

# 40<sup>th</sup> Anniversary

1972-2012



جمعية المهندسين البحرينيين

BAHRAIN SOCIETY OF ENGINEERS

**Board of Directors Report**  
Annual General Meeting  
18th March 2014





# BSE Code of **ETHICS**

Engineers uphold and advance the integrity, honor and dignity of the engineering profession by:

Using their knowledge and skill for the enhancement of human welfare;

Being honest and impartial, and serving with fidelity the public, their employers and clients; and

Striving to increase the competence and prestige of the engineering profession.

## The Fundamental Principles

1. Engineers shall hold paramount the safety, health and welfare of the public in the performance of their professional duties.
2. Engineers shall perform services only in the areas of their competence.
3. Engineers shall continue their professional development throughout their careers and shall provide opportunities for the professional and ethical development of those engineers under their supervision.
4. Engineers shall act in professional matters for each employer or client as faithful agents or trustees, shall avoid conflicts of interest and shall not breach confidentiality.
5. Engineers shall build their professional reputation on the merit of their competencies and services and shall not compete unfairly with others.
6. Engineers shall avoid deceptive acts and shall not abuse public or private office for personal gain.
7. Engineers shall issue public statements only in an objective and truthful manner.
8. Engineers shall consider environmental aspects and sustainable development in the performance of their professional duties.

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## *President's Forward*

**“Alone we can do so little;  
together we can do so much”**

Dears,

2013 will remain an outstanding year for the Bahrain Society of Engineers. It is no exaggeration that BSE has been ahead of its time in serving the needs of its members, business communities and professional bodies. I am privileged and excited to have observed and participated in BSE's impressive progress over the last 40 years.

On behalf of the Bahrain Society of Engineers, it gives me and the Board of Directors immense pleasure to welcome you to our Annual General Assembly meeting. We are proud to present to you our administrative and financial reports for this past fiscal year 2013.

This past term, few major, local and International joint conferences were culminated and many new ones were introduced. The opportunities we received challenged our ability to be reactive and creative during a very difficult financial downturn period. We are truly indebted to major enterprises such as Saudi Aramco, all our event partners, NOGA Oil and Gas companies and most Government Ministries for their continuous support and contributions in making these events commendable.

The Bahrain Society of Engineers celebrated 40 years of exemplary administration and achievements in 2013 and is optimistic that we will continue to create milestones in the coming new term.

In 2014, we need to focus on the satisfaction of our members and improvement of our work efficiency. We hope to complete our ongoing premises expansion project and continue the drive of raising value for membership.

The time has come to bid farewell to my duration as the

President and Vice President of the Bahrain Society of Engineers. I am humbled by the immense love and support I received during my 12 year tenure as Vice- President and President. BSE's vision and drive are un-debated. I am positive; BSE has the values, culture and acumen to take it forward, especially but not exclusively in a region so full of promise.

I wish to express my sincere gratitude to

- H. E. Shaikh Khalid bin Abdullah Al Khalifa for all his advice and unending support to BSE
- All government ministries, public and private Organizations' from inside and outside Bahrain.
- All our sponsors and individual officials for their invaluable support as benefactors and those who promoted our events.
- All BSE members for their backing and contribution, especially those who were there when needed most.
- All Board of Directors I worked with during my tenure as the President. Wishing them the best and requesting them to stay in the circle to hold the BSE flag high.
- All the members and staff who stood strong and supported the society in its activities.

2014 will bring about new challenges. Some of them are already announcing themselves for which we have already taken adequate measures. I am confident, our teams are experienced enough to face these challenges and make 2014 another year of growth.

I wish you all prosperity and good health.

*Eng. Abdul Majeed Al-Gassab* ■



## First: Executive Summary

The General Assembly held its ordinary meeting on 12 March 2013 and the following Mr. (s) were elected for the membership to the Board of Directors:

- 1- Mr. Mohammed Ali Alkhozaae
- 2- Mr. Jameel Khalaf Al- Alawi
- 3- Mr. Abdul Nabi Al- Sabah
- 4- Mr. Ayman Mohammed Nasser

The Board of Directors held its first meeting on 14 March 2013 under the chairmanship of **Mr. Abdul Majeed Al-Gassab** and approved nominations to the posts in the Board of Directors and allocation of administrative positions as follows:

**Mr. Abdulla Ahmad Janahi**

Vice President

**Mr. Mohammed Ali Alkhozaae**

Executive Secretary and Director of External Affairs

**Mr. Hussain Jaffar Makki**

Treasurer and Director of Youth Committee

**Mr. Jameel Khalaf Al Alawi**

Director of Conferences

**Mr. Ahmad Abdul Rahman Alkhan**

Director of Membership & Profession Affairs

**Mr. Ayman Mohammed Nasser**

Director of General Activities

**Mr. Samih Mahmoud Al-Alawi**

Director of Training

**Mr. Abdul- Nabi Al- Sabah**

Director of Information

As **Mr. Samih Mahmoud Al-Alawi** resigned his post on the Board of Directors in July 2013; the First Reserve Member **Ms. Huda Sultan Faraj** joined the Board of Directors as of July 2013.

During its term which ends this day, the Board of Directors held 12 ordinary meetings and four extraordinary meetings, during which the Board prepared, planned for and followed up on the implementation of BSE's various programs and activities.

At the beginning of the round, the Board set up a plan that goes hand in hand with the strategic plan and took into consideration the plans and programs adopted by the previous management as well as the recommendations of the General Assembly, regarding the utilization of available resources. This is in addition to offering programs and activities designed to attract the members to participate and take advantage of an array of events and functions. The plan also provides activities that are intended to boost BSE's relationship with official agencies, professional, social and scientific societies both inside and outside Bahrain, Arab and International engineering associations and institutions, particularly the Federation of Arab Engineers and the Gulf Engineering Union.

Although the global economic meltdown continued to cast shadow during the past year and covered all aspects of life, BSE managed to resolve the difficulties and to properly accomplish all its programs in line with the established plan.

We, BSE's Board of Directors, see it as our obligation to draw attention to the fact that all of the achievements made by BSE were made possible by many preparatory meetings, correspondence and communications. The burdens were shouldered by a small number of members dedicated to volunteer work. They donated all their



resources and most of their time, notwithstanding their handful of worries and busy schedule, to process and highlight the activities of BSE in an honorable fashion as in the detailed report in your hands.

For this reason, we have to remind you that we are in dire need for you to contribute part of your precious time through participation in the functions of the permanent and temporary committees and join forces with your colleague engineers who worked effectively to implement these activities with great success.

