

Report of the Board of Directors for the Term 2012/2013

submitted to the
General Assembly Meeting
held on
12th March 2013

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President Forward

Dears,

It gives me and the Board of Directors immense pleasure to welcome you at Bahrain Society of Engineers' Annual General Assembly meeting to review our administrative and financial reports which we feel proud to present to you.

During past term, several major Local and International joint conferences culminated and many new ones were introduces. The level of skill and expertise in BSE handling these events is growing largely because of opportunities we are trusted with from major entities like Saudi Aramco, NOGA Oil and Gas companies and most of Government ministries.

Having achieved a continued success in most of the activities, the Bahrain Society of Engineers' priorities in 2013 will be to support its long waited premises expansion project, upgrade it's Training Center, continue the drive of raising value for membership and celebrate BSE 40th Anniversary.

The board of Directors wishes to express its sincere gratitude to :

- All members and staff who stood strong and supported the society in its activities.
- All government ministries, public and private Organisations for their continued support.
- All our events partners and supporting Organisations from inside and outside Bahrain.
- All our sponsors and individual officials for patronizing our events.
- All BSE members for their backing and support.
- All outgoing board of directors wishing them the best and requesting them to stay within the circle

I am proud to continue to confirm that BSE is in good hands.

A.Majeed Al Gassab

First – Executive Summary

An ordinary general meeting was held on 13th March 2012. The elections resulted in the following members winning office on the Board of Directors:

1. Eng. Abdulla Ahmed Janahi
2. Eng. Hassan Jaffar Makki
3. Eng. Samih Mahmood Al-Alawi
4. Eng. Ahmed Abdul Rahman Al-Khan

The Board of Directors held its first meeting on 14th March 2012 chaired by Eng. Abdul Majeed Al-Gassab. The Board approved Board positions and selected the following Directors to occupy such positions:

- Eng. Abdulla Ahmed Janahi, Vice President
- Eng. Jawad Jaffar Al-Jabal, Executive Secretary & Director of Information and External Relations
- Eng. Hussain Jaffar Makki, Treasurer
- Eng. Ahmed A. Rahman Al-Khan, Director of External Conferences
- Eng. Ayman Mohammed Nasser, Director of Internal Conferences
- Eng. Amer Ali bin Rajab, Director of Membership and Profession Affairs
- Eng. Samih Mahmood Al-Alawi, Director of Training
- Eng. Hind Mohammed Bucheeri, Director of General Activities

Over its term of office which ends today, the Board has held 11 ordinary meetings during which planning of programs and various activities and following up of implementation thereof were established.

At the outset of the session, the Board developed a business plan commensurate to the strategic plan and took into consideration the plans and programs adopted by the previous Board, as well as proposals of the general assembly and utilization of available potentials. Programs and activities to attract and encourage members to participate and utilize various facilities were considered. The plan also included activities conducive to enhancing the Society's relationships with official authorities and professional, social and scientific societies within and outside Bahrain, as well as with Arab and international engineering unions and institutes, particularly the Federation of Arab Engineers and the Gulf Engineering Union.

Despite the prevailing financial crisis worldwide which continued until last year and affected all aspects, the Society was able to overcome difficulties and to implement all of its programs under a well-conceived plan. In fact, financial gains were achieved by the society.

We, in the Board of Directors, feel it is incumbent upon us to note that the accomplishments of the society were associated with meetings, communications and preparatory correspondence. Such significant work was shouldered by only a few of volunteering members who placed all their potentials and a great part of their time, despite their busy times, to handle activities of the society in a proper manner. Details of such work are found in the report already distributed to members. We therefore need

your initiatives by allocating a part of your valuable time to participate with the active engineers through permanent and *ad hoc* committees.

It is not exaggeration to predict that the activities of the society could deteriorate with the end of term of the current active members. This will reflect adversely on the current pioneering role of the society. In the circumstances, work is required to create a second generation to assume major responsibilities and to continue the pioneering work for which our society is distinguished.

During the past year and beginning of the current year, many activities and events have been implemented within the business plan. Such activities are summarized as follows:

1. Organization of eight conferences and exhibitions during the past year in cooperation with major local, Arab and international industrial institutions and associations.
2. Training courses and workshops organized by the society were limited to 14 including those managed by the society alone or in cooperation with others, despite the difficulties faced by the society as a result of the financial crisis and the society's great endeavours to implement the Quality Assurance Authority requirements. This had reflected on the marketing of training programs.
3. The society established itself as an organizer of conferences and exhibitions and gained excellent reputation. As a result, many ministries and establishments commissioned the society to organize activities on their behalf or in cooperation with them. This is a source of pride for us all and it comes as a natural result of the efforts made by members in this area.
4. The society continued its attempts to publish the magazine, *Al Mohandis*, during the year. However, it was unable and the Board of Directors is in the process of investigating the reasons for such failure.
5. The society organized a number of events during the past year which included a large number of specialized presentations and seminars, as part of its Tuesday Forums.
6. The number of members admitted last year was 208.

Ladies and Gentlemen:

The Board of Directors made several accomplishments in various areas. However, they remained much below expectations. We believe it is possible to avoid such shortcoming and overcome negative situations and make further progress through innovative projects.

Accordingly, we hereby suggest the following recommendations and proposals to the new Board of Directors:

1. Allocation of BD30, 000 to cover the costs of celebrations of the society's 40th anniversary.
2. Consideration of the feasibility of proceeding with the second phase of the society's premises.
3. Extension of the society's facilities.

4. Consideration of better ways of encouraging members to communicate with the society through the proposed Majlis of Engineers' and to motivate them to engage in the society's activities.
5. Formation of a youth committee to work on the development and encouragement of younger members to assume leading roles within the society.
6. The society should endeavor to meet all requirements of the Quality Assurance Authority by incorporating such requirements in the programs of the Training Centre upon the recent recruitment of a Manager for the Centre.
7. Continuation of bilateral visits to various Gulf, Arab and international engineering associations.
8. The Board of Directors recommends to approve the reappointment of Horwath Bahrain as external auditors for the new session of 2013.

