



شركة عمون الدولية للاستثمارات المتعددة
Ammoun International Multilateral Investments Co.

الرقم: 28/ص/2017

التاريخ: 2017/3/29

السادة / بورصة عمان المحترمين،،،

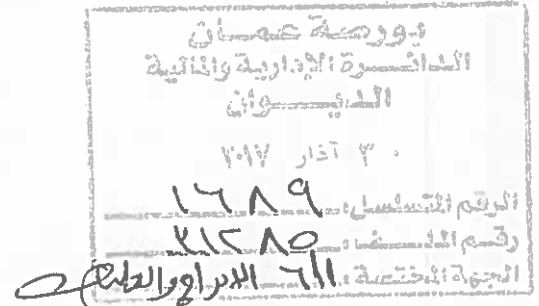
الموضوع: القوائم المالية كما في 31 كانون الاول 2016

تحية طيبة وبعد،،،

عملاً بتعليمات الإفصاح، نرفق لكم طيه النسخة الانجليزية من البيانات المالية الموحدة لشركة عمون الدولية للاستثمارات المتعددة وشركاتها التابعة كما في 31 كانون الأول 2016 اضافة لقرص مدمج يحتوي على البيانات المالية المذكورة.

واقبلوا فائق الإحترام،،،

المدير العام
عماد غنام



**Amoun International for Investments
and It's Subsidiary
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan**

**Consolidated financial statement
and independent auditor's report
for the year ended December 31, 2016**

**Amoun International for Investments
and it's Subsidiary
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan**

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Independent Auditor's Report

To Messrs. Shareholders
Amoun International for Investments
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Amoun International for Investments (Public Shareholding Company), which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial consolidated statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for the Qualified Opinion

- We have not received audited financial statements from other public accountant for the associate as at December 31, 2016.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the consolidated Financial Statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investment property

According to the international financial reporting standards requirements, the investment property is initially measured at cost including transaction costs, and a test for impairment is made for the investment property in the consolidated statement of financial position when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication of impairment exists, impairment loss is calculated according to the assets impairment policy.

Other Information

Management is responsible for the other information. The other information comprises the *[information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon.]*

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Scope of audit

Audit procedures that we have conducted among other matters included getting an appraisal from real estate experts in order to help us determine the market value of the investment property as at the consolidated financial statements date.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Company has proper accounting records which are, in all material respects, consistent with the accompanying financial statements, accordingly, we recommend to approve these financial statements by the general assembly.

Talal Abu-Ghazaleh & Co. International



Aziz Abdel Kader
(License # 867)

Amman - March 26, 2017



**Amoun International for Investments
and It's Subsidiary
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan**

Consolidated statement of financial position as at December 31, 2016

	Note	2016	2015
		JD	JD
ASSETS			
Non-current Assets			
Property and equipment	3	4,582,167	4,482,164
Investments property	4	667,257	667,257
Investment in associate	5	143,284	192,501
Total Non-current Assets		5,392,708	5,341,922
Current Assets			
Financial asset at fair value through profit or loss	6	250,519	293,621
Other debit balances	7	10,207	15,207
Trade receivables	8	60,500	140,500
Cash and cash equivalents	9	370,867	598,859
Total Current Assets		692,093	1,048,187
TOTAL ASSETS		6,084,801	6,390,109
EQUITY AND LIABILITIES			
Equity			
Capital	10	6,180,371	12,031,108
Statutory reserve		28,443	28,443
Accumulated losses	10	(266,821)	(5,850,737)
Total Equity		5,941,993	6,208,814
Current Liabilities			
Bank overdraft		2,350	-
Other credit balances	11	140,458	181,295
Total Current Liabilities		142,808	181,295
TOTAL EQUITY AND LIABILITIES		6,084,801	6,390,109

**Amoun International for Investments
and It's Subsidiary
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan**

Consolidated statement of comprehensive income for the year ended December 31, 2016

	<u>Notes</u>	<u>2016</u>	<u>2015</u>
		JD	JD
Other revenues	12	67,288	10,959
Gain on sale of a subsidiary		-	309,759
Administrative expenses	13	(201,874)	(204,215)
Losses of financial asset at fair value through profit or loss	14	(59,746)	(82,732)
Share of profit of associate	5	(49,217)	(278,421)
Impairment in the value of investment property	4	-	(19,352)
Loss before tax		(243,549)	(264,002)
Income tax paid for prior years		(23,272)	-
Loss		(266,821)	(264,002)
Loss per share	15	JD (-\026)	JD (-\022)

Amoun International for Investments
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Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Consolidated statement of changes in equity for the year ended December 31, 2016

