

**MEDICARE GROUP Q.S.C.**

**DOHA – QATAR**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED**

**31 MARCH 2017**



المجموعة  
للرعاية الطبية  
Medicare  
g r o u p  
Q.S.C.



**MEDICARE GROUP Q.S.C.**  
**STATEMENT OF INCOME**  
For the period ended 31 March 2017

	<b>31-Mar-2017</b>	<b>31-Mar-2016</b>
	<b>(Un-Audited)</b>	<b>(Un-Audited)</b>
	<b>QR.</b>	<b>QR.</b>
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<b>Continued operations</b>		
Operating income	118,305,696	118,230,342
Operating costs	7 (66,158,493)	(67,767,449)
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<b>Gross Profit</b>	<b>52,147,203</b>	<b>50,462,893</b>
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Income from deposits with Islamic banks	40,618	(24,835)
Other income	8 3,787,943	3,389,593
General and administrative expenses	9 (31,256,312)	(32,647,459)
Depreciation expenses	(6,416,379)	(6,463,164)
Finance cost	(429,355)	(584,958)
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<b>Profit/(loss) for the period from continued operations</b>	<b>17,873,718</b>	<b>14,132,070</b>
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<b>Attributable to:</b>		
Parent shareholders	17,873,718	14,132,070
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<b>Net Profit for the Year</b>	<b>17,873,718</b>	<b>14,132,070</b>
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Basic Earnings per share		
attributable to owners of the parent	<b>0.64</b>	<b>0.50</b>
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**MEDICARE GROUP Q.S.C.**  
**STATEMENT OF FINANCIAL POSITION**  
**As on 31 March 2017**

	31-Mar-2017 (Unaudited) QR.	31-Dec-2016 (Audited) QR.
<b>ASSETS</b>		
<b>Non-current assets</b>		
Financial Investments at fair value through Other Comprehensive Income	4 33,883,320	31,835,778
Available for sale Financial Assets	23,360,843	18,581,867
Property and equipment	5 879,064,760	876,492,930
<b>Total non-Current assets</b>	<b>936,308,923</b>	<b>926,910,575</b>
<b>Current assets</b>		
Cash and Bank balances	1 29,442,948	96,864,639
Accounts receivable and prepayments	2 141,326,427	152,385,454
Inventories	3 27,952,777	29,648,050
<b>Total Current Assets</b>	<b>198,722,152</b>	<b>278,898,143</b>
<b>Total Assets</b>	<b>1,135,031,075</b>	<b>1,205,808,718</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Share capital	281,441,000	281,441,000
Legal reserve	67,366,036	67,366,036
Fair value reserve	(694,549)	(3,296,998)
Revaluation surplus	541,344,487	541,344,487
Retained earnings / Accumulated losses	63,331,074	129,889,656
<b>Total Shareholders' equity</b>	<b>952,788,048</b>	<b>1,016,744,181</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Interest Bearing Loans	30,390,896	34,132,814
Employees' end of service benefits	49,409,116	48,280,051
<b>Total non-current liabilities</b>	<b>79,800,012</b>	<b>82,412,865</b>
<b>Current liabilities</b>		
Accounts payable and Accruals	6 83,473,527	86,768,936
Retention payable	881,540	827,142
Interest Bearing Loans	18,087,948	19,055,594
<b>Total current liabilities</b>	<b>102,443,015</b>	<b>106,651,672</b>
<b>Total liabilities</b>	<b>182,243,027</b>	<b>189,064,537</b>
<b>Total Liabilities and Shareholders' equity</b>	<b>1,135,031,075</b>	<b>1,205,808,718</b>

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Abdulla Bin Thani Bin Abdulla Al-Thani  
Chairman

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Khalid Mohammed Al-Emadi  
Chief Executive Officer