Second: External Affairs

1. The Saudi Council of Engineers, in cooperation with the Gulf Engineering Union, organized the 16th Gulf Engineering Forum under the theme "*Environment in the Arabian Gulf Region*". It was held during the period 2nd through 4th February 2013 at the Hilton Hotel Jeddah. The delegation was headed by Eng. Abdul Majeed Al-Gassab, President of the Society. The delegation comprised Eng. Abdulla Janahi, Vice President, the Executive Secretary Eng. Jawad Al-Jabal, and three other members of the Board.
The Supreme Council of the Gulf Engineering Union held a meeting on Monday, 4th February 2013. It was attended by representatives of the Gulf societies of engineers, which participated in the in-tandem exhibition. There were some 700 visitors. The Gulf Engineering Union Award of Excellence and Creativity 2012 was presented under the theme "Green, Environment-Friendly Building". During the function, Eng. Abdulla Mohammed Juma, a former President of the Society, and Engi. Khalid Khalil Al-Mohannadi, were recognized as pioneers of the Gulf engineering work.
2. The society continued its external participation in the meetings of the Supreme Council and committees of the Gulf Engineering Union in Kuwait.
3. The society's representatives, Eng. Jawad Hassan, member of the Executive Committee of the Federation of Arab Engineers, and Eng. Jawad Jaffer Al-Jabal, permanent member of office of the association, continued to attend the regular meetings.
4. A delegation of 32 young members of the society participated in the conference "*Young Engineers – Leaders of Future*" which was held in Kuwait from 10 to 12 February 2013. The event was organized by the Kuwaiti Society of Engineers in collaboration with the World Federation of Engineering Organizations. The Bahrain Society of Engineers absorbed the cost of such participation.

Third: Conferences & Exhibitions

CONFERENCE & EXHIBITIONS

With over 40 years of experience in organizing conferences & exhibition, The Bahrain Society of Engineers has accomplished great success in the year 2012 by organizing half a dozen international and regional conferences & Exhibitions. The conferences organized with the aim of enhancing the engineering discipline and focusing the growth of the region have benefited over 3500 delegates and over 250 companies who participated in these events. The exhibitions which were in conjunction with the conferences witnessed a footfall of over 8000. The feedbacks from the wide majority of international participants recognize the remarkable organization of the events. All the events received outstanding feedback from the sponsors, exhibitors, delegates & other participants.

Below, is the list of the events organized during the year 2012:

CONFERENCES AND EXHIBITIONS CONDUCTED DURING THE YEAR 2012-2013

Si.No	NAME OF CONFERENCE	Date	Venue
1	5 th eGovernment Forum & IT Expo 2012	9 - 11 April 2012	Ritz Carlton Hotel
2	7 th Municipal Work Conference & Exhibition	24 - 26 April 2012	Ritz & Gulf Hotel
3	Arab ICT 2012 Forum	1 - 2 Oct 2012	BSE Auditorium
4	6 th MENDT Conference & Exhibition 2012	7 - 10 Oct 2012	Gulf Hotel
5	2 nd Maintenance Conference & Exhibition 2012	2 - 5 Dec 2012	Gulf Hotel
6	9 th International Concrete Conference & Exhibition 2013	11 - 13 Feb 2013	Gulf Hotel

1) 5th eGovernment Forum & IT Expo 2012

The Bahrain Society of Engineers in association with the eGovernment Authority, Kingdom of Bahrain has successfully organized the eGovernment Forum & IT Expo 2012 for the 5th consecutive year. The event was held under the patronage of H.H. Shaikh Mohamed bin Mubarak AL Khalifa, Deputy Prime Minister, Kingdom of Bahrain. The event was held at Ritz Carlton Kingdom of Bahrain from 9th to 11th April 2012.

The event featured over 25 speakers from across the globe presenting the latest knowhow's in the field of IT along with over 450 delegates. The event was sponsored by 13 companies under various categories (Platinum, Golden & Silver) and 30 exhibitors. The exhibition recorded a footfall of over 1500.

2) **7th Municipal Work Conference & Exhibition**

Under the patronage of His Royal Highness Prince Khalifa Bin Salman Al Khalifa Prime Minister, Kingdom of Bahrain the Bahrain Society of Engineers in cooperation with Ministry of Municipal & Urban Planning has organized the 7th Municipal Work Conference at GICC- Gulf Hotel during the period 23-26 April 2012. 250 engineers and technicians attended the conference and exhibition in addition to 72 participated in the workshop. The conference was concluded by issuing several resolutions.

3) **Arab ICT 2012 Forum**

The Arab ICT 2012 was organized by The Federation of Arab Engineers Information & Communication Technology Committee (FAE ICT) in association with Bahrain Society of Engineers, under the patronage of **Dr. Mohammed Ahmed Al Amer**, TRA Chairman and CICS President, Kingdom of Bahrain. The event was at the Bahrain Society of Engineers' Headquarters in Juffair, Kingdom of Bahrain.

It was attended by over 150 delegates and 20 speakers who presented the latest developments on the field of ICT. The forum was held with the aim to establish an enduring interaction and cooperation between the regional ICT leaders and professionals .

4) **6th MENDT Conference & Exhibition 2012 :-**

The 6th Middle East Nondestructive Testing Conference & Exhibition – 6th in its series received overwhelming response. The event jointly organized by the Bahrain Society of Engineers and the American Society of Nondestructive Testing – Saudi Arabian Chapter was held under the patronage of H. E. Dr. Abdul Hussain Bin Ali Mirza, Minister of Energy, Kingdom of Bahrain. It was held at Gulf International Convention Centre, Gulf Hotel during 7th – 10th October 2012.

The event was accompanied by 16 preconference workshops to equip the engineers to face the day to day challenges. Over 250 participants attended the workshops and also benefited from the ASNT credits for the workshops. ASNT Level III Examinations held in conjunction with the conference was attended by 30 professionals. The event witnessed a delegate participation of over 800. The exhibition witnessed a footfall of 4000, the exhibition floor was furnished with exhibits from 70 exhibitors. Companies from 15 different countries participated for the exhibition. There were 25 sponsors on various categories.

The phenomenal response from the region and abroad proved it was fruitful.

