

**GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD  
ENDED 31 MARCH 2015**

**GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2015**

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**LIMITED REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF GULF GENERAL COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)**

**Scope of review**

We have reviewed the accompanying interim statement of financial position of Gulf General Cooperative Insurance Company – A Saudi Joint Stock Company (“the Company”) as at 31 March 2015, and the related interim statements of insurance operations and accumulated surplus, shareholders’ operations, comprehensive income, changes in shareholders’ equity, insurance operations’ cash flows and shareholders’ cash flows for the three-month period then ended and the related notes from 1 to 11 which form an integral part of these interim condensed financial statements. These interim condensed financial statements are the responsibility of the Company’s management and have been prepared by them in accordance with International Accounting Standard 34 – Interim Financial Reporting (“IAS 34”) and submitted to us together with all the information and explanations which we required. We conducted our limited review in accordance with the standard on review of interim financial reporting issued by the Saudi Organization for Certified Public Accountants (“SOCPA”). A limited review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Kingdom of Saudi Arabia, the objective of which is the expression of an opinion on the financial statements taken as a whole. Accordingly, we do not express such an opinion.

**Conclusion**

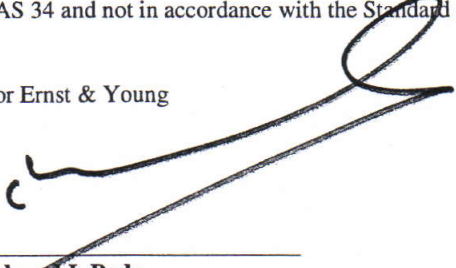
Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with IAS 34.


**Emphasis of matter**

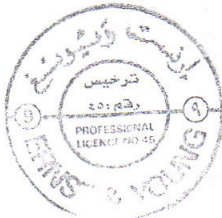
We draw attention to the fact that these interim condensed financial statements are prepared in accordance with IAS 34 and not in accordance with the Standard on Interim Financial Reporting issued by SOCPA.

for Ernst & Young

for PricewaterhouseCoopers

  
Ahmed I. Reda  
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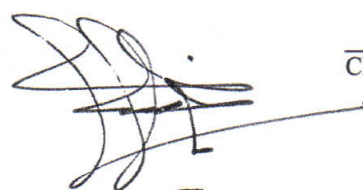
GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

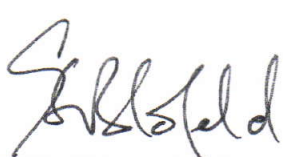
INTERIM STATEMENT OF FINANCIAL POSITION

At 31 March 2015

		31 March 2015 (Unaudited) SR' 000	31 December 2014 (Audited) SR' 000
<b>INSURANCE OPERATIONS' ASSETS</b>			
Cash and cash equivalents	3	70,741	77,196
Investment in murabaha deposits	4	60,000	60,000
Premiums receivable, net	5	128,528	81,827
Reinsurers' share of unearned premiums		73,790	53,468
Reinsurers' share of outstanding claims		94,590	83,307
Deferred policy acquisition costs		13,730	8,028
Due from reinsurers		9,115	16,564
Prepaid expenses and other assets		15,432	13,462
Furniture, fittings and equipment		1,894	2,080
<b>Total insurance operations' assets</b>		<b>467,820</b>	<b>395,932</b>
<b>SHAREHOLDERS' ASSETS</b>			
Cash and cash equivalents	3	8,498	1,894
Investment in murabaha deposits	4	84,000	84,000
Fair value through income statement investments	6(a)	32,558	31,964
Investments held to maturity	6(b)	6,028	6,015
Available-for-sale investment	6(c)	1,923	-
Prepaid expenses and other assets		703	2,164
Due from insurance operations		40,472	46,626
Goodwill	1(b)	36,260	36,260
Statutory deposit		20,000	20,000
<b>Total shareholders' assets</b>		<b>230,442</b>	<b>228,923</b>
<b>TOTAL ASSETS</b>		<b>698,262</b>	<b>624,855</b>

  
Chief Financial Officer

  
Director

  
Chief Executive Officer

The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.

