABILITIES

	2009	2008
Accounts payable	**4,840,702**	3,081,616
Provision for legal cases	**4,225,417**	6,608,704
Dividend payable	**13,894,517**	7,634,090
Provisions and other accruals*	**8,052,367**	12,487,982
	31,013,003	29,812,392

*During the year, the Group has reversed an amount of QR. 3,165,214, from provision for operational losses, on the basis of the historical trend of actual operational losses incurred over the past two years.

13. SHARE CAPITAL

	2009	2008
Share capital consists of:		
20,000,000 authorised, issued and fully paid shares of QR.10 each with each carrying equal voting rights.	**200,000,000**	200,000,000

14. LEGAL RESERVE

In accordance with the Qatar Commercial Companies' Law No. 5 of 2002, 10% of net income for the year is to be transferred to legal reserve. This annual transfer may cease when the reserve equals 50% of the paid up capital. This reserve is not available for distribution. As the Group has incurred a loss in the current year, no amount has been transferred from retained earnings to the legal reserve.

15. BROKERAGE AND COMMISSION

a) Brokerage and Commission income

Brokerage and commission income of QR. 67,005,297 (2008: QR. 132,774,200) comprises commissions raised on share purchase and sell transactions less rebates offered to clients.

b) Brokerage and commission expenses

Brokerage and commission expenses of QR. 21,540,432 (2008: QR. 41,073,972) comprise fees paid to the Qatar Exchange and other direct brokerage costs.

16. INVESTMENT INCOME

	2009	2008
Profit on disposal of available-for-sale investments and associate	**2,792,119**	7,252,536
Dividends received	**1,951,099**	1,161,277
	4,743,218	8,413,813

17. GENERAL AND ADMINISTRATIVE EXPENSES

	2009	2008
Consulting and professional expenses	**727,759**	1,086,537
Qatar Exchange membership fee	**273,000**	273,000
Rent expenses	**3,857,677**	3,785,762
IT and communication costs	**4,191,808**	3,937,127
Marketing	**1,825,279**	3,607,100
Depreciation	**5,632,662**	6,305,902
Telephone and fax expenses	**563,651**	609,278
Travel expenses	**133,428**	452,694
Insurance expenses	**531,160**	486,065
Maintenance expenses	**200,691**	304,106
Governmental expenses	**212,206**	203,534
Qatar Exchange penalty*	**-**	509,000
Bank guarantee fee	**1,957,622**	2,673,828
Miscellaneous expenses	**484,309**	326,234
	20,591,252	24,560,167

*This expense represents the penalty charged by the Qatar Exchange (“QE”) for violating certain of its trading rules in accordance with QE regulations in 2008.

18. STAFF COSTS

	2009	2008
Salaries and allowances	**18,437,672**	19,791,936
Provision for end of service benefits	**456,172**	456,023
Provision for air tickets	**668,099**	621,947
Provision for bonus	**-**	6,611,906
Other staff costs	**472,168**	649,412
	20,034,111	28,131,224

19. PROVISION FOR LEGAL CASES

In the previous year various claims were made by customers which are still outstanding. The Group has made full provision for these claims amounting to QR 4,225,417. No additional provisions were made in the current year.

20. (LOSS) / EARNINGS PER SHARE

	2009	2008
Net (loss) / profit attributable to equity holders of the Company	**(959,857)**	50,494,326
Number of shares	**20,000,000**	20,000,000
Basic (loss) / earnings per share	**(0.05)**	2.52

There were no potentially dilutive shares outstanding at any time during the year therefore, the diluted (loss) / earnings per share are equal to the basic (loss) / earnings per share.

21. 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 include entities over which the Group exercises significant influence, shareholders and key management personnel of the Group.

Key management personnel of the Group comprise the Board of Directors and key members of management having authority and responsibility for planning, controlling and directing the activities of the Group. Transactions with related parties include salaries and other short term benefits paid to directors and other members of key management.

The remuneration of members of key management during the year were as follows:

	2009	2008
Short-term benefits – salary packages to senior managers	**2,517,090**	4,953,553

There were no other related party transactions during the year that require disclosure in these consolidated financial statements. The terms and conditions of the transactions with key management personnel and related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

22. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment on available-for-sale securities

The Group determines that available-for-sale equity investments are impaired when there has been a 'significant' or 'prolonged' decline in the fair value below its cost. This determination of what is 'significant' or 'prolonged' requires judgment and is assessed based on qualitative and quantitative factors, for each available-for-sale investment separately. In making a judgment of impairment, the Group evaluates among other factors, evidence of deterioration in the financial health of the entity, impact of delay in execution, industry and sector performance, changes in technology and operational and financing cash flows.