During the past year and the beginning of this year, many activities and events were implemented on the basis of the work plan. We summarize below the most salient of these functions:

- 1 A historical celebration was organized under the patronage of His Majesty the King of the Kingdom of Bahrain on 8 May 2013 at the Gulf International Convention Center at Gulf Hotel, marking the 40th anniversary of BSE. His Majesty was represented by His Excellency Shaikh Khalid bin Abdulla Al-Khalifa, Vice President of the Council of Ministers. The event celebrated and honored the previous chairmen and the ministries and companies who supported BSE. A documentary book narrating the history of BSE since its establishment was distributed and documentary films were produced on this occasion.
- 2 Members of the Board of Directors and members of the organizing committee of the celebrations marking the fortieth anniversary of the establishment of BSE were honored by the visit of His Majesty the King of the Kingdom of Bahrain His Highness the Crown Prince expressed their thanks and appreciation in support of BSE ever since its inception 42 years ago. , Sincere thanks was also conveyed to His Royal Highness the Prime Minister for his continuous support towards BSE.
- 3 BSE Board held a series of meetings with the senior officials in the kingdom including ministers in an endeavor to enhance relation and discuss mutual topics of interests.
- 4 BSE continued effectively to appoint its representatives in specialized committees in accordance with the ministries' requests.
- 5 In order to provide adequate parking space for the vehicles of members while in BSE Headquarters, the Board of Directors utilized the expansive lot of land in the yard to provide more than fifty parking spaces. However, efforts are continuing with the Royal Court to include the land adjacent to BSE premises to our property.
- 6 The Board of Directors managed to complete a large part of the arborization of the yard of BSE by planting palm trees and is now in the process of completing the project during the year 2014.
- 7 The Board of Directors implemented "Majlis Almohandiseen" project . It is our hope that BSE members will be present on an extensive and a regular basis in a way that would create an ambiance of camaraderie, promote acquaintances with each other and strengthen the relationships and rapport among the members.
- 8 BSE organized four conferences and exhibitions during the past year in collaboration with some local, Arab and International major industrial institutions, institutes and societies.
- 9 The number of training courses and workshops organized by BSE solely or in cooperation with other agencies reached 13.





- 10 BSE issued two editions of the "Al Mohandis" magazine during the year 2013.
- 11 BSE also regularly issued eleven editions of the "Al-Mohandis Times" publications, containing a monthly inventory of all activities and events organized by BSE.
- 12 BSE organized a number of events during the past year, including eight specialized lectures and seminars as part of Tuesday Forum.
- 13 The total number of members admitted during the year 2013 reached 125 members.
- 14 The Board of Directors made the necessary arrangements to develop the Services Section, south of BSE premises to provide a better place for BSE's watchman and ,move the air-conditioners to a more appropriate location.
- 15 BSE signed a memorandum of understanding with Kerala Engineers (KEEN4) for the sake of regulating and enhancing their activities in collaboration with BSE. MOUs with other engineering entities were also updated.

Dear members,

The Board of Directors has made several and multi-faceted achievements and yet they remain below our ambitions. We are fully aware that the scope is still open avoid deficiencies, overcome the negative aspects and realize more developments through implementation of more projects which are still ideas on the drawing board under consideration.

Based on the above premises, we list below some of the recommendations and proposals of the new Board of Directors:

1. Ensure that efforts are continued with the concerned authorities to change the engineering cadres in both public and private sectors.
2. Continue communications with the Royal Court in connection with the plot of land located south of BSE premises to become part of BSE's property.
3. Ensure that there is a law by virtue of which all engineers in Bahrain are registered under the umbrella of BSE.
4. Organize training courses that grant academic certificates approved by higher training authorities.
5. Organize professional courses for "Chartered Engineer" certificate.
6. Strengthen the relationship with all ministries in the Kingdom of Bahrain in favor of engineering sector and BSE members in particular.
7. The Board of Directors recommends to approve the appointment of Talal Abu Ghazaleh Organization to serve as external auditor for the new term of the year 2014.



## BOARD OF DIRECTORS



**Mr. A. Majeed Al Gassab**  
President



**Mr. Abdulla Ahmed Janahi**  
Vice President



**Mr. Mohamed Ali Alkhozae**  
Executive Secretary &  
Director of External Relations



**Mr. Jameel Khalaf Al-Alawi**  
Director of Conferences



**Mr. Abdul Nabi Al-Sabah**  
Director of Information



**Mr. Hassan Jaffar Makki**  
Treasurer & Director of  
Youth Committee



**Mr. Ahmed A. Rahman Alkhan**  
Director of Membership &  
Professions' Affairs



**Mr. Ayman Mohammed Nasser**  
Director of General Activities



**Ms. Huda Sultan Faraj**  
Director of Training



### Second : External Relations

1. BSE took part in the Golden Anniversary celebrations of Federation of Arab Engineers (FAE) that was held in Cairo during the period 22-23 June 2013. This event was attended by a delegation presided by Mr. A. Majeed Al Gassab, BSE President, Mr. Abdulla Janahi, Vice President, Mr. Mohamed Alkhozae, Executive Secretary & member of the Permanent Office, Mr. Ayman Nasser, Mr. A. Nabi Al Sabah in addition to Mr. A. Rahman Fakhro, former President FAE. Some ex-presidents of BSE also attended the event including Mr. Emad Al Moayyed, Mr. Jameel Kadhim Al Alawi and Mr. Saeed Al Asbool. The delegation also included Mr. Saleh Tarradah, Chairman of Information & Communications Technology (ICT) Committee and Mr. Jawad Al Jabal, member of Permanent Office. The delegation attended the Honouring Ceremony and also a conference on "Prospects of Building Engineering and Construction Industry in the Arab World".
2. Oman Society of Engineers organized, in collaboration with the Gulf Engineering Union, the 17th Gulf Engineering Forum under the title "Challenges of the Natural Resources: Exploring the Future" during the period 2 to 4 February 2014 at the Grand Hayat Hotel in Muscat, Sultanate of Oman. The delegation was headed by Mr. Abdulla Janahi, Vice President and membership of Mr. Mohammed Ali Alkhozae, Mr. Ayman Nasser and Mr. Ahmad Alkhan.

The Supreme Council of Gulf Engineering Union held a meeting on Tuesday 4 February 2014 which was attended by representatives from all GCC Engineering Societies. The functions included participation by the Gulf Engineering Societies in the exhibition held in line with the conference.