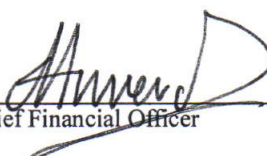


GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

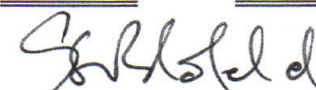
INTERIM STATEMENT OF FINANCIAL POSITION (continued)

At 31 March 2015

	<i>Notes</i>	<i>31 March 2015 (Unaudited) SR' 000</i>	<i>31 December 2014 (Audited) SR' 000</i>
<b>INSURANCE OPERATIONS' LIABILITIES AND SURPLUS</b>			
<b>Insurance operations' liabilities</b>			
Unearned premiums		164,507	108,390
Provision for premium deficiency		809	809
Outstanding claims		158,958	148,727
Deferred commission income		13,133	9,365
Due to reinsurers and brokers		67,540	52,562
Due to policyholders		5,363	12,865
Due to shareholders' operations		40,472	46,626
Accrued expenses and other liabilities		11,198	10,821
<b>Total insurance operations' liabilities</b>		<b>461,980</b>	<b>390,165</b>
<b>Insurance operations' surplus</b>			
Accumulated surplus from insurance operations		5,840	5,767
<b>Total insurance operations' liabilities and surplus</b>		<b>467,820</b>	<b>395,932</b>
<b>SHAREHOLDERS' LIABILITIES AND EQUITY</b>			
<b>Shareholders' liabilities</b>			
Accrued expenses and other liabilities		5,151	4,803
Accrued Zakat	7	7,366	6,106
Due to related parties in respect of goodwill	1(b)	9,804	9,804
<b>Total shareholders' liabilities</b>		<b>22,321</b>	<b>20,713</b>
<b>Shareholders' equity</b>			
Share capital		200,000	200,000
Statutory reserve		1,642	1,642
Retained earnings		6,479	6,568
<b>Total shareholders' equity</b>		<b>208,121</b>	<b>208,210</b>
<b>Total shareholders' liabilities and equity</b>		<b>230,442</b>	<b>228,923</b>
<b>TOTAL LIABILITIES, INSURANCE OPERATIONS' SURPLUS AND SHAREHOLDERS' EQUITY</b>		<b>698,262</b>	<b>624,855</b>

  
Chief Financial Officer

  
Director

  
Chief Executive Officer


The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.

GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF INSURANCE OPERATIONS AND ACCUMULATED SURPLUS

	<i>Notes</i>	<i>For the three-month period ended 31 March 2015 (Unaudited) SR'000</i>	<i>For the three-month period ended 31 March 2014 (Unaudited) SR'000</i>
<b>REVENUE</b>			
Gross written premiums		142,434	156,010
Less: Reinsurance contracts premiums ceded		(66,523)	(69,128)
Net written premiums		75,911	86,882
Movement in net unearned premiums		(35,795)	(40,968)
Net premiums earned		40,116	45,914
Commission earned on ceded reinsurance		7,903	7,840
		48,019	53,754
<b>COSTS AND EXPENSES</b>			
Gross claims paid		63,157	96,563
Less: Reinsurers' share of claims		(30,324)	(65,974)
Net claims paid		32,833	30,589
Change in net outstanding claims		(1,052)	35
Net claims incurred		31,781	30,624
Policy acquisition costs		7,028	7,762
		38,809	38,386
Net underwriting result		9,210	15,368
Other income		327	48
General and administration expenses		(8,804)	(7,007)
<b>SURPLUS FROM INSURANCE OPERATIONS</b>		<b>733</b>	<b>8,409</b>
Shareholders' share of surplus from insurance operations	2(a)	(660)	(7,568)
Policyholders' share of surplus from insurance operations	2(a)	73	841
Accumulated surplus at the beginning of the period		5,767	2,201
Accumulated surplus at the end of the period		5,840	3,042

  
Chief Financial Officer

  
Director

  
Chief Executive Officer

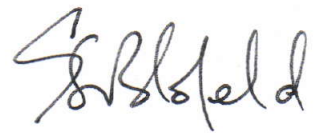
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GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM STATEMENT OF SHAREHOLDERS' OPERATIONS