Depreciation and impairment of property and equipment

The cost of property and equipment is depreciated over the estimated useful life, which is based on expected usage of the asset, the repair and maintenance program and technological obsolescence arising from changes. The management has not considered any residual value as it is deemed immaterial.

The carrying amounts of the Group's property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

23. FINANCIAL RISK MANAGEMENT

Overview

Financial instruments represent the Groups's financial assets and liabilities. Financial assets include cash and bank balances, available-for-sale investments and certain other assets. Significant financial liabilities include customer accounts. Accounting policies for financial instruments are set out in note 3.

The Group has exposure to various risks from its use of financial instruments. These risks can be broadly classified as:

- credit risk;
- liquidity risk;
- market risk; and
- operational risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

CREDIT RISK

Credit risk is the risk that an obligor or counterparty will fail to meet its obligations in accordance with agreed terms. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure (such as individual obligor default risk, country and economic sector risk).

Management of credit risk

The Group has a policy to only transact with customers with credit balances. In certain special limited circumstances, the Group allows certain customers with good credit ratings to trade on a T+3 basis. The Group's exposure to its counterparties is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management. Cash is placed with financial institutions with good credit ratings.

EXPOSURE TO CREDIT RISK:

As at 31 December 2009:	Cash and bank balances	Bank balances – customer funds	Due from customers	Due from Qatar Exchange	Available-for-sale investments	Other financial assets	Total carrying value
On Balance sheet items							
Neither past due nor impaired							
1 – 90 days	190,425,190	309,340,333	31,693,500	8,000,450	22,709,212	1,598,165	563,766,850
91 – 180 days	-	-	-	-	-	-	-
181 – 365 days	-	-	-	-	-	-	-
More than 365 days	-	-	-	-	-	-	-
Individually impaired	-	-	4,030,270	-	-	-	4,030,270
Total	**190,425,190**	**309,340,333**	**35,723,770**	**8,000,450**	**22,709,212**	**1,598,165**	**567,797,120**

EXPOSURE TO CREDIT RISK:

As at 31 December 2008:	Cash and bank balances	Bank balances – customer funds	Due from customers	Due from Qatar Exchange	Available-for-sale investments	Other financial assets	Total carrying value
On Balance sheet items							
Neither past due nor impaired							
1 – 90 days	248,249,388	441,323,691	6,187,470	75,137,536	28,535,520	2,125,889	801,559,494
91 – 180 days	-	-	-	-	-	-	-
181 – 365 days	-	-	-	-	-	-	-
More than 365 days	-	-	-	-	-	-	-
Individually impaired	-	-	4,030,270	-	-	-	4,030,270
Total	**248,249,388**	**441,323,691**	**10,217,740**	**75,137,536**	**28,535,520**	**2,125,889**	**805,589,764**

Concentration risk

Concentration risk is any single exposure or group of exposures with the potential to produce losses large enough to threaten the Group's health or ability to maintain its core operations. Such concentrations include:

- Significant exposures to an individual counterparty or group of related counterparties
- Credit exposures to counterparties in the same economic sector or geographical region
- Credit exposures to counterparties whose financial performance is dependent on the same activity or commodity
- Indirect credit exposures arising from the Group’s credit risk mitigation activities (e.g. exposure to a single collateral type or to credit protection provided by a single counterparty).

The Group has a diversified customer base with no significant exposure to any individual counterparty or in any particular economic sector, therefore the concentration of credit risk is not considered to be significant for the Group.

LIQUIDITY RISK

Liquidity risk is the potential loss for the Group arising from its inability either to meet its obligations or fund the assets without incurring unacceptable costs or losses.

Management of liquidity risk

The Group’s approach to managing liquidity is to ensure, as far as possible, that it will 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 Group’s reputation.

The following table sets out the maturity profile of the Group’s financial assets and financial liabilities. The contractual maturities of financial assets and financial liabilities have been determined on the basis of the remaining period at the balance sheet date to the contractual maturity date. Management monitors the maturity profile to ensure that adequate liquidity is maintained.