The event also paid tribute to His Excellency Mr. Essam bin Abdulla Khalaf, Minister of Works, and Mr. Adnan Fakhro, Vice Executive President of the Electricity and Water Authority as pioneers of the Gulf



Engineering endeavor. BSE members, Dr. Shaker Hajji and Mr. Samih Al-Alawi presented two technical papers during the sessions of the conference.

3. In mid-September 2013, BSE participated by a delegation of Board of Directors in the conference organized by the World Federation of Engineering Organizations (WFEO) in Singapore under the theme "Innovation and Sustainable Solutions for Confronting Climate Change", in addition to attending the meeting of the their Executive Committee. The meeting elected Mr. Abdul Majeed Al-Gassab, President of BSE, as a consultant to the WFEO Chairman. In addition to the BSE President, the delegation included Mr. Mohamed Alkhozaae, Jameel Khalaf Al-Alawi, Mr. Samih Al-Alawi and Mr. Hussain Makki.
4. BSE continued its external participations in the follow-up meetings of the Supreme Council and sub-committees of the Gulf Engineering Union held in Qatar and Oman.
5. Mr. Mohammed Ali Alkhozaae and Mr. Jawad Jaffar Al-Jabal, representatives of BSE continued to serve as members in the Permanent Office of the Federation of Arab Engineers and attendance of the periodic meetings in a regular basis.
6. On 14th & 15th February 2014, BSE attended the meeting of Supreme Council for the Federation of Arab Engineers held in Sharm Elshaikh – Egypt. The delegation consisted of Mr. A.Majeed Al Gassab and Mr. Jameel Khalaf Al-Alawi as well as members of the Permanent Office Mr. Mohamed Alkhozaae and Jawad Al-Jabal.



### Third: Conferences & Exhibitions

The year 2013 was eventful and fulfilling for the Bahrain Society of Engineers. We witnessed various Conferences & Exhibitions which made a mark in the hearts of aspiring engineers as well as a highly elite crowd. International Conferences were held by the Bahrain Society of Engineers in conjunction with diverse Organizations and Institutions. These events helped to spread awareness on several issues and made an impact on the participants in their respective fields. The Society takes great pride in being responsible for bringing The Kingdom of Bahrain on par with the latest developments in engineering and technology. We are indeed honored to have had the opportunity to play a key role in facilitating these illustrious events.



Below, is a list of the events organized by the Bahrain Society of Engineers in the year 2013.

Conferences And Exhibitions Conducted During The Year 2013 - 2014			
Sl. No	Name of Conference	Date	Venue
1.	1st Bahrain International Corporate Social Responsibility Conference & Exhibition 2013	3rd - 6th March, 2013	Gulf Hotel
2.	Energy & Water Conservation Expo & Forum 2013	17th - 19th June, 2013	BIEC
3.	Energy Management Conference & Exhibition 2013	9th - 11th Dec, 2013	Gulf Hotel
4.	15th Middle East Corrosion Conference & Exhibition 2014	2nd - 5th Feb 2014	Gulf Hotel

### 1. 1st Bahrain International Corporate Social Responsibility Conference & Exhibition 2013:

Bahrain Society of Engineers organized the "1st Bahrain International Corporate Social Responsibility Conference and Exhibition (BICSR 2013)". It was held during 3-6 March 2013, Gulf Hotel, under the patronage of **H.E. Shaikh Ahmed bin Mohammed Al Khalifa**, Minister of Finance, Minister in charge of Oil and Gas Affairs, Kingdom of Bahrain.

The event featured 46 Speakers from across the globe presenting various aspects of corporate social responsibilities in the world. There was a participation of over 300 delegates, sponsorships of 13 companies under various categories (Prime, Diamond, Platinum, Gold and Silver) and 21 Exhibitors. The Exhibitors showcased their latest CSR projects and initiatives. This event, being supported by prominent organizations in this domain such as Arabia CSR Network, Gulf Petrochemical Industries Company and Global Compact Network GCC States sent well defined directives to organizations in the Middle East and beyond. The Conference was successful in promoting its theme, **"Time to make a difference!"**







## 2. Energy & Water Conservation Expo & Forum 2013:

We, the Bahrain Society of Engineers in association with the Electricity & Water Authority, supported by the National Oil and Gas Authority (NOGA), organized the **Fourth edition of Energy & Water Conservation Expo & Forum 2013**. The expo & forum was held during 17th -19th June 2013 at Bahrain International Exhibition & Convention Center under the patronage of **H.E. Dr. Abdul Hussain Bin Ali Mirza**, Minister of State for Electricity & Water Affairs, Kingdom of Bahrain.

This event saw an array of 19 Speakers who presented the latest developments in the field of electricity & water conservation. They evoked interest in various aspects of energy and water conservation with their thought provoking concepts and ideas. 13 Sponsors under Gold & Silver categories including big names in the corporate world such as The Bahrain Petroleum Company (BAPCO), Aluminum Bahrain B. S. C. (Alba), and Gulf Petrochemical Industries Company (GPIC), 27 exhibitors and around 200 delegates were exposed to this thriving environment and contributed to the success of the event.





### 3. Energy Management Conference & Exhibition 2013:

Energy Management Conference & Exhibition 2013 was held under the kind patronage of **H. E. Shaikh Ahmed Bin Mohammed Al Khalifa**, Minister of Finance, Minister in charge of Oil & Gas Affairs, Kingdom of Bahrain and under the chairmanship of Eng. Ahmed Al Khowaiter, Chief Engineer, Saudi Aramco. The event, organized by Bahrain Society of Engineers in collaboration with National Oil & Gas Authority, and Arabian Gulf University was held during 9 – 11 December 2013 at the Gulf International Convention Centre, Gulf Hotel, Bahrain.

Our theme for the event "Towards Energy Sustainability" became a motto for all those who attended. The versatile topics and solutions presented and discussed by keynote and plenary speakers proved to be enlightening. This event was sponsored by 9 companies under various categories (Elite Platinum, Platinum, Gold and Silver), 15 Exhibitors and 6 Media Partners. The event was accompanied by 2 preconference workshops which were attended by 60 participants. Over 330 delegates were introduced to over 46 technical papers which covered the latest enhancements & issues in the energy sector pertaining to the region and the world.