5) **2nd Maintenance Conference & Exhibition 2012** – 2nd to 5th December 2013

The Bahrain Society of Engineers in association with the Gulf Society of Maintenance Professionals organized the 2nd Middle East Maintenance Conference & Exhibition – Maintcon 2012. The event was held under the patronage of **H.E. Shaikh Ahmed Bin Mohammed Khalifa**, Minister of Finance, Minister in Charge of Oil & Gas Affairs, Kingdom of Bahrain at Gulf International Convention Centre, Gulf Hotel.

The success of the event was marked by 24 Sponsors under various categories along with 13 Exhibitors and 3 Media Partners from around the globe. The event featured 6 Keynote speeches from industry leaders along with from various parts of the globe in addition to the 52 technical papers presented over the 3 days of the conference. The huge success of the event was reflected by the number of registered delegates, which was over 750 and the footfall of over 4000 visitors at the exhibition.

In addition, the four pre-conference workshops in conjunction with the conference also received an overwhelming response from the participants which ensured the success of the event at all levels.

6) **9th International Concrete Conference & Exhibition 2013**

The 9th International Concrete Conference & Exhibition 2013 was organized by the Bahrain Society of Engineers & the American Society of Engineers – Saudi Arabia Chapter. The event with the theme “**for sustainable construction**” was held under the patronage of **H. E. Eng. Essam bin Abdullah Khalaf**, Minister of Works, Kingdom of Bahrain at Gulf International Convention Centre, Gulf Hotel from 11th to 13th February 2013.

The Concrete conference highlighted with over 50 technical presentations including 10 keynotes & invited speakers. H. E. Dr. Habib Zein Al-Abideen, Deputy Minister, Ministry of Municipal & Rural Affairs, Saudi Arabia was invited for the opening ceremony. There were 11 sponsors & exhibitors from the Kingdom of Bahrain who showcased their products during the exhibition. The event registered over 250 delegates mainly from the region. The preconference workshop on, “Concrete Durability & High Performance Concrete” held in conjunction with the conference had around 25 participants.

Upcoming Conferences and Exhibitions Scheduled to be conducted in 2013

S. No	NAME OF CONFERENCE	Proposed Date	Venue
1	1 st Bahrain International Corporate Social Responsibility Conference & Exhibition 2013	3 rd – 6 th March 2013	GILCC, Gulf Hotel

2	Energy & Water Conservation Expo & Forum 2013	17-19 2013	June	BIEC
3	Energy Management Conference & Exhibition 2013	23 rd – 27 th 2013	Nov	TBC

We are happy to invite BSE members to participate in various conference committees and extend their active participation and contributions to make the events successful. We are confident that their support and commitment towards the society's activities will lead to a great success of our events not only regionally but also internationally.

The Board of Directors would like to extend its appreciation and gratitude to those entities that generously supported and continues to support Bahrain Society of Engineers activities. Those are, but not limited to Saudi Aramco, SABIC, BAPCO, ALBA, GPIC, BANAGAS and all the Bahrain Ministries and Authorities. BSE Board also extends its gratitude and appreciation to the national and international organizations for their support in jointly organizing various international conferences & exhibitions with BSE which made the events a great success.

I finally, take this opportunity to extend our thanks to all Conference Committee members and Volunteers for their dedication and commitment in working together as a team towards achieving BSE's objectives and goals.

Forth: Engineering Courses & Management Training



Bahrain Society of Engineers - Training Centre TRAINING REPORT 2012

Introduction:

The below courses were conducted during the year 2012. It is always the goal of the training center to meet the demands of our engineering members, employers and market requirements to satisfy their training requirements. BSE-Training Centre offered in-house courses for several companies. Low fee courses were also introduced and free courses for members and

No.	Course Title	Attendees	Course Details	Lecturer
1.	Project Cost Management 29-31 January	15	The course is designed to teach participants how a project is financed and managed, with an emphasis on how to control costs, manage assets and evaluate the feasibility of capital project proposals in order to enhance profitability and productivity. Participants learned to identify ways to improve return on investment by improving quality and reducing waste.	Mr. John Blacklaws
2.	Environmental Legislations in Bahrain 28 March	15	Environmental legislations are prepared based on the principles of environmentalism , including ecology , conservation , stewardship , responsibility and sustainability . This course include treaties, conventions, statutes, regulations, standards, guidelines and common law that are put in place to regulate the interaction of humanity and the natural environment .	Mr. Rehan Ahmed
3.	PMP Low Fee Seminar (Evening Course) 09 April-09 May	14	PMP seminar is to help participants to understand the PMP Certification requirements, prepare for its Certification Exam; and learn the skills, concepts, techniques and tools that will help participants to successfully manage their projects.	Several lecturers certified by PMI
4.	Technical Report Writing- Using Computer (in-house at Tatweer) 09-11 April	13	In house course was conducted to Tatweer Petroleum employees to teach about the fundamentals of effective technical report writing, using computer technology, giving them the skills and confidence to generate clear, easy to read, and well-thought out documents.	Mr. John Blacklaws

5.	Value Engineering-Module-I 08-12 April	11	Value Engineering is effectively used by a wide range of companies and establishments to achieve their continuous goals. The success of the VE process is due to its ability to identify opportunities to remove unnecessary costs while assuring quality, reliability, performance and other critical factors that meet or exceed the customer's expectation	Mr. Abdulaziz Al Yousefi
6.	FIDIC General Contracts 17-18 April	12	This course highlighted the various elements of the FIDIC 1999 suite of contracts with emphasis on the Conditions of Contract for Construction 1999 (The "Red Book").	Mr. Hani Gharaibeh
7.	Problem Solving & Decision Making 13-16 May	9	Participants on this course gained insight into the skills required by all employees who have to solve problems and make decisions in the course of their work.	Mr. John Blacklaws
8.	FIDIC Condition of Contracts (in-house at BAC) 05-06 June	10	In house course was conducted to Bahrain Airport Company which highlighted the various elements of the FIDIC 1999 suite of contracts with emphasis on the Conditions of Contract for Construction 1999 (The "Red Book").	Ms. Paula Boast
9.	Technical Report Writing & Presentation Skills 10-12 June	12	This Report Writing course is designed to teach course participants the fundamentals of effective report writing, giving them the skills and confidence to generate compact and well-thought out documents.	Mr. John Blacklaws
10	Sustainability Development & Green Building Design 02-06 September	20	This course highlights the global environmental problems and develops the principles and the benefits of Green Buildings, with emphasis on the main elements of the green building design and the different international Rating Systems.	Mr. Wael Ali Kamel
11.	Orientation Course for New Engineers – BSE Members	25	BSE Training Centre sponsored this free course for recently graduated engineer of BSE Members to know matters related to professional practices which are not usually dealt with during the academic time.	Mr. Dheya Towfiqi