**MEDICARE GROUP Q.S.C.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the period ended 31 March 2017**

	<b>31-Mar-2017</b> <b>(Unaudited)</b> <b>QR.</b>	<b>31-Dec-2016</b> <b>(Audited)</b> <b>QR.</b>
<b>1. CASH AND BANK BALANCES</b>		
Cash on hand	424,931	355,373
Savings/Current accounts	28,955,007	31,446,256
Fixed Deposit	63,010	65,063,010
<b>Total</b>	<b>29,442,948</b>	<b>96,864,639</b>
<b>2. ACCOUNTS RECEIVABLES AND PREPAYMENTS</b>		
Accounts receivable	175,703,027	182,576,225
Less: Provision for doubtful debts	(73,883,496)	(66,208,984)
Other Receivables	537,800	8,285,752
Refundable deposits	5,278,664	5,235,964
Due from staff	150,006	991,349
Prepaid expenses	4,648,978	1,796,751
Advance to Suppliers	24,195,741	18,138,847
Others	4,695,707	1,569,550
<b>Total</b>	<b>141,326,427</b>	<b>152,385,454</b>
<b>3. INVENTORIES</b>		
Total of Inventory	34,366,778	35,462,051
Less: Provision for obsolete and slow moving items	(4,697,807)	(4,097,807)
Less: Provision for Expired Items	(1,716,194)	(1,716,194)
<b>Net</b>	<b>27,952,777</b>	<b>29,648,050</b>
<b>4. INVESTMENTS</b>		
Investments in quoted shares (at fair value)	33,883,320	31,835,778
Available for sale Financial Assets	23,360,843	18,581,867
<b>Total</b>	<b>57,244,163</b>	<b>50,417,645</b>
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Opening net book value	876,492,929	861,238,821
Additions	4,781,373	18,907,473
Capital work-in Progress	4,206,837	22,790,073
Depreciation	(6,416,379)	(26,443,437)
Closing net book value	<b>879,064,760</b>	<b>876,492,930</b>
<b>6. ACCOUNTS PAYABLES AND ACCRUALS</b>		
Accounts Payables	17,809,742	24,835,861
Payable to shareholders	22,130,263	18,266,132
Advance from Customers/STAFF	438,000	1,219,309
Accrued staff costs	11,683,353	227,118
Accrued expenses	31,377,118	42,200,464
Income Received in Advance	35,051	20,052
<b>Total</b>	<b>83,473,527</b>	<b>86,768,936</b>

**MEDICARE GROUP Q.S.C.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the period ended 31 March 2017**

	<b>31-Mar-2017</b> <b>(Unaudited)</b>	<b>31-Mar-2016</b> <b>(Unaudited)</b>
	<b>QR.</b>	<b>QR.</b>
<b>7. OPERATING COST</b>		
Staff costs	42,481,847	42,585,898
Medications and surgical costs	18,364,763	17,116,229
Provision for slow moving inventory	600,000	-
Utilities	591,470	750,560
Community doctors expenses	2,943,652	3,827,488
Import Expenses Control A/c	224,838	321,406
Rent - Clinic Building	-	1,967,625
Other Direct Costs (Food Cost & Security)	770,599	827,548
Fuel expenses	181,324	370,695
<b>Total</b>	<b>66,158,493</b>	<b>67,767,449</b>
<b>8. OTHER INCOME</b>		
Rental income	192,250	687,000
Dividend income	2,244,248	810,509
Lease Income	148,641	1,328,532
Catering Income	208,084	210,439
Others	994,720	353,113
<b>Total</b>	<b>3,787,943</b>	<b>3,389,593</b>
<b>9. GENERAL AND ADMINISTRATIVE EXPENSES</b>		
Salaries, allowances and other benefits	13,319,488	14,282,570
Advertisement/Marketing	370,353	1,256,765
Legal and professional fee	213,501	398,630
Government charges	227,436	268,686
Travel and entertainment	41,204	59,154
Commissions	46,750	-
Cleaning	857,919	727,626
Repairs & Maintenance	1,764,966	2,000,248
Printing and stationary	470,771	632,385
Insurance	436,686	437,660
Impairment loss on Financial investment	(458,712)	-
Recruitment costs	16,500	63,190
Bank charges	283,736	221,763
Telephone & postage	827,963	505,906
Miscellaneous	332,258	245,253
Penalty	-	1,000,000
Charity Expenses	61,653	249,999
Outsourced (Staff Cost)	1,231,734	1,413,359
Board of Directors Remuneration	744,908	2,135,754
IT Development	351,073	723,738
Medical Waste	116,125	113,256
Provision for doubtful debts	10,000,000	5,911,517
<b>Total</b>	<b>31,256,312</b>	<b>32,647,459</b>