#### 4. 15th Middle East Corrosion Conference & Exhibition 2014

Bahrain Society of Engineers in association with NACE Dhahran Saudi Arabia Section organized the "15th Middle East Corrosion Conference and Exhibition (MECC 2014)". It was held during 2-5 February 2014, Gulf Hotel, under the patronage of **H.E. Shaikh Ahmed bin Mohammed Al Khalifa**, Minister of Finance, Minister in charge of Oil and Gas Affairs, Kingdom of Bahrain.

The event featured over 114 technical presentations, 20 poster presentations and 6 pre-conference workshops. 3 Keynote and 4 plenary speakers enriched the event with their interactive sessions. There was a participation of over 750 delegates, sponsorships of 24 companies under various categories (Platinum, Gold and Silver) and 80 Exhibitors who showcased their latest products and solutions pertaining to different aspects in corrosion. This year's edition of this bi-yearly conference was well supported by major enterprises such as Saudi Aramco, Arabian Pipe Coating, Al Qahtani Pipe Coating Industries, Axis Inspection Technologies, BAPCO and SIPCO.







#### Upcoming Conferences and Exhibitions Scheduled to be conducted in 2014 & 2015

Sl.No	Name Of Conference	Proposed Date	Partnering Organizations
1	e Gov Forum & IT Expo 2014	21-23 April 2014	eGovernment Authority, BIS & PMI
2	3rd Middle East Maintenance Conference & Exhibition (MaintCon) 2014	7-11 Dec 2014	GSMP
3	Bahrain Corporate Social Responsibility Conference & Exhibition (BICSR)	9 – 11 Feb 2015	NOGA & GPIC
4	Symposium on Airports	March 2015	Federation of Arab Engineers
5	e Gov Forum & IT Expo 2015	April 2015	eGovernment Authority, BIS & PMI
6	Nondestructive Testing Conference & Exhibition	May 2015	ASNT - SAS

We hope the BSE members continue to actively participate and contribute to our upcoming conferences and committee. Their endless support and commitment towards the society's activities have encouraged us in fulfilling and promoting our vows to remodeling the future.

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 Engineer and our activities. Those are, but not limited to SAUDI ARAMCO, SABIC, BAPCO, ALBA, GPIC, BANAGAS and all the Bahrain Ministries and Authorities. BSE Board would like to acknowledge the national and international organizations for their support in jointly organizing various international conferences & exhibitions with BSE. Finally, we would like to extend our gratitude 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.



## Fourth: Engineering Courses & Management Training

### Introduction

Bahrain Society of Engineers – Training Centre (BSETC) conducted 13 workshops during 2013 as detailed in the attached table. The courses were selected according to the received requests from engineers, employers and requirements of the market to improve the knowledge and skills of the engineers and engineering profession. There were free seats offered to BSE members in the conducted courses and four BSE members have benefited from this option.

BSETC has been getting a rating of "Inadequate" from the "National Authority for Qualifications and Quality Assurance of Education and Training" (NAQQAET) in their Audit Reports during previous years. As directed by Bahrain Society of Engineers' Board of Directors, BSETC exerted continuous efforts on implementing NAQQAET Audit Findings of 2012 Audit Report to improve BSETC rating with NAQQAET. Accordingly, the following objectives have been achieved:

1. Strengthen BSETC's manpower by employing a Training Manager and Assistant Training Officer as per the request of the NAQQAET.
2. Engagement of a consultancy firm specializing in Quality Assurance of Education and Training to assist BSETC in improving BSETC rating. Tamkeen Support has been obtained which covered 80% of the consultancy fees for this project.
3. The BSETC Quality Management System has been drastically improved and various Standard Operating Procedures (SOPs) and new forms have been introduced which were implemented on all conducted courses.
4. To continue improving BSETC, the training centre issued a strategic plan till 2016 and an action plan with Key Performance Indicators (KPIs) for the year 2014.
5. An application was submitted to obtain Tamkeen Support to purchase interactive electronic board, photocopier, and personal computers to improve the classroom training resources.



### Training Courses organized during 2014

No.	Course Title	Date	Attendees	Lecturer
1.	Environmental Legislations in Bahrain	09 February 2013	22	Mr. R. Ahmed
2.	PMP Exam Preparation Course (Evening Course)	02 February-02 March 2013	17	Several lecturers certified by PMI
3.	Office Management	17-20 February 2013	10	Mr. John Blacklaws
4.	FIDIC Condition of Contracts	18-20 March 2013	12	Ms. Paula Boast
5.	Industrial Waste Management	14 April 2013	28	Mr. Rehan Ahmed
6.	Tendering & Procurement Practices	07-11 April 2013	12	Mr. Mohamed Tawfik Abdel Halim
7.	Certified Cost Engineer (CCE)	21-25 April 2013	11	Mr. Ahmed Saleh Mokhtar
8.	Sustainability Development & Green Building Design	26-30 May 2013	13	Dr. Wael Ali Kamel
9.	Energy Audit & Conservation	08-11 September 2013	28	Mr. Govind Patel
10.	Claims & Counterclaims	15-18 September 2013	16	Dr. Ahmed Awad
11.	Achieving Risk Management Professional	22-26 September 2013	12	Mr. MunzerBaddar
12.	Safety at Work In-house course at Dalkia Utilities	21 November 2013	15	Mr. Mohamed Shukri
13.	Industrial Waste Management	23 November 2013	23	Mr. R. Ahmed



### 2014 Plans and Suggestions:

For year 2014, it is recommended to achieve the following:

1. Setting the strategic plan till 2016 and meeting action plan for 2014.
2. Continuation of satisfactory qualification level of National Authority of Qualification and Quality Assurance for Education and Training (NAQQAET). To improve during 2014 to at least achieve a rating of "Good" level.
3. Liaison with Government Ministries to promote and offer new certified professional courses.





## Fifth: General Activities

Since it commenced its responsibilities in March 2013, the General Activities Committee, during the last election term, formed a sub-committee consisting of members to lay down the plans and programs. The Committee managed to conduct the following programs:

### 1. Social Activities:

- a. The Committee organized on Friday 19 April 2013 barbecue night in the open air at the back external yard of BSE premises. This event was attended by a number of the BSE members.
- b. During the holy month of Ramadan, BSE organized two recreational nights (Ghabgah) on Tuesdays 16 and 30 of July 2013. This event received an overwhelming response by BSE members and nearly 400 attended.
- c. On 14 January 2014 the "Diwaneyat Almohandiseen" was launched at BSE premises with a barbecue night in the open air which was attended by 130 members. The Board of Directors announced that it will send invitations to the members to attend the Diwaneyah on the first Tuesday of each month for the sake of promoting and enhancing relations among members. There will be soft recreational games waiting for you.