	10-11 September		Participants learned the related information to engineering practice, rules and regulations, both locally and internationally.	
12.	Adobe Photoshop Level 1-2 06 & 13 October	14	Understanding the different tools and features available in Photoshop CS5 will help to maximize creative potential. In this course, participants learned the use of several tools and features of Photoshop CS5 to work with images.	Mr. Vilvin Vincent
13.	Dealing with Conflict & Crisis on Projects 04-06 November	9	Provide participants with a theoretical framework and practical techniques with which to understand, predict and prevent conflict and crisis within teams – especially project teams. Participants will complete the course with the skills and confidence they need to effectively prevent, manage or resolve conflict and crisis when it happens.	Mr. John Blacklaws
14.	Orientation Course for New Engineers – University of Bahrain 13-14 November	29	BSE Training Centre sponsored this free course for the students of University of Bahrain to know matters related to professional practices which are not usually dealt with during the academic time. Participants learned the related information to engineering practice, rules and regulations, both locally and internationally.	Mr. Dheya Towfiqi

2013 Plans & Suggestions:

The training courses planned for 2013 are selected based on the recommendations and demands of the learners and stakeholders gathered from survey results and completed training evaluations forms and market requirements . The aim of the offered courses is to promote the knowledge of the engineers and other trainees to assist in the advancement in their careers and improve their practices to achieve cost effective and efficient projects , as well as safer and cleaner environment . The selected course trainers are specialists in their fields to introduce to the market the latest international professional knowledge . BSE Training Centre will Endeavour to further improve the quality of the training to meet the international standards and best practices to serve better the engineering and the community at large.

For year 2013, we are intend to achieve the following:

1. Public training courses to be supported by Tamkeen
2. Provide courses which develop the skills and knowledge of the engineers
3. In-house courses addressed to private companies and ministries
4. Recruitment of training manager
5. Establish the Quality Management System which includes the requirements of the Quality Assurance Authority (QAA)
6. Completion on the requirements of Quality Assurance Authority as per their audit report to Improve the Quality Assurance Authority (QAA) rating of BSE training center to “Satisfactory” level .
7. Increase the net profit of the training center

Training Committee Team Year 2012-2013:

BSE-Training centre would like also to take this opportunity to extend its appreciation to all training committee members for their continuous cooperation and contribution to the improvement of the BSE Training Centre

Fifth: General Activities

A – Tuesday Forum

As part of a series of weekly lectures organized by Bahrain Society of Engineers to update its members and interested parties on the latest developments in the engineering field in particular and other related sciences in general, the General Activities Committee organized a string of lectures and workshops at the society premises in Juffair. The events included the following:

	Name of presenter	Title of presentation	Date
1.	Dr. Fahad Alshehabi	The Role of PR in Enhancing Engineering Skills	-٠١-١٠ ٢٠١٢
2.	Mr. Eugene Mac Mahon	Continuing professional development	-٠١-٢٤ ٢٠١٢
3.	???????????????	Energy Optimization and Maintenance Implement	-٠٢-٢١ ٢٠١٢
4.	Mr. Rob Konzett	Modern application for high performance, environment Safe In tumescent Products	-٠٣-٠٦ ٢٠١٢
5.	Mr. Keith Clarke	The delivery of a low carbon society: beyond rhetoric	-٠٣-٢٠ ٢٠١٢
6.	Ms. Eman Bu-Rashid	Marketing Strategies & Tactics for Engineers	-٠٤-٠٣ ٢٠١٢
7.	Mr. Romulu	Yoga demonstration show with end free session of teaching the Breathing Techniques	-٠٤-١٣ ٢٠١٢
8.	Mr. Mike Rogers	Routes to Membership and three pillars of a professional qualification	-٠٤-١٥ ٢٠١٢
9.	Mr. Seeman N. Issa & Mr. Salah El Borno	Advanced Technical in concrete repair & water proof	-٠٤-١٧ ٢٠١٢
10.	Mr. Rehan Ahmed & Mr. Tareq Malik	Energy Efficiency through energy audit	-٠٥-١٥ ٢٠١٢
11.	Mr. M.G Jayaram	Ultimate Eco Car- Hybrid Vehicles	-٠٥-٢٠ ٢٠١٢
12.	Dr. Sherif Wagdee	Virtual Manama:- Towards Interactive 3D Informative Environment	-٠٥-٢٩ ٢٠١٢
13.	Dr. Mohamed Al-Hamran	كيف تستفيد أقصى ما يمكن من قواك الباطنة والعقلية	-٠٦-٠٥ ٢٠١٢
14.	Ms. Eman Alsabah	RESUME IN WRITING & INTERVIEW TIPS	-٠٧-١٠ ٢٠١٢
15.	Dr Lynne Barratt	PRESENTATION ON ARTIFICIAL REEF	-٠٧-١٩ ٢٠١٢
16.	Mr. Frank Sabouri	PRESENTATION ON ECOLOGICAL URBANISM AND ENERGY ISLANDS	-٠٩-١٠ ٢٠١٢