	Capital		Statutory reserve		Accumulated loss		Total equity before non-controlling interest		Non-controlling interest		Net equity	
	JD		JD		JD		JD		JD		JD	
Balance as at January 31, 2015	12,031,108		28,443		(5,586,735)		6,472,816		957,485		7,430,301	
Non-controlling interest	-		-		-		-		(957,485)		(957,485)	
Loss	-		-		(264,002)		(264,002)		-		(264,002)	
Balance as at December 31, 2015	12,031,108		28,443		(5,850,737)		6,208,814		-		6,208,814	
Quench of accumulated loss through decrease of capital	(5,850,737)		-		5,850,737		-		-		-	
Loss	-		-		(266,821)		(266,821)		-		(266,821)	
Balance as at December 31, 2016	6,180,371		28,443		(266,821)		5,941,993		-		5,941,993	

**Amoun International for Investments
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Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan**

Consolidated statement of cash flows for the year ended December 31, 2016

	2016	2015
	JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(243,549)	(264,002)
Adjustments for :		
Depreciation	5,200	14,827
Impairment in the value of investment property	-	19,352
Share of profit of associate	49,217	278,421
Change in fair value of financial asset at fair value through profit or loss	40,447	(12,332)
Recovery of provision	(51,000)	-
Change in operating assets and liabilities:		
Financial asset at fair value through profit or loss	2,655	498,320
Other debit balances	5,000	29,391
Trade receivables	80,000	969,746
Other credit balances	10,163	4,749
	(101,867)	1,538,472
Income tax paid	(23,272)	-
Net cash from operating activities	(125,139)	1,538,472
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(105,203)	(242,044)
Net cash from investing activities	(105,203)	(242,044)
CASH FLOWS FROM FINANCING ACTIVITIES		
Non-controlling interest	-	(957,485)
Bank overdraft	2,350	-
Net cash from financing activities	2,350	(957,485)
Net change in cash and cash equivalents	(227,992)	338,943
Cash and cash equivalents - beginning of year	598,859	259,916
Cash and cash equivalents - end of year	370,867	598,859
Information about non cash transactions		
Quench of accumulated loss through decrease of capital	5,850,737	-

**Amoun International for Investments
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Notes to the consolidated financial statements

1. Legal status and activities

- Legal status and activity for the parent company and it's subsidiary as follows:

<u>Company's Name</u>	<u>Legal status</u>	<u>Ownership percentage</u> %	<u>Record date at the Ministry of Industry and Trade</u>	<u>Record number</u>	<u>The main objectives of the company</u>
Rawat Ammoun Tourism Investments Co	Limited liability	100	August 21, 2014	37916	Purchase lands, build apartments and residential complexes and other.
Amoun International for Investments (*)	Public shareholding company	-	April 28, 2008	452	Investing in real estate, agricultural, industrial, therapeutic, tourism, service and financial fields.

(*) On January 13, 2015 it was agreed to sell the shares of Amoun International for Investments Company in Wahet Amoun for Real Estate Developments to the rest of the shareholder's for the amount of JD 184,545, the company has completed all legal procedures at the related authorities.

- The financial statements were approved by the boards of directors in its session number (1) held on March 25, 2017, and requires the approval of the general assembly of shareholders.

2. Financial statements preparation framework Significant accounting policies

- **Financial statements preparation framework**

The financial statements have been prepared in accordance with International Financial Reporting Standards.

- **Measurement bases used in preparing the financial statements**

The financial statements have been prepared on the historical cost basis except for measurement of certain items at bases other than historical cost.

- **Functional and presentation currency**

The financial statements have been presented in the Jordanian dinar (JD) which is the functional currency of the entity.

- **Using of estimates**

- When preparing of financial statements, management uses judgments, assessments and assumptions that affect applying the accounting policies and carrying amounts of assets, liabilities, revenue and expenses. Actual result may differ from these estimates.
- Change in estimates shall be recognized in the period of the change, and future periods if the change affects them.
- For example, estimates may be required for doubtful and bad debts, inventory obsolescence, useful lives of depreciable assets, provisions, any legal cases against the entity

- **Basis of consolidation**

- Control is presumed to exist when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee, unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control.
- Intergroup balances, transactions, income and expenses among the group (the parent and the subsidiaries company) shall be eliminated in full.
- Non-controlling interests represent the equity in a subsidiary not attributable, directly or indirectly, to the parent.