### 2. Technical Visits:

On Saturday morning, 5th October 2013, the Committee organized a field visit to the Muharraq Station Project and the deep lines to familiarize themselves with the related details. Around 40 BSE members took part in this visit.

### 3. Tuesday Gathering Seminars:

The General Activities Committee organized the following seminars:

Date	Seminar Title	Lecturer
21.5.2013	Recent Earthquake Tremors and its effect on Structural Design in Bahrain	Mr. Ismail Khonji and Mr. Gim Rayan
12.6.2013	Climate Change & Antarctica is in your hand	Ms. Amal Al Saffar
02.07.2013	Selection and Operation of Centrifugal Pumps for Improved Reliability & Energy Efficiency	Mr. Ateel Jarhan
01.10.2013	Presentation on Fuel Cell Technology	Dr. Shaker Haji
08.10.2013	Productivity for Prosperity	Dr. Akbar Jaffari
29.10.2013	Urban Indicators as a tool to monitor sustainable urban development	Engineer Khalil Al Sabe
26.11.2013	Reverse Osmosis Desalination "New Trends"	Mr. Fayadh Mudather Mabni
10.12.2013	Human Behavior in Project Management	Engineer Sayed Badr Al Alawi

#### 4. BSE Toastmasters Club:

1. Since its inception in 2006, the Club continued its educational meetings and held 25 productive meetings during the period January 2013 to January 2014. The club holds its educational sessions twice a month (Saturday evenings) in the BSE. Members get the opportunity to receive training in verbal communications and leadership with the aim of enhancing public speaking skills and self-confidence through the expression of ideas and genuine thoughts in line with the strategic objectives of the Bahrain Society of Engineers.
2. Preparation and participation in training courses for Toastmasters Club Officers held on Friday 18 January 2013 in the Bahrain Society of Engineers and on 21st June 2013 in the Indian School in Isa Town.
3. Eleven new members joined the club during the period January 2013 to January 2014
4. Club members have participated in club contests (Table Topics, Humorous, Evaluation and International speech contests) on 16 February and 23 February 2013.
5. Three members participated at the Toastmasters contests at the Area level on 8th March 2013
6. Club members have participated in the preparation and attended a workshop with DTM Lance Miller, world public speaking champion in 2005, from the United States who visited Bahrain on 16th and 17th March 2013.
7. Three of the Club Officers have attended the District Toastmasters Annual Conference (DTAC 2013) during the period 9-11 May 2013.
8. TM Abdul Nabi Al Wardi has been appointed by Toastmasters International to be BSE TMC coach in May 2013.
9. Participation in the program to attract new members (NMOP) to join Toastmasters on the evening of Friday 22 November 2013.
10. Participation in two workshops on "Chief Judging" and "Judging" on Friday morning November 22, 2013
11. The Club recently in cooperation with the Youth Committee of BSE, chaired by Board Member Hussaein Makki, managed to increase the number of youth club members.









## Sixth: Membership & Professions' Affairs

### Membership Applications:

During 2013, BSE received a total of 129 applications for membership in BSE. Having reviewed these applications, the Membership Committee submitted them to the Board of Directors, 125 applications were approved under various membership categories while 4 applications were declined as they failed to meet the conditions required by BSE. At the same time 9 applications for membership upgrade were also approved.

Membership Committee comprises of Ahmed Alkhan, Director of Membership & Profession Affairs, Mohammed Ali Alkhozaa, Executive Secretary, Amer Ali bin Rajab, Dr. Osama Taqi Albaharna and Isa Janahi.

Following is a statistical report regarding the applications submitted during 2013 :

#### New applications approved as per membership categories

Membership Category	Number
Fellow	-
Member	23
Graduate	32
Affiliate	6
Student	64
<b>TOTAL</b>	<b>125</b>

#### New applications by disciplines

Discipline	Number
Civil Engineering	51
Mechanical Engineering	17
Electrical Engineering	18
Chemical Engineering	12
Architecture Engineering	15
Other disciplines	13
<b>Total</b>	<b>125</b>





### Academic Scholarship Program

#### ▶ University of Bahrain Grants:

BSE continued to give financial grants to a number of engineering students at the University of Bahrain. In this respect, 40 students applied for the scholarship and 26 students benefited from the same this year, while 4 withdrawn to study non-engineering disciplines or transferred to universities other than the University of Bahrain. This year 4 grant students graduated from various engineering disciplines. 8 applicants were approved to join the program. So far the total number of students who benefit from this program is 22 students.

#### ▶ Conferences & Training Courses

BSE offered the opportunity to a total of 85 BSE members from various membership categories to attend conferences, courses and workshops free of charge. 81 of them attended conferences conducted by BSE while 4 members attended training courses and workshops. Furthermore, a number of members were also sponsored to attend conferences organized by public and private sectors during the same year.

### Activities and Events

#### ▶ Female Engineers Committee

The Female Engineers Committee took part in all the periodical meetings that were organized by the High Council for Woman through our representative Huda Sultan Faraj. This included attendance of female engineers to some awareness symposia related to women and her affairs.

#### ▶ Career Exhibitions

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

Career Expo 2013 organized by the University of Bahrain during the period 14-16 March 2013. Throughout the three exhibition days, BSE members consecutively was present at the BSE stand.

BSE received an invitation from Al-Ahlia Education & Training Support Association to take part in the Career Expo that was held at the Bahrain International Exhibition Center during the period 29-31 October 2013.

An introduction seminar about BSE was conducted at the Seminars Room for Shaikh A. Aziz School on 10th December 2013 to familiarize the students with the history and the services and facilities provided by BSE in various fields of engineering and training.

A field visit was made on 20 June 2013 to the Gulf Petrochemical Industries to introduce BSE members to the petrochemical products and how the theoretical aspects of chemical and mechanical engineering studies are applied in the company's system.

As requested by the University of Bahrain, the students of the mechanical section were introduced to BSE activities and membership privileges. The engineering students were also familiarized with the important role played by BSE.

BSE received an invitation to visit the Bahrain Polytechnic University to make a presentation on the programs offered at BSE. A delegation from the Membership and Profession Affairs Committee held a meeting on 23rd January 2014 with Dr. Hasan Al-Mulla, Vice Chief Executive Officer, Dr. Khalid Essa, Chief of the Engineering College and a number of members from the administrative and academic Board.