17.	Eugene J. Mac Mahon & Zaid Al Waary	Continuing Professional Development (CPD) “Structured CPD – A Case Study”	-٠٩-٢٥ ٢٠١٢
18.	Mr. Mohammad Noor Al Nabi	The History of Land Use and Development in Bahrain	-١٠-٢٣ ٢٠١٢
19.	Mr. ABHAY CHANDAJKAR,	“Reliability Improvement of Fin Fans in Refinery and Petrochemical Complex”	-١١-٠٦ ٢٠١٢
20.	Mr. Adrian Cockrem & Rehan Ahmed,	<u>THE CHALLENGE OF MUNICIPAL WASTE</u> <u>MANAGEMENT IN BAHRAIN</u>	-١١-١٣ ٢٠١٢
21.	Cap. Haitham Al Gassab	“Fire and Safety in the Buildings”	-٠١-٠٨ ٢٠١٣
22.	Mr. Cheng Chin Keong	Longest Multi Curvature Sewer Tunnel in the Middle East	-٠١-٢٩ ٢٠١٣

B - BSE Toastmaster club

Following activities were implemented during the year 2012 :

1. Very exciting and rewarding 12 educational meetings were held
2. Club officers and members attended the District Toastmasters Annual Conference (DTAC 2012) during the period 24 - 26 May 2012 in Bahrain
3. Five new members have joined BSE TMC
4. Four Club Officers Training sessions were attended
5. Three members were nominated to take part in the Toastmasters area contests
6. One Toastmasters Open House showcase was held in BSE on Friday, August 31, 2012
7. A workshop on Parliamentary Procedures was held on Friday 21st September, 2012
8. New Members Orientation Program(NMOP) to attract new members to join the toastmasters club as held in BSE on Friday, December 7, 2012
9. One Chief Judging and Contest Chair workshops were also held on Friday December 7, 2012
10. One Division A Speak-a-thon program was conducted on Friday 28th December 2012

Sixth: Membership and Profession Affairs

❖ Membership Applications:

During 2012, BSE received a total of 219 applications for membership. Having reviewed these applications by Member Affairs Committee and following submission to the Board of Directors, 208 applications were approved under various membership categories while 11 applications were declined as they failed to satisfy BSE requirements. At the same time 14 applications for membership upgrade were also approved.

The Membership Committee comprises Eng. Amer Ali bin Rajab, Director of Membership & Profession Affairs, Eng. Jawad Al-Jabal, Secretary, Dr. Wafa Al Mansouri, Dr Osama Albaharna and Eng. Isa Janahi.

Following is a statistic regarding the applications submitted during 2012 as per various categories and disciplines:

New applications approved as per membership categories

Membership Category	Number
Fellow	-
Member	٥٣
Graduate	٣٨
Affiliate	٢١
Student	٩٦
Total	٢٠٨

Applications as per specializations

Specialization	Number
Civil Engineering	٧٤
Architecture Engineering	٣١
Mechanical Engineering	٢٩
Electrical Engineering	٢٠
Chemical Engineering	١٤
Other Disciplines	٤٠
	٢٠٨

❖ Conferences & Courses

BSE gave opportunity to a total of 134 of BSE members from various categories to attend 62 conferences and 72 courses and workshops conducted by the BSE free of charge. This represents a substantial increase in comparison to 2011 figure by approximately 56%. Furthermore, a number of members were also sponsored to attend conferences organized by public and private sectors during the same year.

❖ Scholarship Program

BSE continued to grant financial scholarship to a number of engineering students of University of Bahrain. In this respect, 40 students applied for the grants and 26 students benefited from the same during the year while 4 applications were rejected, 4 withdrawn to study non-engineering disciplines or transferred to universities other than University of Bahrain. This year 6 grant students graduated from various engineering disciplines. Due to the increasing cost of academic books, BSE decided to pay pocket money to each student BD100 for full allowance and BD50 for partial grant students for each term.

During the last part of the year, the Board of Directors approved another proposal related to disburse grants to engineers children who choose to study engineering. Arrangements are in place to draft rules and conditions for such grants.

❖ Activities and Events

Eng. Huda Sultan Faraj took part in all the periodical meetings conducted by the High Council for Woman as a representative of BSE. This included attendance of female engineers to some awareness symposia related to woman and her affairs.

❖ Career Exhibitions

In line with its interest in raising awareness of students to attract them to study engineering professions, the BSE took part in the following career exhibitions:

- a. Career Expo 2012 organized by the University of Bahrain during the period 5-7 March 2012. Throughout the three exhibition days, BSE members consecutively attended the BSE stand.
- b. A delegation from various engineering disciplines represented BSE in the Career Expo that was organized in Bayan School on Thursday 15 March 2012.
- c. BSE also took part in the Bahrain Green Techniques International Forum that was organized during the period 12-15 March 2012. BSE participated in one of the exhibition's stands. In addition, five BSE members attended the sessions of the said forum.

- d. BSE Secretary, Eng. Jawad Al-Jabal and Membership Officer Ms. Sajida Al-Aali attended the Career Expo that was organized by AMA to represent the BSE on 28.6.2012.

❖ **Updating Members Information Project**

BSE sought help of one of its members Salma AlFardan to update the members information records and to ensure accuracy and update members database.

Membership Status as On 31 December 2012

Table No. (1): Membership by Category

Category	Numbers
Fellow	19
Member	953
Graduate	181
Affiliate	94
Student	394
TOTAL	1641

Table No. (2): Membership by Discipline

Category	Civil	Mech.	Elect.	Chem.	Arch.	Others	Total
Fellow	7	6	3	1	0	2	19
Member	339	157	164	52	118	123	953
Graduate	38	27	26	13	45	32	181
Affiliate	27	14	15	2	5	31	94
Student	74	46	56	53	93	72	394
TOTAL	485	250	264	121	261	260	1641
Percentage	30 %	15 %	16 %	7 %	16 %	16 %	100 %

Table No. (3): Membership by Nationality

Category	Bahraini		Non Bahraini		TOTAL
	Nos.	Percentage	Nos.	Percentage	
Fellow	15	1 %	4	1 %	19
Member	629	50 %	324	83 %	953
Graduate	173	14 %	8	2 %	181
Affiliate	53	5 %	41	10 %	94
Student	380	30 %	14	4 %	394
TOTAL	1250	76 %	391	24 %	1641