**MEDICARE GROUP Q.S.C.**  
**STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 31 March 2017**

Notes	<b>31-Mar-17 (Un-Audited)</b>	<b>31-Dec-16 (Audited)</b>
	<b>QR.</b>	<b>QR.</b>
<b>OPERATING ACTIVITIES</b>		
Profit for the year	<b>17,873,718</b>	65,151,698
Adjustments for:		
Depreciation of property and equipment	<b>6,416,379</b>	26,443,439
Provision for employees' end of service benefits	<b>1,286,357</b>	9,123,089
Impairment allowance for bad and doubtful debts	<b>10,000,000</b>	32,511,196
(Reversal)/provision for obsolete and slow moving inventories	<b>600,000</b>	696,705
Impairment loss on available-for-sale financial assets	<b>(458,712)</b>	478,154
Income from deposits with an Islamic bank	<b>(40,618)</b>	(533,087)
Dividend Income	<b>(2,244,248)</b>	(2,597,033)
	<b>33,432,876</b>	131,274,161
Operating profit before working capital changes		
Working capital changes:		
Inventories	<b>1,095,273</b>	4,480,187
Accounts receivable and prepayments	<b>1,059,027</b>	47,802,100
Accounts payable and accruals	<b>(5,530,748)</b>	7,393,283
Retention payable	<b>54,398</b>	409,993
	<b>30,110,826</b>	191,359,724
Cash from operating activities		
Paid contribution to social and sports fund	<b>(1,628,792)</b>	(4,509,384)
Employees' end of service benefits paid	<b>(157,293)</b>	(2,709,187)
<b>Net cash flows from operating activities</b>	<b>28,324,741</b>	184,141,153
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<b>(8,988,210)</b>	(41,697,547)
Net movement in term deposits	<b>65,000,000</b>	18,000,000
Income from deposits with an Islamic bank	<b>40,618</b>	396,623
Purchase of available-for-sale financial assets	<b>(3,765,355)</b>	(185,067)
Purchase of financial investments at fair value	<b>-</b>	(1,400,000)
Dividend income received	<b>2,244,248</b>	2,597,033
<b>Net cash flows used in investing activities</b>	<b>54,531,301</b>	(22,288,958)
<b>FINANCING ACTIVITIES</b>		
Net movement in interest bearing loans	<b>(4,709,563)</b>	(18,427,338)
Dividend paid	<b>(80,568,170)</b>	(140,720,500)
<b>Net cash flows used in financing activities</b>	<b>(85,277,733)</b>	(159,147,838)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,421,691)</b>	2,704,358
Cash and cash equivalents at 1 January	<b>31,801,629</b>	29,097,272
<b>CASH AND CASH EQUIVALENTS AT PERIOD ENDED</b>	<b>29,379,938</b>	31,801,629

**Medicare Group Q.S.C.**  
**Statement of changes in Equity**  
**for the period ended 31 March 17**

	<u>Share capital</u>	<u>Legal Reserve</u>	<u>Fair value Reserve</u>	<u>Revaluation Surplus</u>	<u>Retained Earnings</u>	<u>Total</u>
	QR.	QR.	QR.	QR.	QR.	QR.
<b>Balance as at 1 January 2017</b>	281,441,000	67,366,036	(3,296,998)	541,344,487	129,889,656	1,016,744,181
Profit for the year	-	-	-	-	17,873,718	17,873,718
Other Comprehensive (Loss)/Income	-	-	2,602,449	-	-	2,602,449
Total comprehensive (Loss)/income for the Year	-	-	2,602,449	-	17,873,718	20,476,167
Transfer to Legal Reserve	-	-	-	-	-	-
Transfer of depreciation of revalued assets	-	-	-	-	-	-
Contribution to social and sports fund	-	-	-	-	-	-
Cash dividend paid to share holders	-	-	-	-	(84,432,300)	(84,432,300)
<b>Balance as at 31 March 2017</b>	<b><u>281,441,000</u></b>	<b><u>67,366,036</u></b>	<b><u>(694,549)</u></b>	<b><u>541,344,487</u></b>	<b><u>63,331,074</u></b>	<b><u>952,788,048</u></b>
<b>Balance as at 1 January 2016</b>	281,441,000	60,850,866	(1,384,792)	548,540,300	206,406,607	1,095,853,981
Profit for the year	-	-	-	-	65,151,698	65,151,698
Other Comprehensive (Loss)/Income	-	-	(1,912,206)	-	-	(1,912,206)
Total comprehensive (Loss)/income for the Year	-	-	(1,912,206)	-	65,151,698	63,239,492
Transfer to Legal Reserve	-	6,515,170	-	-	(6,515,170)	-
Transfer of depreciation of revalued assets	-	-	-	(7,195,813)	7,195,813	-
Contribution to social and sports fund	-	-	-	-	(1,628,792)	(1,628,792)
Cash dividend paid to share holders	-	-	-	-	(140,720,500)	(140,720,500)
<b>Balance at 31 December 2016</b>	<b><u>281,441,000</u></b>	<b><u>67,366,036</u></b>	<b><u>(3,296,998)</u></b>	<b><u>541,344,487</u></b>	<b><u>129,889,656</u></b>	<b><u>1,016,744,181</u></b>