IBN - AL HAYTHAM HOSPITAL
مستشفى ابن الهيثم

شركة مستشفى ابن الهيثم م.ع.م

الرقم : ش س /2019/6/
التاريخ : 2019/3/11

للاوضاع

ه بورصة عمان

To: Jordan Securities Commission
Amman Stock Exchange

السادة هيئة الاوراق المالية
السادة بورصة عمان

3/13

Subject: Audited Financial Statements for the fiscal year ended 31/12/2018

الموضوع : البيانات المالية السنوية المدققة للسنة المنتهية في 2018/12/31

Attached the Audited Financial Statements of **(IBN- AL Haytham Hospital Co.)** for the fiscal year ended 31/12/2018

مرفق طيه نسخة من البيانات المالية المدققة لشركة (مستشفى ابن الهيثم) عن السنة المالية المنتهية في 2018/12/31

Kindly accept our high appreciation and respect

وتفضلوا بقبول فائق الاحترام،،،

Dr. Ahmad Abu - Khadijeh
Vice Chairman of the Board

الدكتور أحمد عبد الله ابو خديجة
نائب رئيس مجلس الإدارة

IBN-AL HAYTHAM HOSPITAL
مستشفى ابن الهيثم

هيئة الأوراق المالية
الدائرة الإدارية / الديوان
١٣ آذار ٢٠١٩
الرقم المتسلسل ٩٥٩٠١٣
الجهة المختصة

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Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Financial Statements
as of December 31, 2018

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

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Independent Auditors' Report

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To the Shareholder of

Ibn- Al Haytham Hospital Co

Public Shareholding Company

Amman- The Hashemite Kingdom of Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the Accompanying financial statements of **Ibn- Al Haytham Hospital Co. (Public Shareholding Company)**, which comprise the statement of financial position as at December 31, 2018,and the statements of comprehensive income, changes in owner's equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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.

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The adequacy of the expected credit loss provision	The audit procedures included the:
- Due to the estimated nature of the calculation of the expected credit loss provision for receivables as per IFRS 9 requirements amounted of JD 10,174,672 this matter is considered an important audit. - The Company applies the simplified method of IFRS 9 Financial Instruments to record expected credit losses. - The Company used estimates based on the Company's experience in calculating the allowance for impairment considering future factors and the economic environment. - The adjustment made to retained earnings upon transition to IFRS 9 was JD 1,452,514 and had a significant impact on its statement of financial statements.	• Examining the appropriateness of the approach used in the application of IFRS 9, Financial Instruments and Practical Instruments • Evaluating management's process for selection of the "expected credit loss" methodology. • Considering management's processes and controls implemented to ensure the completeness and accuracy of the transition adjustments. • Evaluate the appropriateness and reasonableness of the estimates made by management in calculating the expected credit loss provision. • Reviewing the adequacy of the Company's disclosures about the expected credit loss provision (9) and disclosing the accounting policies and estimates of the provision for credit losses expected in Notes (4,9) to the financial statements.

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 financial statements and our auditors' report thereon. We expected that we will give the annual report after our report. 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 when its available 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements.

As part of an audit in accordance with ISAs, 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.

- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 approving these financial statements by the general assembly.

Al- Abbasi & Partners Co.

Nabil M. Obeidat
License 877

Amman in
February 28, 2019

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of Financial Position as of December 31 , 2018

	Note	2018	2017
		JD	JD
Assets			
Non-current Assets			
Property , plant & equipments - net	5	16,831,705	17,921,559
Investments in associates	6	758,021	807,132
Financial assets at fair value through comprehensive income	7	3,512,114	3,806,925
Total Non-current assets		**21,101,840**	**22,535,616**
current Assets			
Inventory	8	1,495,314	1,466,486
Accounts receivable & cheques under collection - net	9	5,087,338	6,457,055
Due from related parties	28A	399,371	348,475
Other debit balances	10	495,600	306,198
Cash on hand and at banks	11	267,584	260,733
Total Current Assets		**7,745,207**	**8,838,947**
Total Assets		**28,847,047**	**31,374,563**
Owner's Equity and liabilities			
Owner's Equity			
Capital	12	20,000,000	20,000,000
Stock premium	13	1,911,328	1,911,328
Statutory reserve	14	1,119,372	1,053,622
Voluntary reserve	15	78,853	78,853
Fair value reserve for the financial assets	16	(1,648,467)	(1,333,915)
Accumulated (loss) at the end of the year	17	(1,407,622)	(455,832)
Total Owner's Equity		**20,053,464**	**21,254,056**
Current Liabilities			
Credit banks	18	5,450,384	6,483,807
accounts payable and posted dated cheques	19	2,636,834	2,807,272
Due to related parties	28B	822	38,230
Other credit balances	20	705,543	791,198
Total current liabilities		**8,793,583**	**10,120,507**
Total Owner's Equity and liabilities		**28,847,047**	**31,374,563**