► **Updating Members Information**

In order to complete updating members information project that has started in 2011, reminders were sent to members under the category of "student" who failed to pay membership fees for more than five continuous years.





### Statistics of BSE Members as at 31 December 2013

Schedule (1) Number of Members by Category

Membership Category	Number
Fellow	18
Member	977
Graduate	207
Affiliate	101
Student	442
<b>TOTAL</b>	<b>1742</b>

Schedule (2) Number of Members by Disciplines

Category	Civil	Mech.	Elect	Chem.	Arch.	Others	Total
Fellow	6	6	3	1	0	3	18
Member	342	165	166	57	121	126	977
Graduate	49	27	29	14	48	37	204
Affiliate	29	17	15	3	6	31	101
Student	105	51	57	57	95	77	442
<b>TOTAL</b>	<b>531</b>	<b>265</b>	<b>270</b>	<b>132</b>	<b>270</b>	<b>274</b>	<b>1742</b>
Percentage	31 %	15 %	15 %	8 %	15 %	16 %	100 %

Schedule (3) Number of Members by Nationality

Category	Bahraini		Non Bahraini		Total
	Nos.	Percentage	Nos	Percentage	
Fellow	15	83 %	3	17 %	18
Member	653	67 %	324	33 %	977
Graduate	194	95 %	10	5 %	204
Affiliate	60	60 %	41	40 %	101
Student	424	96 %	18	4 %	442
<b>TOTAL</b>	<b>1346</b>	<b>77 %</b>	<b>396</b>	<b>23 %</b>	<b>1742</b>

Schedule (4) Number of Members by Gender

Category	Male		Female		Total
	Nos.	Percentage	Nos	Percentage	
Fellow	18	100 %	-	-	18
Member	863	88 %	114	12 %	977
Graduate	129	63 %	75	37 %	204
Affiliate	95	94 %	6	6 %	101
Student	281	64 %	161	36 %	442
<b>TOTAL</b>	<b>1386</b>	<b>80 %</b>	<b>356</b>	<b>20 %</b>	<b>1742</b>

- Life Members = 391 +
- Other Active Members = 1351
- Total = 1742**



## Seventh: Information Affairs

### Introduction:

Information committee has targeted to enhance and promote BSE's position into the social and media environment of Bahrain as a well established professional society. The committee has developed and implemented a strategy to reach the desired goal, through the close focus on relations with all Arabic and foreign media using all modern communication channels. Hence, a Media Officer was recruited to enhance and develop BSE role in this aspect. The details of accomplished tasks by the committee is summarized as follows:

#### 1 Press Releases:

During 2013, we issued 37 various press releases covering almost all the activities and events organized by BSE. They were published by almost all the local newspaper as well as Arab and foreign media.

#### 2 Media coverage of the conferences:

Information Committee covered all conferences & exhibition in cooperation with Conferences Director and concerned Media Committee appointed by the Conferences Organizing Committees, especially during the opening ceremonies. The work includes the preparation of media coverage before and after the events, in addition to extending the invitation to the media and distribution of releases to them

Other tasks that the committee conducted included:

- Archiving media coverage.
- Prepare coverage performance monthly reports to measure BSE media performance.
- Perform any tasks related to the issuance of booklets by BSE.
- Intensify communication with foreign press to expand and enhance BSE relations.
- Create an archive for BSE photography.
- Formation of a committee for each conference, with multiple tasks based on type and size of the conference.

#### 3 Al-Mohandis Journal:

Information Committee was keen to raise the quality level of Al-Mohandis Journal and issue the same on a regular basis. The committee issued the two volumes 56 and 57 during the year 2013. Issue 58 and 59 are under preparation.

#### 4 Almohandis Times:

11 volumes of "Almohandis Times", the electronic newsletter that cover BSE's monthly news, were issued during the year. On the other hand the Information committee has continued, over the past year 2013, to cover the Federation of Arab Engineers and engineering bodies in GCC Countries to BSE news bulletins.





## 5 Recommendations:

In an endeavor by the Information Committee, to develop Social Media centers with BSE, it is hereby recommended to:

- Participate in competitions of global engineering and local social events in order to spread the culture of engineering.
- Invite all newspapers and media personnel in a special event in order to recognize their efforts and support to BSE.
- Organize field visits to all newspapers and concerned journalists in order to strengthen our r ties.
- Enhance BSE social media participation.
- Enhance links with Government and private universities.



## Eighth: Financial Affairs

### 1. Conferences and Training courses:

During the year 2013, BSE conducted Conferences, Seminars and Training Workshops and the income raised from these conferences and Training courses were BD 446,485 and 63,854 respectively. The expenditures incurred for these Conferences and Training Workshops were BD 183,901 and BD 66,153 respectively.

The excess income generated for the conferences and loss incurred for the Training Centre during the year 2013 was BD 262,584 for Conferences and loss of BD (2,299) for the Training courses with an accumulated income of BD 260,285 during the fiscal year 2013.

When compared the year 2012 a decrease of 36% has been incurred for the conferences and training on this fiscal year 2013.

### 2. Membership:

The income received from the membership fees in the year 2013 was BD 29,980 while the income received in year 2012 was BD 35,785/- .

### 3. Scholarship and Community Expenses

The scholarship fees allocated to the students during the year 2013 were BD 8,616 while the scholarship in year 2012 was BD 7,597, with a slight increase of BD 1,019 when compared to the year 2012.

### 4. Rental of BSE Auditorium and Hall:

The rental income of BSE auditorium and seminar room has reduced to BD 7,855 in year 2013 while it was to BD 11,030 in year 2012.

### 5. Assets:

The fixed assets during the year 2013 is BD 1,715,328 where it was BD 555,536 in year 2012. This increase of BD 1,159,792 was primarily due to the revaluation of land from Nasser Real Estate Agency after



10 years, by taking the fair market value of the land which has an appreciated value from BD 511,236 to BD 1,661,552.

We constructed the new boundary wall and Majilis in front of the Auditorium whereas the Shaded car park and gardening on backside of the HQ building is on progress.

The total Current Assets, comprising of the Cash & Bank balances and Accounts Receivables, was BD 2,529,929 in year the 2013 compared to BD 2,609,444 in year the 2012 which amounts to a slight reduction of BD 79,515.

The total assets during the Year 2013 is BD 4,245,257 where as it was BD 3,164,980 in the year 2012.

**6. Fixed Deposits:**

The total amount saved as fixed deposit at Banks is BD 2,094,356 with an average interest rate of 1.5% basis varying from 1.4% to 1.75% on Fixed and Time Deposits.