- **Property and equipment**

- Property and equipment are initially recognized at their cost being their purchase price plus any other costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.
- After initial recognition, the property and equipment are carried, in the statement of financial position, at their cost less any accumulated depreciation and any accumulated impairment. Land is not depreciated.
- The depreciation charge for each period is recognized as expense. Depreciation is calculated on a straight line basis, which reflects the pattern in which the asset's future economic benefits are expected to be consumed over the estimated useful life of the assets using the following rates:

Category	Depreciation
	rate
	%
Apartment	2
Furniture and decorations	20
Vehicles	15

- The estimated useful lives are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.
- The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
- On the subsequent derecognition (sale or retirement) of the property and equipment, the resulting gain or loss, being the difference between the net disposal proceed, if any, and the carrying amount, is included in profit or loss.

- **Investment property**

- Investment property is property (land or building- or part of a building- or both):
 - Held by the entity to earn rentals,
 - For capital appreciation, or both, rather than for use in production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business.
- Investment property is measured initially at its cost, including transaction costs.
- After initial recognition, investment property is carried, in the statement of financial position, at its cost less any accumulated depreciation and any accumulated impairment. Land is not depreciated.
- The carrying values of investments property are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
- On the subsequent derecognition (sale or retirement) of the investment property, the resulting gain or loss, being the difference between the net disposal proceed, if any, and the carrying amount, is included in profit or loss.

- **Related parties**

- Transactions with related parties represent transfer of resources, services, or obligations between related parties.
- Terms and conditions relating to related party transactions are approved by management.

- **Financial instruments**

Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

- **Financial assets**

- A financial asset is any asset that is:
 - (a) Cash;
 - (b) An equity instrument of another entity;
 - (c) A contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity.
 - (d) A contract that will or may be settled in the entity's own equity instruments.
- Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.
- All recognized financial assets are subsequently measured either at amortized cost or fair value, on the basis of both:
 - (a) The entity's business model for managing the financial assets, and
 - (b) The contractual cash flow characteristics of the financial assets.
- A financial asset is measured at amortized cost if both of the following conditions are met:
 - (a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
 - (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- All other financial assets are subsequently measured at fair value.
- A gain or loss on a financial asset that is measured of fair value and is not part of a hedging relationship is recognized in profit or loss unless the financial asset is an investment in an equity instrument and the entity has elected to present gains and losses on that investment in other comprehensive income.

Cash and cash equivalents

- Cash comprises cash on hand, current accounts and demand deposits with banks.
- Cash equivalents are short- term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables

- Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- Trade receivables are stated at invoices (claims) amount net of allowance for doubtful receivables which represents the collective impairment of receivables.

Investments in associates

- An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.
- The entity's investment in its associate is accounted for under the equity method of accounting. Under the equity method, the investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the profit or loss of the investee is recognized in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment.
- Adjustment to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee are other comprehensive income. The investor's share of those changes is recognized in other comprehensive income of the investor.
- When no consolidation is prepared, investment in an associate is accounted for at cost.

- **Impairment of financial assets**

- Financial assets, other than those at fair value through profit or loss (FVTPL), are assessed for indicators of impairment at the end of each period.
- For financial assets carried at amortized cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets. Impairment loss is recognized in the losses.

- **Financial liabilities**

- A financial liability is any liability that is:
 - (a) A contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
 - (b) A contract that will or may be settled in the entity's own equity instruments.
- Financial liabilities are initially recognized at fair value plus transaction costs, directly attributable to the acquisition or issue of those liabilities, except for the financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.
- After initial recognition, the entity measures all financial liabilities at amortized cost using the effective interest method, except for financial liabilities at fair value through profit or loss which are measured at fair value and other determined financial liabilities which are not measured under amortized cost method.
- Financial liabilities at fair value through profit or loss are stated at fair value, with any resulting gain or loss from change in fair value is recognized through profit or loss.

Trade payables and accruals

Trade payables and accruals are liabilities to pay for goods or services that have been received or supplied and have been either invoiced or formally agreed with the suppliers or not.

- **Impairment of assets**

- At each statement of financial position date, management reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired.
- If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, being the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of asset's fair value less costs to sell and the value in use. The asset's fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. The value in use is the present value of the future cash flows expected to be derived from the asset.
- An impairment loss is recognized immediately as loss.
- Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognized in prior years. A reversal of an impairment loss is recognized immediately as income.

- **Statutory reserve**

Statutory reserve is allocated according to the Jordanian Companies Law by deducting 10% of the annual net profit until the reserve equals one quarter of the Company's subscribed capital. However, the Company may, with the approval of the General Assembly, continue to deduct this annual ratio until this reserve equals the subscribed capital of the Company in full. Such reserve is not available for dividends distribution.