	Notes	For the three-month period ended 31 March 2015 (Unaudited) SR'000	For the three-month period ended 31 March 2014 (Unaudited) SR'000
<b>REVENUE</b>			
Shareholders' share of surplus from insurance operations	2(a)	660	7,568
<b>EXPENSES</b>			
General and administration		(407)	(1,012)
		<u>253</u>	<u>6,556</u>
Investment income		918	2,630
<b>INCOME FOR THE PERIOD BEFORE ZAKAT</b>		<u>1,171</u>	<u>9,186</u>
Zakat charge	7	(1,260)	(1,750)
<b>NET (LOSS)/INCOME FOR THE PERIOD</b>		<u>(89)</u>	<u>7,436</u>
Weighted average number of ordinary shares outstanding (in thousands)			
		<u>20,000</u>	<u>20,000</u>
Basic and diluted (loss)/earnings per share (in Saudi Riyals)			
		<u>(0.004)</u>	<u>0.37</u>

  
Chief Financial Officer

  
Director

  
Chief Executive Officer

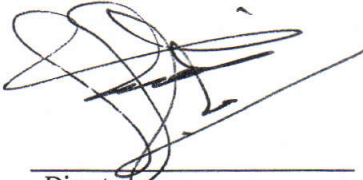
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GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF COMPREHENSIVE INCOME

	<i>For the three-month period ended 31 March 2015 (Unaudited) SR'000</i>	<i>For the three-month period ended 31 March 2014 (Unaudited) SR'000</i>
NET (LOSS)/INCOME FOR THE PERIOD	(89)	7,436
Other comprehensive income/(loss)	-	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>	<b>(89)</b>	<b>7,436</b>

  
Chief Financial Officer

  
Director

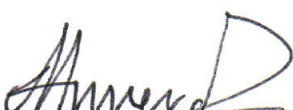
  
Chief Executive Officer

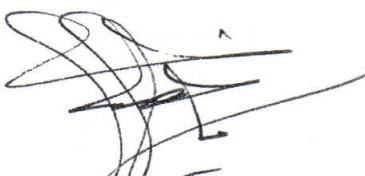


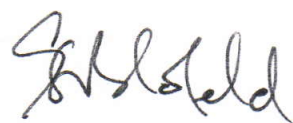
GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	<i>For the three-month period ended 31 March 2015</i>			
	<i>Share capital</i> <i>SR'000</i>	<i>Statutory reserve</i> <i>SR'000</i>	<i>Retained earnings</i> <i>SR'000</i>	<i>Total</i> <i>SR'000</i>
Balance at 31 December 2014 (audited)	200,000	1,642	6,568	208,210
Net loss for the period	-	-	(89)	(89)
Other comprehensive income/(loss)	-	-	-	-
<b>Balance at 31 March 2015 (unaudited)</b>	<b>200,000</b>	<b>1,642</b>	<b>6,479</b>	<b>208,121</b>

	<i>For the three-month period ended 31 March 2014</i>		
	<i>Share capital</i> <i>SR'000</i>	<i>Accumulated losses</i> <i>SR'000</i>	<i>Total</i> <i>SR'000</i>
Balance at 31 December 2013 (audited)	200,000	(14,480)	185,520
Net income for the period	-	7,436	7,436
Other comprehensive income/(loss)	-	-	-
<b>Balance at 31 March 2014 (unaudited)</b>	<b>200,000</b>	<b>(7,044)</b>	<b>192,956</b>

  
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Chief Financial Officer

  
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Director

  
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Chief Executive Officer


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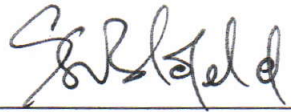
GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF INSURANCE OPERATIONS' CASH FLOWS