MATURITY PROFILE

The maturity profile of the Group 's financial assets and financial liabilities as at 31 December 2009 was as follows:

GROSS UNDISCOUNTED CASHFLOWS

	On Demand	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Total
ASSETS							
Cash and bank balances	52,925,190	57,500,000	80,000,000	-	-	-	**190,425,190**
Bank balances – customer funds	309,340,333	-	-	-	-	-	**309,340,333**
Available-for-sale investments	-	-	-	22,709,212	-	-	**22,709,212**
Due from customers	-	31,693,500	-	-	-	-	**31,693,500**
Due from Qatar Exchange	-	8,000,450	-	-	-	-	**8,000,450**
Other financial assets	-	1,598,165	-	-	-	-	**1,598,165**
	362,265,523	**98,792,115**	**80,000,000**	**22,709,212**	**-**	**-**	**563,766,850**
LIABILITIES							
Customer accounts	378,791,126	-	-	-	-	-	**378,791,126**
MATURITY GAP	**(16,525,603)**	**98,792,115**	**80,000,000**	**22,709,212**	**-**	**-**	**184,975,724**

The maturity profile of the Group's financial assets and financial liabilities as at 31 December 2008 was as follows:

GROSS UNDISCOUNTED CASHFLOWS

	On Demand	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Total
ASSETS							
Cash and bank balances	95,749,388	152,500,000	-	-	-	-	248,249,388
Bank balances – customer funds	441,323,691	-	-	-	-	-	441,323,691
Available-for-sale investments	-	-	-	28,535,520	-	-	28,535,520
Due from customers	-	6,187,470	-	-	-	-	6,187,470
Due from Qatar Exchange	-	75,137,536	-	-	-	-	75,137,536
Other financial assets	-	2,125,889	-	-	-	-	2,125,889
	537,073,079	235,950,895	-	28,535,520	-	-	801,559,494
LIABILITIES							
Customer accounts	578,704,047	-	-	-	-	-	578,704,047
MATURITY GAP	(41,630,968)	235,950,895	-	28,535,520	-	-	222,855,447

23. FINANCIAL RISK MANAGEMENT (continued)

The table above considered the Group's financial assets and liabilities on the basis of their earliest possible contractual maturity and liquidity profile. The Group's expected cash flows on these instruments do not vary significantly from this analysis.

Exposure to liquidity risk

The Group's liquid assets include cash and cash equivalents and marketable securities. The table below lists the liquidity indicators that the Group monitors:

No.	Indicators	As at 31 December 2009
1	Liquid assets/ total assets	21%
2	Current assets / current liabilities	133%

No.	Indicators	As at 31 December 2008
1	Liquid assets/ total assets	32%
2	Current assets / current liabilities	126%

MARKET RISK

Market Risk is the risk of losses in both on and off balance sheet positions arising from movements in market prices. These risks include the risk pertaining to interest rate related instruments and equities and foreign exchange risk throughout the Group.

Management of market risk

The Group is subject to market risk in relation to available-for-sale investments. The Group evaluates the current market value and other factors including normal volatility in share price for quoted equities and other relevant factors such as investment manager's periodic reports relating to unquoted equities in order to manage its market risk.

Market risk has three main components:

- Interest Rate Risk;
- Foreign exchange Risk; and
- Other price Risk

INTEREST RATE RISK

Interest rate risk arises when there is a mismatch between positions which are subject to interest rate adjustment within a period. In the Group's funding and investment activities, fluctuations in interest rates are reflected in profit margins and earnings.

INTEREST RATE RISK (continued)

Maturities of assets and liabilities have been determined on the basis of contractual pricing. The following table summarizes the repricing profile of the Group's financial assets, liabilities:

As at 31 December 2009	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Non-Interest sensitive	Total
ASSETS							
Cash and bank balances	**83,555,898**	**80,000,000**	**-**	**-**	**-**	**26,869,292**	**190,425,190**
Bank balances – customer funds	**-**	**-**	**-**	**-**	**-**	**309,340,333**	**309,340,333**
Available-for-sale investments	**-**	**-**	**-**	**-**	**-**	**22,709,212**	**22,709,212**
Due from customers	**-**	**-**	**-**	**-**	**-**	**31,693,500**	**31,693,500**
Due from Qatar Exchange	**-**	**-**	**-**	**-**	**-**	**8,000,450**	**8,000,450**
Other financial assets	**-**	**-**	**-**	**-**	**-**	**1,598,165**	**1,598,165**
	83,555,898	**80,000,000**	**-**	**-**	**-**	**400,210,952**	**563,766,850**
LIABILITIES							
Due to customers	**-**	**-**	**-**	**-**	**-**	**378,791,126**	**378,791,126**
MATURITY GAP	**83,555,898**	**80,000,000**	**-**	**-**	**-**	**21,419,826**	**184,975,724**