**7. H.Q. Building:**

During the year 2013 the building maintenance expenses is BD 7,486 whereas it was BD 4,515 during the year 2012. The increase in expenses of BD 2,971 was due to the renovation and internal paintings for the HQ for celebrating the BSE 40th Anniversary.

**8. Almohandis Journal:**

During the Year 2013, we issued the Al Mohandis magazine which amounted to BD 10,050 in addition we are continuing monthly with "Al Mohandis times" newsletter which reflects all the events and activities of the Society each month.

**9. Accounts Receivable:**

The accounts receivable for the year 2013 was BD 300,953 while it was BD 396,487 in the year 2012. This decrease of BD 95,534 is due to the limited conference held during this fiscal year 2013.

These receivables are mainly from conferences, exhibitions and workshops held during the fourth quarter of year 2013, payment of which is expected to be received during the first quarter of 2014.

**10. BSE 40th Anniversary:**

BSE conducted its 40th Anniversary celebration in the year 2013. Where VIPs, Dignitaries and honorable members of the Society were honored In recognition of their contributions and continuous support towards the society. The total expenses incurred for the event was BD 86,458.

**11. Financial Summary:**

The excess of income over expenditure for the year 2013 was BD 41,899 while it was BD 277,285 in year 2012. Moreover, as agreed in the AGM resolution 10% of the net profit has been provided as reserve for the Members recognition.

**12. Recommendations:**

The Board of Directors recommends to re-appoint the new Auditing Firm M/s Talal Abu Ghazaleh Organization for auditing of BSE accounts for the period from January to December 2014



## Ninth: Auditor's Report

### BAHRAIN SOCIETY OF ENGINEERS JUFFAIR-BAHRAIN

#### AUDITORS REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

Registration No. 73000401

<u>Board of Directors</u>	Eng. A. Majeed Al Gassab	President
	Eng. Abdulla Ahmed Janahi	Vice-President
	Eng. Mohammed Ali Alkhozaae	Executive Secretary and Director of External Relation
	Eng. Hussain Jaffar Makki	Treasurer and Director of Youth Committee
	Eng. Jameel Khalaf Al Alawi	Director of Conference
	Eng. Ayman Mohammed Nasser	Director of General Activities
	Eng. Ahmed A. Rahman	Director of Membership and Professions' Affairs
	Eng. Huda Sultan Faraj	Director of Training
	Eng. Abdul Nabi Al Sabah	Director of Information

Registered Office Building 230, Al Shabab Avenue  
Juffair-341  
Kingdom of Bahrain

Principal Banker National Bank of Bahrain

Auditors Horwath Bahrain  
P.O.Box 484  
Kingdom of Bahrain





**BAHRAIN SOCIETY OF ENGINEERS**  
**JUFFAIR- BAHRAIN**

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Statement of Financial Position at December 31, 2013	3
Statement of Income and Expenditure For the Year Ended December 31, 2013	4
Statement of Cash Flows For the Year Ended December 31, 2013	5
Notes to the Financial Statements For the Year Ended December 31, 2013	6 to 11



**Horwath Bahrain**  
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[info@crowehorwath.bh](mailto:info@crowehorwath.bh)

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS BAHRAIN SOCIETY OF ENGINEERS.**

We have audited the accompanying financial statements of Bahrain Society of Engineers ("the Society"), which comprise the statement of financial position as at December 31, 2013, the related statement of income and expenditure and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out from pages 3 to 11.

### **Boards' responsibility for the financial statements**

The Board of the Society is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

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 comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)**  
**BAHRAIN SOCIETY OF ENGINEERS.**

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2013, and its financial performance for the year then ended in accordance with International Financial Reporting Standards.

Manama- Bahrain  
January 24, 2014



*Horwath Bahrain*  
Horwath Bahrain

*Fuad Alkaabi*  
Fuad Alkaabi

FUAD ALKAABI, FCCA



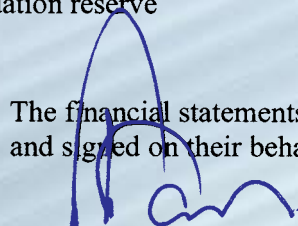


**BAHRAIN SOCIETY OF ENGINEERS**  
**JUFFAIR-BAHRAIN**


**STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2013**

	<u>Note</u>	<u>2013</u> <u>BD</u>	<u>2012</u> <u>BD</u>
<b>NET ASSETS EMPLOYED:</b>			
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment	3	1,715,328	555,536
		<u>1,715,328</u>	<u>555,536</u>
<b>CURRENT ASSETS:</b>			
Accounts receivable and other assets	4	300,953	396,487
Bank balances and cash	5	2,228,976	2,212,957
		<u>2,529,929</u>	<u>2,609,444</u>
<b>CURRENT LIABILITY:</b>			
Accounts payable and accruals	6	229,006	343,082
		<u>229,006</u>	<u>343,082</u>
<b>NET CURRENT ASSETS</b>		<u>2,300,923</u>	<u>2,266,362</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITY</b>		<u>4,016,251</u>	<u>2,821,898</u>
<b>NON-CURRENT LIABILITY:</b>			
Employees' terminal benefits		(8,499)	(6,361)
		<u>4,007,752</u>	<u>2,815,537</u>
<b>FUNDS AND RESERVES:</b>			
General fund	7	2,288,040	1,200,710
Financial assistance and support fund	7	28,160	27,740
Members' fund	7	30,000	1,075,851
Revaluation reserve	7	1,661,552	511,236
		<u>4,007,752</u>	<u>2,815,537</u>

The financial statements were approved by the Board of Directors on January 24, 2014 and signed on their behalf by:

  
A. Majeed Al Gassab  
President



  
Hussam Jaffar Makki  
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, 2013**