	<i>For the three- month period ended 31 March 2015 (Unaudited) SR'000</i>	<i>For the three- month period ended 31 March 2014 (Unaudited) SR'000</i>
	<i>Note</i>	
<b>OPERATING ACTIVITIES</b>		
Policyholders' share of surplus from insurance operations	73	841
Adjustments for:		
Reinsurers' share of unearned premiums	(20,322)	(20,432)
Deferred policy acquisition costs	(5,702)	(7,216)
Reversal of allowance for premiums receivable no longer required	(3,769)	(2,772)
Allowance for impairment of reinsurance receivables	2,508	461
Unearned premiums	56,117	61,400
Deferred commission income	3,768	4,526
Depreciation	259	379
	<u>32,932</u>	<u>37,187</u>
Changes in operating assets and liabilities:		
Premiums receivable, net	(42,932)	(52,968)
Reinsurers' share of outstanding claims	(11,283)	30,923
Due from reinsurers	4,941	(22,388)
Prepaid expenses and other assets	(1,970)	(1,940)
Outstanding claims	10,231	(30,886)
Due to reinsurers and brokers	14,978	13,307
Due to shareholders' operations	(6,154)	45,556
Due to policyholders	(7,502)	28,752
Accrued expenses and other liabilities	377	1,202
	<u>(6,382)</u>	<u>48,745</u>
Net cash (used in)/from operating activities		
<b>INVESTING ACTIVITY</b>		
Purchase of furniture, fittings and equipment	(73)	(43)
	<u>(73)</u>	<u>(43)</u>
Net cash used in investing activity		
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(6,455)</b>	<b>48,702</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>77,196</b>	<b>53,007</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>3</b>	<b>101,709</b>
	<u><u>70,741</u></u>	<u><u>101,709</u></u>

  
Chief Financial Officer

  
Director

  
Chief Executive Officer

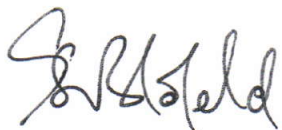
The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.

GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS

		<i>For the three- month period ended 31 March 2015 (Unaudited) SR'000</i>	<i>For the three- month period ended 31 March 2014 (Unaudited) SR'000</i>
	<i>Notes</i>		
<b>OPERATING ACTIVITIES</b>			
Income for the period before Zakat		1,171	9,186
Adjustments for:			
Unrealised gain on FVIS investments	6(a)	(594)	(2,262)
Amortization related to investments held to maturity	6(b)	(13)	(13)
		<u>564</u>	<u>6,911</u>
Changes in operating assets and liabilities:			
Prepaid expenses and other assets		(462)	335
Accrued expenses and other liabilities		348	831
Due from insurance operations		6,154	(45,556)
Due to related parties		-	(5,371)
		<u>6,604</u>	<u>(42,850)</u>
Net cash from/(used in) operating activities		<u>6,604</u>	<u>(42,850)</u>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>6,604</b>	<b>(42,850)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>		<b>1,894</b>	<b>145,797</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>3</b>	<b>8,498</b>	<b>102,947</b>
<b>MAJOR NON-CASH TRANSACTION</b>			
Transfer of advance for investment to available-for-sale investment	6(c)	<u>1,923</u>	<u>-</u>

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Executive Officer

The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.



GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 31 March 2015

1 ORGANIZATION AND PRINCIPAL ACTIVITIES

a) *Organization and principal activities*

Gulf General Cooperative Insurance Company (the "GGCI" and "Company") is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia as per the Ministry of Commerce and Industry's Resolution number 12/Q dated 17 Muharram 1431 H (corresponding to 3 January 2010) and registered under Commercial Registration number 4030196620 dated 9 Safar 1431 H (corresponding to 25 January 2010). The Registered Office address of the Company is Al Gheity Plaza, Second Floor, Ameer Al Shoura'a Street, Jeddah, Saudi Arabia.

Following are the details of the Company's Branches and Commercial Registration numbers:

Branch	Commercial Registration Number
Riyadh	1010316823
Khobar	2051046836

The Company is licensed to conduct insurance business in Saudi Arabia under cooperative principles in accordance with Royal Decree No. M/85 dated 5 Thul Hujja 1429 H (corresponding to 3 December 2008) pursuant to Council of Ministers' Resolution No. 365 dated 3 Thul Hujja 1429 H (corresponding to 1 December 2008). The Company obtained a license to conduct insurance operations in the Kingdom of Saudi Arabia from the Saudi Arabian Monetary Agency ("SAMA") on 20 Rabi Awal 1431 H (corresponding to 6 March 2010).