Table No. (4): Membership by Gender

Category	MALE		FEMALE		TOTAL
	Nos.	Percentage	Nos.	Percentage	
Fellow	19	2 %	-	-	19
Member	847	64 %	106	34 %	953
Graduate	117	9 %	64	20 %	181
Affiliate	90	7 %	4	1 %	94
Student	255	18 %	139	45 %	394
TOTAL	1328	81 %	313	19 %	1641

- **Life Members = 361 +**
 - **Other Active Members = 1280**
- Total 1641**

Seventh: Information Affairs

During the past year, the Media Committee managed to achieve the following:

1. Communicating BSE activities to the members through "Al Mohandis" Magazine.
2. Continue boosting relations with the media and following up all matters that maybe written about the BSE, engineering projects and engineering profession in general.
3. Coverage of all activities of BSE's committees and their various activities and publish the same in media.
4. Communicating with engineering societies in the neighboring countries for the sake of publishing news of BSE in their publications.
5. Compiling e-achieve for all BSE's photos and news.
6. Issue three e-newsletters monthly.
7. Forming a media committee for each engineering conference that are tasked with various assignments subject to the type and size of conference to ensure proper coverage of the event.

Proposed recommendations to promote Media Management in BSE

- To take part in international engineering competitions and local social events for the sake of promoting engineering culture.
- To fix one day in a year to honour local and external newspapers and media to thank them for publishing and covering BSE events and news.
- To arrange field visits to the various media and newspapers offices in order to build continuous fruitful bridges.
- To build constructive relations with various professional societies in order for the purpose of contributing in volunteer initiatives in Bahrain.

Eighth: Financial Affairs

1. Conferences and Training courses :

During the year 2011, BSE had conducted some limited Conferences, Seminars and Training Workshops and the income raised from these conferences and Training courses were BD 619,535 and 68,858 respectively. The expenditures incurred for these Conferences and Training Workshops were BD 387,105 and BD 64,478 in 2011. The excess income generated during the year 2011 from these events is BD 232,430 for Conferences and BD 4,380 for the Training courses with an accumulated income of BD 236,810 in the year 2011.

Due to the unrest during earlier month of the year, a percentage of nearly 40% of income has been reduced during the Year 2011, when compared with the Year 2010, in respect to the Conferences and Training.

2. Membership:

The income received from the membership fees in the year 2011 was BD 45,025 while the income received in year 2010 was BD 42,950. The written-off membership fees in year 2011 were BD 13,975 while the written-off amount in year 2010 was BD 15,385.

3. Scholarship:

The scholarship fees allocated to the students during the year 2011 were BD 11,898 while the scholarship in year 2010 were BD 2,280.

4. Rental of BSE Auditorium and Hall:

The rental income of BSE auditorium and seminar room is BD 7,483 in year 2011 while it was to BD 6,895 in year 2010.

5. Assets:

The fixed assets was BD 586,605 in year 2011 and was BD 573,703 in year 2010 which is due to the installation of new centralized aircondition unit for the building. The total Current Assets, comprising of the Cash & Bank balances and Accounts Receivables, was BD 2,237,989 in year the 2011 compared to BD 2,103,195 in year the 2010 which amounts to a net increase of BD 134,794. This increase was due to the continuous follow up and prompt collection of receivables from the Conferences and the Training courses.

The total assets in the year 2011 was BD 2,824,594 while it was BD 2,676,898 in year 2010.

6. Fixed Deposits:

The total amount saved as fixed deposit at Banks is BD 1,783,076 with an average interest rate of 1.2% basis varying from 1.0% to 1.5% on Fixed and Time Deposits.

7. H.Q. Building:

During the year 2011 the building maintainance expenses has been reduced to BD 5,943 where it was BD 10,063 during the year 2010 which resulted to a net decrease in expenses of BD 4,120.

8. Almohandis Journal:

During the Year 2011, the Al Mohandis 54th Edition has been published, and the expenses incurred for this was BD 4,405. This reduction was due to the issue of only one journal instead of four.

9. Accounts Receivable:

The accounts receivable for the year 2011 was BD 293,856 while it was BD 300,405 in the year 2010 thus a decrease of BD. 6,549 compared to year 2010.

These receivables are mainly from conferences, exhibitions and workshops held during the fourth quarter of year 2011, payment of which is expected to be received during the first quarter of 2012.

A debt collection agent has been entrusted to collect the old receivables which had been accumulated from the Conferences and Training workshops for the previous years.

10. Financial Summary:

The excess of income over expenditure for the year 2011 was BD 106,569 while it was BD 267,255 in year 2010 whereby a certain percentage of decrease recorded due to some situations prevailed during the year 2011.

11. Recommendations:

The Board of Directors recommends to re-appoint the existing Auditing Firm M/s Horwath Bahrain For auditing of BSE accounts for the period from January to December 2012.

Ninth: Auditor's Report

BAHRAIN SOCIETY OF ENGINEERS

JUFFAIR-BAHRAIN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2011

BAHRAIN SOCIETY OF ENGINEERS

JUFFAIR – BAHRAIN

<u>Registration No.</u>	73000401
<u>Board of Directors</u>	Eng. A. Majeed Al Gassab President Eng. Jawad J. Al-Jabal Vice-President and Director of Information Dr. Osama Albaharna Executive Secretary Eng. Huda S. Faraj Treasurer Eng. Ahmed A. AlKhan Director of External Conferences Eng. Ayman M. Nasser Director of Internal Conferences Eng. Suzan Al Ajjawi Director of Training Eng. Amer Bin Rajab Director of Membership Affairs Eng. Hind M. Bucheeri Director of Activites
<u>Registered Office</u>	Building 230, Al Shabab Avenue Juffair-341 Kingdom of Bahrain
<u>Principal Banker</u>	National Bank of Bahrain Horwath Bahrain
<u>Auditors</u>	P.O.Box 484 Kingdom of Bahrain

BAHRAIN SOCIETY OF ENGINEERS

JUFFAIR- BAHRAIN

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Statement of Income and Expenditure For the Year Ended December 31, 2011	3
Statement of Cash Flows For the Year Ended December 31, 2011	4
Notes to the Financial Statements For the Year Ended December 31, 2011	5 to 10