	Note	2013 BD	2012 BD
<b>Income:</b>			
Conference and seminars		446,485	1,363,681
Workshop and training courses		63,854	51,011
Interest on short term bank deposit		32,330	28,948
Membership subscriptions		29,980	35,785
Rental income		7,855	11,030
Financial assistance support		5,290	6,235
Other miscellaneous income		332	12,410
		<u>586,126</u>	<u>1,509,100</u>
<b>Expenditure:</b>			
Conferences and seminars		183,901	970,933
Workshop and training courses		66,153	39,617
Salary expenses		72,196	77,958
Building maintenance expenses		7,486	4,515
Administration expenses		15,962	20,893
Journal expenses		10,050	749
Federation of Arab Engineers expenses		13,042	7,784
Gulf Engineering union expenses		12,515	2,775
General committee expenses		4,653	15,970
Scholarship and community expenses		8,616	7,597
WFEO expenses		18,550	5,886
BSE 40 <sup>th</sup> anniversary expenses		86,458	-
Postage, printing and stationary		1,695	2,163
FIDIC expenses		810	861
Bank commission and exchange loss		639	2,343
Prior year adjustment		22,284	-
Bad debts written off		6,000	1,969
Provision for incentive		4,655	30,809
Depreciation	3	8,052	37,651
Miscellaneous expenses		510	1,342
		<u>544,227</u>	<u>1,231,815</u>
<b>Excess of income over expenditure for the year</b>		<u>41,899</u>	<u>277,285</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, 2013**

	<u>2013</u> <u>BD</u>	<u>2012</u> <u>BD</u>
<b>OPERATING ACTIVITIES:</b>		
Excess of income over expenditure for the year	41,899	277,285
Adjustment for non-cash item:		
Depreciation	8,052	37,651
Changes in operating assets and liabilities:		
Accounts receivable and other assets	95,534	(102,631)
Accounts payable and accruals	(114,076)	63,703
Employees' terminal benefits	2,138	(602)
Cash inflow from operating activities	<u>33,547</u>	<u>275,406</u>
<b>INVESTING ACTIVITY:</b>		
Purchase of property, plant and equipment	(17,528)	(6,582)
Cash outflow for investing activity	<u>(17,528)</u>	<u>(6,582)</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	16,019	268,824
Cash and cash equivalents at the beginning of the year	<u>2,212,957</u>	<u>1,944,133</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<u>2,228,976</u>	<u>2,212,957</u>
Comprising:		
Bank balance and cash	<u>2,228,976</u>	<u>2,212,957</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, 2013**

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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

Freehold land is revalued every year, based on market value appraisal made by independent property valuers. When an asset is revalued, any increase in the carrying amount arising on revaluation is accumulated in “Funds and Reserve” under the heading “revaluation surplus” unless it represents the reversal of a revaluation decrease of the same asset previously recognized as an expense, in which case it is recognized as income. A decrease arising as a result of a revaluation is recognized as an expense to the extent that it exceeds any amount previously credited to revaluation surplus relating to the same asset. When a revalued asset is disposed of, any revaluation surplus is transferred directly to general funds.



**BAHRAIN SOCIETY OF ENGINEERS**  
**JUFFAIR –BAHRAIN**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

---

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

(c) **Accounts Receivable**

Accounts receivable 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.

(d) **Accounts Payable**

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

(e) **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.

(f) **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.

(g) **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.

(h) **Cash and Cash Equivalents**

Cash and cash equivalents consist of bank balances and cash on hand including 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, 2013**

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

<u>Cost:</u>	<u>Freehold Land</u> <u>BD</u>	<u>Building and Boundary</u> <u>BD</u>	<u>Central air Conditioning Unit</u> <u>BD</u>	<u>Furniture and Fixtures</u> <u>BD</u>	<u>Office Equipment</u> <u>BD</u>	<u>Total</u> <u>BD</u>
At December 31, 2012	511,236	422,049	38,500	51,700	95,242	1,118,727
Additions during the year	-	3,948	100	10,370	3,110	17,528
Surplus of revaluation	1,150,316	-	-	-	-	1,150,316
At December 31, 2013	1,661,552	425,997	38,600	62,070	98,352	2,286,571
<u>Depreciation:</u>						
At December 31, 2012	-	419,315	6,565	45,465	91,846	563,191
Charge for the year	-	655	3,853	1,647	1,897	8,052
At December 31, 2013	-	419,970	10,418	47,112	93,743	571,243
<u>Net book amounts:</u>						
At December 31, 2013	1,661,552	6,027	28,182	14,958	4,609	1,715,328
At December 31, 2012	511,236	2,734	31,935	6,235	3,396	555,536

Freehold land 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 Nasser Real Estate Agency, an independent professional property valuer on January 15, 2014. The revaluation surplus of BD 1,150,316/- has been taken to a revaluation reserve in General Fund 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, 2013**

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

	<u>2013</u>	<u>2012</u>
	<u>BD</u>	<u>BD</u>
Conference	123,162	265,918
Conference -2007	5,820	5,820
Membership and financial assistance fees due:		
- current year	21,315	26,638
- prior years	114,560	88,452
Prepaid expenses for conference	33,746	8,309
Other receivables	2,350	1,350
	<u>300,953</u>	<u>396,487</u>

5. **BANK BALANCES AND CASH:**

	<u>2013</u>	<u>2012</u>
	<u>BD</u>	<u>BD</u>
Short –term bank deposits	2,094,356	2,062,025
Current account balance with bank	129,257	147,131
Cash on hand	5,363	3,801
	<u>2,228,976</u>	<u>2,212,957</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 1.2% and 1.5% per annum (2012: between 1.4% and 1.75% per annum)

6. **ACCOUNTS PAYABLE AND ACCRUALS:**

	<u>2013</u>	<u>2012</u>
	<u>BD</u>	<u>BD</u>
Membership fee received in advance	24,325	27,090
Conference fee received in advance	71,637	10,858
Conferences and seminars	99,950	262,976
Accrued expenses	896	1,102
Provision for donations and charities	6,678	6,678
Provision for incentive	21,788	30,809
Other payables	3,732	3,569
	<u>229,006</u>	<u>343,082</u>

**BAHRAIN SOCIETY OF ENGINEERS**  
**JUFFAIR-BAHRAIN**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

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</u> <u>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, 2011	1,009,384	24,966	992,666	511,236	2,538,252
Net movements for the year	191,326	2,774	83,185	-	277,285
At December 31, 2012	1,200,710	27,740	1,075,851	511,236	2,815,537
Net movements for the year	28,910	420	12,569	-	41,899
Surplus on revaluation	-	-	-	1,150,316	1,150,316
Transfer of fund	1,058,420	-	(1,058,420)	-	-
At December 31, 2013	2,288,040	28,160	30,000	1,661,552	4,007,752

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 change in foreign exchange rate. The Society has not hedged its currency exposure. However, management is of the opinion that the Society's current exposure to currency risk is minimal as majority of the foreign currency financial assets and liabilities are denominated in currencies that have a fixed exchange rate with its functional currency.

**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**

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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 conform with presentation in the current year.