- **Revenue recognition**

- Revenue is measured at the fair value of the consideration received or receivable.

Dividend and interest revenue

- Dividend revenue from investments is recognized when the shareholder's right to receive payment is established.
- Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

- **Income tax**

Income tax is calculated in accordance with laws and regulations applicable in Jordan

- **Earnings per share**

Basic earnings per share is calculated by dividing profit or loss, attributable to ordinary shareholders, by the weighted average number of ordinary shares outstanding during the year.

- **Foreign currencies**

- In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement date (closing rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.
- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise.

4. Investment property

- The movement of investment lands was as follows:

	2016	2015
	JD	JD
Balance - beginning of year	667,257	686,609
Impairment in the value of the land during the year	-	(19,352)
Balance - end of year	667,257	667,257

- The market value of the investment lands amounted to JD 696,253 as per real estate experts valuation on February 8 and 20, 2017.

5. Related parties

- (a) Transactions with related parties represent transactions with parent company's subsidiaries.
(b) Investment in associates consists of investment in Arajin Biotechnology- limited liability and the company's share is %29.77 as of December 31, 2016, movement of investment in the associate during the year was as follows:

	2016	2015
	JD	JD
Balance - beginning of year	192,501	470,922
Share of profit of associate	(49,217)	(278,421)
Balance - end of year	143,284	192,501

- (c) Transaction with related parties are financing in nature.

6. Financial assets at fair value through profit or loss

	2016	2015
	JD	JD
Balance - beginning of year	293,621	779,609
Purchase during the year	83,354	154,346
Sale during the year	(86,009)	(652,666)
Change in fair value	(40,447)	12,332
Balance - end of year	250,519	293,621

7. Other debit balances

	2016	2015
	JD	JD
Prepaid expense	3,750	644
Work advances	2,734	464
Advance payments to brokers	1,486	7,277
Income and sales tax deposits	1,455	6,822
Advance payments to suppliers	500	-
Employee receivable	282	-
Total	10,207	15,207

8. Trade receivables

	2016	2015
	JD	JD
Trade receivable	60,500	60,500
Checks under collection	-	80,000
Total	60,500	140,500

9. Cash and cash equivalents

	2016	2015
	JD	JD
Deposit at bank (*)	370,053	598,012
Current account with bank	814	847
Total	370,867	598,859

(*) The above deposit fixed up for six months with an interest rate 3.25%.

10. Capital

Based on the Extraordinary General Assembly meeting held on April 28, 2016 it was decided to quench the consolidated accumulated loss of the company amounted to JD 5,850,737 by reducing the capital of the company from JD 12,031,108 to become JD 6,180,371 and all legal procedure were completed with related authorities on September 19, 2016.

11. Other credit balances

	<u>2016</u>	<u>2015</u>
	<u>JD</u>	<u>JD</u>
Former chairman of the board of directors payable	114,701	114,701
Other	22,881	14,548
Deferred check	2,826	-
Employees income tax withheld	50	158
Provision for potential liability	-	51,000
Social security deposits	-	888
Total	<u>140,458</u>	<u>181,295</u>

12. Other revenues

	<u>2016</u>	<u>2015</u>
	<u>JD</u>	<u>JD</u>
Recovery of provisions	51,000	-
Bank interest revenue, net	16,153	10,159
Other	135	800
Total	<u>67,288</u>	<u>10,959</u>

13. Administrative expenses

	2016	2015
	JD	JD
Salaries and wages and related benefits	74,612	68,368
Professional fees	72,154	70,446
Subscriptions and license	16,265	22,790
Social security contribution	9,983	8,284
Non-refundable tax	6,178	-
Deprecation	5,200	14,827
Communication	3,944	3,933
Maintenance	3,149	3,275
Vehicles expenses	2,622	2,477
Water and electricity	2,127	2,054
Insurance	1,851	2,483
Cleaning	1,638	1,587
Miscellaneous	724	1,747
Advertisements	644	1,004
Hospitality	497	179
Stationery	286	761
Total	201,874	204,215

14. Loss on financial assets at fair value through profit or loss

	2016	2015
	JD	JD
Distributed dividends	5,641	10,062
(Loss) gain on revaluation of financial assets	(40,447)	12,332
Loss of sale of financial assets	(24,940)	(105,126)
Total	(59,746)	(82,732)

15. Loss per share

	2016	2015
	JD	JD
Loss	(266,821)	(264,002)
Weighted average number of share	10,380,078	12,031,108
Loss per share	JD (-/026)	JD (-/022)

16. Tax status

Sales and income tax status has not been settled for year 2015, and according to the management and tax consultant opinion, there is no need to take any provisions.