AUDITORS' REPORT TO THE MEMBERS

Bahrain Society of Engineers
Juffair – Bahrain

We have audited the statement of financial position of Bahrain Society of Engineers (“the Society”) as at December 31, 2011 and the related statement of income and expenditure and cash flows for the year then ended as set out on pages 2 to 10. These financial statements are the responsibility of the Management of the Society. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Bahrain Society of Engineers as at December 31, 2011 and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Manama- Bahrain
January 30, 2012

Horwath Bahrain

Fuad Alkaabi

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2011

	<u>Note</u>	<u>2011</u> <u>BD</u>	<u>2010</u> <u>BD</u>
NET ASSETS EMPLOYED:			
NON-CURRENT ASSETS:			
Property, plant and equipment	3	<u>586,605</u>	<u>573,703</u>
		<u>586,605</u>	<u>573,703</u>
CURRENT ASSETS:			
Accounts receivable and other assets	4	293,856	300,405
Bank balances and cash	5	1,944,133	1,802,790
		<u>2,237,989</u>	<u>2,103,195</u>
CURRENT LIABILITY:			
Accounts payable and accruals	6	<u>279,379</u>	<u>225,666</u>
		<u>279,379</u>	<u>225,666</u>
NET CURRENT ASSETS		<u>1,958,610</u>	<u>1,877,529</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,545,215</u>	<u>2,451,232</u>
NON-CURRENT LIABILITY:			
Employees' terminal benefits		<u>(6,963)</u>	<u>(19,549)</u>
		<u>2,538,252</u>	<u>2,431,683</u>
FUNDS AND RESERVES:			
General fund	7	1,009,384	935,852
Financial assistance and support fund	7	24,966	23,900
Members' fund	7	992,666	960,695
Revaluation reserve	7	511,236	511,236
		<u>2,538,252</u>	<u>2,431,683</u>

The financial statements were approved by the Board of Directors on January 30, 2012
and signed on their behalf by:

A.Majeed Al Gassab
President

Huda S. Faraj
Treasurer

The attached notes 1 to 9 form part of these financial statements.

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Note</u>	<u>2011</u> <u>BD</u>	<u>2010</u> <u>BD</u>
Income:			
Conference and seminars		619,535	1,209,833
Workshop and training courses		68,858	107,842
Interest on short term bank deposit		16,273	20,186
Membership subscriptions		39,840	38,235
Rental income		7,483	6,895
Financial assistance support		5,185	4,715
Other miscellaneous income		4,522	7,639
		<u>761,696</u>	<u>1,395,345</u>
Expenditure:			
Conferences and seminars		387,105	842,427
Workshop and training courses		64,478	78,748
Salary expenses		81,751	71,559
Building maintenance expenses		5,943	10,063
Write-off of membership fees		11,860	13,185
Administration expenses		19,345	14,491
Journal expenses		4,405	12,599
Federation of Arab Engineers expenses		4,675	14,603
Gulf Engineering union expenses		3,000	9,796
General committee expenses		2,572	2,827
Scholarship and community expenses		11,898	2,280
Auditorium repair and maintenance		-	567
WFEO expenses		2,520	561
Financial assistance fees written –off		2,115	2,200
Postage, printing and stationary		5,639	4,151
Members' affairs		-	305
Other societies annual membership		853	725
Bank commission and exchange loss		130	64
Publication written off		-	2,677
Provision for bad and doubtful debts		-	15,000
Bad debts written off		15,000	-
Depreciation	3	28,864	26,538
Other miscellaneous expenses		2,974	2,724
		<u>655,127</u>	<u>1,128,090</u>
Excess of income over expenditure for the year		<u>106,569</u>	<u>267,255</u>

The attached notes 1 to 9 form part of these financial statements.

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>2011</u> <u>BD</u>	<u>2010</u> <u>BD</u>
OPERATING ACTIVITIES:		
Excess of income over expenditure for the year	106,569	267,255
Adjustment for non cash item:		
Depreciation	28,864	26,538
Changes in operating assets and liabilities:		
Publications	-	2,457
Accounts receivable and other assets	6,549	2,178
Accounts payable and accruals	53,713	(63,055)
Employees' terminal benefits	(12,586)	3,590
Cash inflow from operating activities	<u>183,109</u>	<u>238,963</u>
INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(41,767)	(5,900)
Property, plant and equipment written off	1	997
Cash outflow for investing activities	<u>(41,766)</u>	<u>(4,903)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	141,343	234,060
Cash and cash equivalents at the beginning of the year	<u>1,802,790</u>	<u>1,568,730</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>1,944,133</u>	<u>1,802,790</u>
Comprising:		
Bank balance and cash	<u>1,944,133</u>	<u>1,802,790</u>

The attached notes 1 to 9 form part of these financial statements

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

1. **ORGANISATION AND ACTIVITIES:**

Bahrain Society of Engineers (“the Society”) is a social establishment registered with Ministry of Social Development in the Kingdom of Bahrain under the registration no. 73000401 dated July 13, 1972

The principal activity of the Society is promoting engineering knowledge on various engineering disciplines.

2. **SIGNIFICANT ACCOUNTING POLICIES:**

The accompanying Society’s financial statements have been prepared in compliance with IFRS as approved by the International Accounting Standards Board (IASB).

The significant accounting policies adopted are as follows:

(a) **Accounting Convention**

The financial statements are prepared under historical cost convention.

(b) **Depreciation**

The cost of property, plant and equipment is depreciated by equal annual installments over the estimated useful lives except for freehold land which is not depreciated. The estimated useful lives are as follows:

Building	20 years
Boundary wall	10 years
Central air-conditioning unit	10 years
Furniture and fixtures	8 years
Office equipment	4 years

(c) **Publications**

Publications are stated at lower of cost or net realizable value. Those publications which are over 3 years old at the statement of financial position date are written off over a period of 3 years on a straight-line basis.

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR -BAHRAIN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

2. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

(d) **Accounts Receivable**

Trade receivables are carried at their anticipated realizable values. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end.

(e) **Accounts Payables**

Trade payables are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

(f) **Employees' Terminal Benefits**

Provision is made for amounts payable under the Bahrain Labour Law applicable to employees' accumulated periods of service and their entitlement to salaries at the reporting date.