The objectives of the Company are to engage in providing insurance and related services, which include reinsurance, in accordance with its by-laws, and applicable regulations in the Kingdom of Saudi Arabia. The Company is 30% owned by Saudi shareholders, 30% owned by GCC companies owned by Saudi shareholders and 40% owned by the general public. The Company was listed on the Saudi Arabian stock market on 24 Safar 1431 H (corresponding to 8 February 2010).

b) *Portfolio transfer*

On 19 May 2012, the Company entered into an agreement with Saudi General Insurance Company E.C. (SGI) and Gulf Cooperation Insurance Company Ltd. E.C. (GCI) (the "Sellers") pursuant to which it acquired the Sellers' insurance operations in the Kingdom of Saudi Arabia, effective 1 January 2009, at a goodwill amount of SR 36.26 million, as approved by SAMA, along with related insurance assets and liabilities of an equivalent amount. The goodwill payments are governed by rules and regulations issued by SAMA in this regard and also subject to SAMA approval. In case the Company is not able to make the goodwill payments to the seller before the end of 2015, the unpaid goodwill amount will be transferred and adjusted against the goodwill.

During December 2013, consequent to SAMA approval, a sum of SR 18.13 million payable to the sellers for goodwill was adjusted against amount receivable from them. Also SAMA approved further payment of SR 5.371 million to the Sellers relating to 2012 profits, which has been transferred to amount due to related parties, as at 31 December 2013, and settled during 2014.

Further, during the year ended 31 December 2014, consequent to SAMA's approval, dated 28 Shawal 1435 H (corresponding to 24 August 2014), a payment of SR 2.96 million was made to the Sellers in respect of Goodwill, out of 2013 profits. The movement of amounts due to the related parties in respect of goodwill is as follows:

	31 March 2015 (Unaudited) SR' 000	31 December 2014 (Audited) SR' 000
Balance at the beginning of the period/year	9,804	12,759
Paid during the period/year	-	(2,955)
Balance at the end of the period/year	<u>9,804</u>	<u>9,804</u>



GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 31 March 2015

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) *Basis of preparation*

The interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Accounting" (IAS 34). The accounting policies adopted by the Company for the preparation of these interim condensed financial statements are in accordance with International Financial Reporting Standards ("IFRS") and are consistent with those used for the preparation of the financial statements for the year ended 31 December 2014, except for the following:

*Available for sale investment*

Available for sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. Such investments are initially recognized at cost and subsequently measured at fair value. Cumulative changes in fair value of investments are shown as a separate component in the statement of financial position and shareholders' comprehensive income. Realized gains or losses on sale of these investments are reported in the related statement of shareholders' operations. Dividends are recognised in the statement of shareholders' operations when the right to receive dividend is established. Foreign currency gain/loss on available for sale investments are recognized in the statement of comprehensive income. Any permanent decline in value of investments is adjusted for and reported in the statement of shareholders' operations as impairment charges. Fair values of investments are based on quoted prices for marketable securities. The fair value of commission-bearing items is estimated based on discounted cash flows using commission for items with similar terms and risk characteristics. For unquoted equity investments, fair value is determined by reference to the market value of a similar investment or is based on the expected discounted cash flows.

These interim condensed financial statements should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2014. In management's opinion, the interim condensed financial statements reflect all adjustments (which include normal recurring adjustments) necessary to present fairly the results of operations for the interim periods presented.

The preparation of interim condensed financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the interim condensed financial statements and the reported amounts of revenues and expenses during the interim reporting period. Although these estimates and judgments are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The interim condensed financial statements do not contain all the information and disclosures required for a complete set of financial statements prepared in accordance with IFRS. The interim results of the three-month period ended 31 March 2015 may not represent a proper indication for the annual results of operations.

As required by the Saudi Arabian insurance regulations, the Company maintains separate accounts for insurance operations and shareholders' operations and presents the financial statements accordingly. The physical custody and title of all assets related to the insurance operations and shareholders' operations are held by the Company. Revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined by the management and the Board of Directors.