As at 31 December 2008	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	Non-Interest sensitive	Total
ASSETS							
Cash and bank balances	216,038,798	-	-	-	-	32,210,590	248,249,388
Bank balances – customer funds	-	-	-	-	-	441,323,691	441,323,691
Available-for-sale investments	-	-	-	-	-	28,535,520	28,535,520
Due from customers	-	-	-	-	-	6,187,470	6,187,470
Due from Qatar Exchange	-	-	-	-	-	75,137,536	75,137,536
Other financial assets	-	-	-	-	-	2,125,889	2,125,889
	216,038,798	-	-	-	-	585,520,696	801,559,494
LIABILITIES							
Due to customers	-	-	-	-	-	578,704,047	578,704,047
MATURITY GAP	216,038,798	-	-	-	-	6,816,649	222,855,447

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group has no significant concentration of currency risk as almost all financial assets and liabilities are denominated in the functional currency that is Qatari Riyals.

EQUITY PRICE RISK

Equity price risk is the risk to earnings or capital that results from adverse changes in the value of investments of the Group.

A 10% increase or decrease in market values of the Group's portfolio of available-for-sale investments is expected to result in an increase or decrease of QR. 2,207,921 (2008: QR 2,853,552) in the assets and equity of the Group.

OPERATIONAL RISK

Operational risk is the risk of loss arising from systems and control failures, fraud and human errors, which can result in financial and reputation loss, and legal and regulatory consequences. The Group manages operational risk through appropriate controls, instituting segregation of duties and internal checks and balances, including internal audit and compliance.

CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the equity balance. The Group's overall strategy remains unchanged from 2008.

The capital structure of the Group consists of, cash and bank balances and equity, comprising issued capital, reserves and retained earnings.

24. FAIR VALUES AND CLASSIFICATION OF FINANCIAL INSTRUMENTS

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of the financial assets and liabilities are not considered to be significantly different from their book values as these items are either short-term in nature or repriced frequently.

Level in the fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market price in an active market for a similar instrument, quoted price for an identical instrument in markets that are considered less active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using unobservable inputs.

24. FAIR VALUES AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (continued)

Fair values of financial assets and liabilities that are traded in active markets are based on quoted market prices or dealer quotations. For all other financial instruments the Group determines fair value using valuation techniques.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	Fair value measurement at end of 31 December 2009 using:			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
Financial assets				
Available-for-sale investments	**22,709,212**	**19,797,886**	**1,579,588**	**1,331,738**

Level 2 financial assets represent available-for-sale investments in unquoted equity instruments for which fair values are mainly determined based on dealer quotations. Level 3 financial assets represent certain unquoted equity instruments, which are stated at cost, being the best available proxy for fair value due to the absence of relevant published information.

25. OPERATING SEGMENTS

The Group is organised into three main operating segments which comprise stock broking, real estate, IT & International and other activities. The results of each of the operating segments which are being reviewed regularly by the Chief Operating Decision Maker are stated below:

	Stock broking	Real estate	IT and international	Others	2009
External revenue	**57,044,741**	**1,019,463**	**532,875**	**6,358,320**	**64,955,399**
Inter-segment revenue	**-**	**-**	**-**	**-**	**-**
Reportable segment profit/(loss)	**11,170,349**	**(4,967,547)**	**495,485**	**(7,654,628)**	**(956,341)**
Reportable segment assets	**519,189,143**	**27,139,248**	**20,733,232**	**59,976,152**	**627,037,775**

	Stock broking	Real estate	IT and international	Others	2008
External revenue	100,637,478	223,750	4,084	7,536,195	108,401,507
Inter-segment revenue	-	-	-	-	-
Reportable segment profit	49,946,224	223,750	3,574	331,284	50,504,832
Reportable segment assets	673,293,970	30,223,750	209,373	174,495,959	878,223,052

26. COMPARATIVES

Certain prior year amounts have been reclassified to conform with the current year’s presentation. Such reclassifications do not affect previously reported profit or equity.