(g) **Revenue recognition**

Members' subscription income is accounted for on accrual basis. Income from conferences and seminars, workshops and training courses are recognized in the year of receipt.

Interest income , rental income and other income is recognized on the accruals basis, unless collectability is in doubt.

(h) **Foreign Currencies**

Foreign currency transactions are recorded in Bahraini Dinars at the approximate rates of exchange prevailing at the time of the transactions. Assets and liabilities denominated in foreign currency at the reporting date are translated at the year end rates of exchange. Exchange differences, not considered material, are reported as part of the results for the year.

(i) **Cash and Cash Equivalents**

Cash and cash equivalents consist of bank balances and cash on hand and short term bank deposit having original maturities of three months or less.

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

3. **PROPERTY, PLANT AND EQUIPMENT:**

	<u>Freehold Land</u>	<u>Building and Boundary</u>	<u>Central air Conditioning Unit</u>	<u>Furniture and Fixture</u>	<u>Office Equipment</u>	<u>Total</u>
<u>Cost:</u>						
At December 31, 2009	511,236	419,293	79,601	44,478	89,471	1,144,079
Additions during the year	-					
At December 31, 2010	511,236					
<u>Depreciation:</u>						
At December 31, 2009	-	359,943	78,603	36,244	73,951	548,741
Charge for the year	-					
At December 31, 2010	-					
<u>Net book amounts:</u>						
At December 31, 2010						
At December 31, 2009	-	59,350	998	8,234	15,520	595,338

Freehold land is located in Juffair , bearing title deed no. 1372/1973 and registration no. 2594/1973, was donated to the Society by HH The Late Amir, Shaikh Isa Bin Salman Al Khalifa, which has been revalued at its market value by Bahrain properties, an independent professional property valuer on February 3, 2003. The revaluation surplus of BD 511,236 has been taken to a revaluation reserve in equity which will be released only on disposal of the land.

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

4. **ACCOUNTS RECEIVABLE AND OTHER ASSETS:**

	<u>2011</u> <u>BD</u>	<u>2010</u> <u>BD</u>
Conference	171,610	206,526
Conference -2007	25,139	30,139
Provision for bad and doubtful debts	<u>(15,000)</u>	<u>(15,000)</u>
	181,749	221,665
Membership fees due:		
- current year	29,750	26,295
- prior years	46,195	32,130
Financial assistance and support	13,540	10,510
Courses	-	2,300
Prepaid expenses for conference	21,802	-
Other receivables	820	7,505
	<u>293,856</u>	<u>300,405</u>

5. **BANK BALANCES AND CASH:**

	<u>2011</u> <u>BD</u>	<u>2010</u> <u>BD</u>
Short –term bank deposits	1,783,076	1,705,976
Current account balance with bank	156,018	95,140
Cash on hand	<u>5,039</u>	<u>1,674</u>
	<u>1,944,133</u>	<u>1,802,790</u>

The short-term bank deposits have maturities of less than three months from the date of inception and earn interest at rates ranging between 0.7% and 1.1% per annum (2010: between 0.8% and 1.5% per annum)

6. **ACCOUNTS PAYABLE AND ACCRUALS:**

	<u>2011</u> <u>BD</u>	<u>2010</u> <u>BD</u>
Membership and conference fee received in advance	258,139	43,382
Conferences and seminars	7,676	172,940
Accrued expenses	1,132	1,645
Provision for donations and charities	6,678	1,389
Other payables	5,754	6,310
	<u>279,379</u>	<u>225,666</u>

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

6. **ACCOUNTS PAYABLES AND ACCRUALS (CONTINUED):**

Membership fees received in advance represents life membership fees received from the members of the Society, which is recognized as income over a period of 10 years.

7. **FUNDS AND RESERVES:**

	<u>General</u> <u>Fund</u> <u>BD</u>	<u>Financial</u> <u>Assistance</u> <u>and support</u> <u>Fund</u> <u>BD</u>	<u>Members'</u> <u>Fund</u> <u>BD</u>	<u>Revaluation</u> <u>Reserve</u> <u>BD</u>	<u>Total</u> <u>Funds</u> <u>BD</u>
At December 31, 2009	751,447	21,228	880,517	511,236	2,164,428
Net movement for the year	<u>184,405</u>	<u>2,672</u>	<u>80,178</u>	<u>-</u>	<u>267,255</u>
At December 31, 2010	935,852	23,900	960,695	511,236	2,431,683
Net movements for the year	<u>73,532</u>	<u>1,066</u>	<u>31,971</u>	<u>-</u>	<u>106,569</u>
At December 31, 2011	<u>1,009,384</u>	<u>24,966</u>	<u>992,666</u>	<u>511,236</u>	<u>2,538,252</u>

8. **FINANCIAL ASSETS AND LIABILITIES:**

Financial assets and liabilities carried on the statement of financial position include cash and cash equivalents, accounts and other receivables and accounts and other payables . The particular recognition methods adopted are disclosed in the individual policy statements for each item.

Currency Risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rate. The Society has short- term bank deposits in Great British Pound. The Management believes that there is minimal risk of significant losses due to exchange rate fluctuations and consequently the Society does not hedge foreign currency exposures.

Credit risk is the risk that one party will fail to discharge an obligation and cause the other party to incur a financial loss. Cash is placed with a national bank with a good credit rating. Credit risk on accounts receivable is limited to membership and conference income which are carried net of provision for impaired accounts receivable.

BAHRAIN SOCIETY OF ENGINEERS
JUFFAIR-BAHRAIN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

8. **FINANCIAL ASSETS AND LIABILITIES (CONTINUED):**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to the changes in the market interest rates. The Society's short-term bank deposits bear fixed rates of interest and are renewable on maturity. The Society's other assets and liabilities are not subject to interest rate risk.

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial assets and liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available with banks to meet future commitments as they fall due.

Fair value is the amount, for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction..

The fair values of financial assets and liabilities of the Society are not materially different from their carrying amounts.

9. **COMPARATIVE FIGURES:**

Certain of the comparative figures have been reclassified to confirm with presentation in the current year.