As per the by-laws of the Company, the surplus arising from the insurance operations is distributed as follows:

Transfer to shareholders' operations	90%
Transfer to policyholders' payable	10%
	<hr/>
	100%
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In case of deficit arising from insurance operations, the entire deficit is allocated and transferred to shareholders' operations.

In accordance with Article 70 of SAMA Implementing Regulations, the Company proposes to distribute, subject to the approval of SAMA, its annual net policyholders' surplus directly to policyholders at a time, and according to criteria, as set by its Board of Directors.



At 31 March 2015

**2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)**

*a) Basis of preparation (continued)*

The interim condensed financial statements are presented in Saudi Riyals ("SR"), being the functional currency of the Company, and have been rounded off to the nearest thousand, unless otherwise specified.

The Company presents its interim statement of financial position broadly in order of liquidity. Except for held to maturity investments, available-for-sale investment, statutory deposit and amounts due to related parties in respect of goodwill, all financial assets and liabilities, are expected to be recovered and settled respectively, within twelve months after the interim reporting date.

*b) New IFRS and amendments thereof, adopted by the Company*

The Company has adopted the following amendment and revision to existing standard, where applicable, which were issued by the International Accounting Standards Board (IASB):

*Standard/  
Interpretation Description*

IAS 19 Amendments to IAS 19 Defined Benefit Plans: Employee Contributions

The adoption of the above standard did not have any impact on the accounting policies, financial position or performance of the Company.

*c) New IFRS and amendments thereof, issued but not yet effective*

Standards issued but not yet effective up to the date of issuance of the Company's interim condensed financial statements are listed below. The listing is of standards issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when, where applicable, they become effective.

<i>Standard/ Interpretation</i>	<i>Description</i>	<i>Effective from periods beginning on or after the following date</i>
IFRS 9	Financial Instruments	1 January 2018
IFRS 10 and IAS 28	Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
IFRS 11	Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
IFRS 14	Regulatory Deferral Accounts	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2017
IAS 16 and IAS 38	Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
IAS 27	Amendments to IAS 27 Equity Method in Separate Financial Statements	1 January 2016
IAS 1	Amendments to IAS 1 Disclosure Initiative	1 January 2016
IFRS 10, IFRS 12 and IAS 28	Amendments to IFRS 10, IFRS 12 and IAS 28 Applying the Consolidation Exception	1 January 2016

The Company is currently assessing the implications of adopting the above mentioned standards, amendments or interpretations on the Company's financial statements.

GULF GENERAL COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 31 March 2015

3 CASH AND CASH EQUIVALENTS

	<i>31 March 2015</i> <i>(Unaudited)</i> <i>SR' 000</i>	<i>31 December 2014</i> <i>(Audited)</i> <i>SR' 000</i>
<i>Insurance operations</i>		
Cash in hand	20	24
Cash at bank (see note (a) below)	20,721	32,172
Investment in murabaha deposits (see note 4 and (b) below)	50,000	45,000
	<u>70,741</u>	<u>77,196</u>
<i>Shareholders' operations</i>		
Cash at bank	8,498	1,894
	<u>8,498</u>	<u>1,894</u>

- a) At 31 March 2015, bank balances, amounting to SR 0.5 million (31 December 2014: SR 0.5 million), are held in the name of related parties of the Company, on behalf of the Company.
- b) The investment in murabaha deposits are held with a commercial bank. These investment in murabaha deposits are denominated in Saudi Arabian Riyals and have an original maturity not exceeding three months.

4 INVESTMENT IN MURABAHA DEPOSITS

Investment in murabaha deposits comprise the following:

	<i>31 March 2015</i> <i>(Unaudited)</i> <i>SR' 000</i>	<i>31 December 2014</i> <i>(Audited)</i> <i>SR' 000</i>
<i>Insurance operations</i>		
Investment in murabaha deposits	110,000	105,000
Less: Investment in murabaha deposits with maturity less than three months (see note 3)	(50,000)	(45,000)
	<u>60,000</u>	<u>60,000</u>
<i>Shareholders' operations</i>		
Investment in murabaha deposits	84,000	84,000
	<u>84,000</u>	<u>84,000</u>