17. Legal cases

According to the lawyer letter there are legal cases raised by the company against others amounting to JD 120,000, and a legal case raised by others against the company amounted JD 3,472, those legal cases are still pending with the special courts.

18. Risk management

a) Capital risk:

- Regularly, the capital structure is reviewed and the cost of capital and the risks associated with capital are considered. In addition, capital is managed properly to ensure continuing as a going concern while maximizing the return through the optimization of the debt and equity balance.

b) Currency risk:

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
- The risk arises on certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year.
- Most of foreign currency transactions are in USD, and JD exchange rate is fixed against USD.

c) Interest rate risk:

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
- The risk arises on exposure to a fluctuation in market interest rates resulting from borrowings and depositing in banks.
- The risk is managed by maintaining an appropriate mix between fixed and floating interest rates balances during the financial year.
- The following table shows the sensitivity of profit or loss and equity to changes in interest rates received by the entity on its deposits with banks and on interest rates paid by the entity on borrowing from the banks:

As of December 31, 2016	Change in interest	Effect on profit (loss) and equity
	%	JD
Deposits with banks	0.5	± 1,850

d) Other price risk:

- Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
- The risk arises from investing in equity investments.
- The following table shows the sensitivity to profit or loss and equity to the changes in the listed prices of investments in equity instruments, assuming no changes to the rest of other variables:

As of December 31, 2016	Change in price	Effect on profit (loss) and equity
	%	JD
Financial asset at fair value through profit or loss	5	± 12,526

As of December 31, 2015	Change in price	Effect on profit (loss) and equity
	%	JD
Financial asset at fair value through profit or loss	5	± 14,681

e) **Credit risk:**

- Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Regularly, the credit ratings of debtors and the volume of transactions with those debtors during the year are monitored.
- Ongoing credit evaluation is performed on the financial condition of debtors, also adequate provisions for doubtful receivables is taken.
- The carrying amount of financial assets recorded in the financial statements represents the - maximum exposure to credit risk without taking into account the value of any collateral obtained.

f) **Liquidity risk:**

- Liquidity risk is the risk of encountering difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
- Liquidity risk is managed through monitoring cash flows and matching with maturity dates of the financial assets and liabilities.
- The following table shows the maturity dates of financial assets and liabilities as of December 31:

Description	Less than 1 year		More than 1 year	
	2016	2015	2016	2015
	JD	JD	JD	JD
Assets				
Investment in associate	-	-	143,284	192,501
Financial asset at fair value through profit or loss	250,519	293,621	-	-
Other debit balances	4,471	7,286	-	-
Trade receivables	60,500	140,500	-	-
Cash and cash equivalents	370,867	598,859	-	-
Total	686,357	1,040,266	143,284	192,501
Liabilities				
Bank overdraft	2,350	-	-	-
Other credit balances	140,458	130,295	-	-
Total	142,808	130,295	-	-

19. **Financial statements for the subsidiary**

The consolidated financial statements includes the financial statement of Rawat Amoun for Tourism Investments (subsidiary) and it is as follows:

Paid capital	Percentage of ownership	Total assets	Total liabilities	Accumulated loss
JD	%	JD	JD	JD
15,000	100	4,363,823	4,365,545	(3,858)

20. Fair value of financial instruments

- The entity shall classify measuring fair value methods using fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy of fair value of financial instruments have the following levels:
- Level 1: listed prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs rather than prices listed in level 1 and observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: inputs for the asset or liability is not based on comparable market data that can be observed (non-observable inputs).

As December 31, 2016	Levels			
	1	2	3	Total
	JD	JD	JD	JD
Financial assets				
Financial assets at fair value through profit or loss	250,519	-	-	250,519

21. Standards and Interpretations issued but not yet effective

Up to the date of these financial statements, the following Standards and Interpretations were issued by the International Accounting Standards Board but not yet effective:

Standard or Interpretation No.	Description	Effective date
IFRS (9) - New	Financial Instruments	Jan 1, 2018 or after
IFRS (15) - New	Revenue from contracts with customers	Jan. 1, 2018 or after
IFRS (16) - New	Leases – all leases are being recognized in the statement of financial position, without distinctions between operating and finance leases	Jan 1, 2019 or after
IAS (7) - Amendments	Additional disclosures enables users of financial statement to assess the required changes arising from financial operation	Jan 1, 2017 or after
IAS (12) - Amendments	Recognition to deferred tax assets for unrealized losses	Jan 1, 2017 or after

Management anticipates that the adoption of these Standards and Interpretations in current or future periods may not have material impact on the financial statements.