Accompanying notes form integral part of this statement

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of comprehensive Income For The Year Ended December 31,2018

	Note	2018	2017
		JD	JD
Revenues	21	14,224,251	14,770,729
Cost of Revenue	22	(9,484,233)	(10,802,077)
Gross Profit Margin		**4,740,018**	**3,968,652**
General & administrative expenses	23	(3,410,228)	(3,546,636)
Provision for doubtful debts		(50,000)	(625,110)
Legal provision		-	(92,830)
Depreciation		(917,177)	(852,666)
Finance Commisions & expenses		(418,686)	(386,331)
Company's share of associates profit		5,127	39,613
Other revenues	24	663,438	609,390
Profit of the year before tax		**612,492**	**(885,918)**
Income tax	B 20	-	-
Profit of the year		**612,492**	**(885,918)**
Other comprehensive income items			
Change in fair value reserve		(294,810)	(775,783)
Change in fair value reserve - associates co		(19,742)	-
gains from sale financial assets		(3)	-
Total Comprehensive income		**297,937**	**(1,661,701)**
		JD	JD
Basic and diluted per share	27	**0.031**	**(0.044)**

Accompanying notes form integral part of this statement

Ibn-Alhaytham Hospital Co (P.S.C)

Public Shareholding Company

Amman - The Hashemite Kingdom of Jordan

Statement of Changes in Owners Equity For The Year Ended December 31,2018

	Capital	Issue premium	Statutory reserve	Voluntary reserve	Fair value reserve	Accumulated (loss) at the end of the year	Total
	JD	JD	JD	JD	JD	JD	JD
Balance as of Jan 1, 2018	**20,000,000**	**1,911,328**	**1,053,622**	**78,853**	**(1,333,915)**	**(455,832)**	**21,254,056**
prior years expenses	-	-	-	-	-	(46,016)	(46,016)
Effect of application of (IFRS No 9)	-	-	-	-	-	(1,450,260)	(1,450,260)
Effect of application of (IFRS No 9) associates co	-	-	-	-	-	(2,253)	(2,253)
Adjusted opening balance	**20,000,000**	**1,911,328**	**1,053,622**	**78,853**	**(1,333,915)**	**(1,954,361)**	**19,755,527**
Profit of the year	-	-	-	-	-	612,492	612,492
change in fair value reserve	-	-	-	-	(314,552)	-	(314,552)
gains from sale financial assets	-	-	-	-	-	(3)	(3)
Total Comprehensive income	-	-	-	-	**(314,552)**	**612,489**	**297,937**
Transfer to statutory reserve	-	-	65,750	-	-	(65,750)	-
Balance as of Dec 31, 2018	**20,000,000**	**1,911,328**	**1,119,372**	**78,853**	**(1,648,467)**	**(1,407,622)**	**20,053,464**
Balance as of Jan 1, 2017	**20,000,000**	**1,911,328**	**1,053,622**	**78,853**	**(558,132)**	**1,348,259**	**23,833,930**
prior years expenses	-	-	-	-	-	(118,173)	(118,173)
Adjusted opening balance	**20,000,000**	**1,911,328**	**1,053,622**	**78,853**	**558,132-**	**1,230,086**	**23,715,757**
(loss) of the year	-	-	-	-	-	(885,918)	(885,918)
change in fair value reserve	-	-	-	-	(775,783)	-	(775,783)
Total Comprehensive income	-	-	-	-	**(775,783)**	**(885,918)**	**(1,661,701)**
Dividends paid (Note 17)	-	-	-	-	-	(800,000)	(800,000)
Balance as of Dec 31, 2017	**20,000,000**	**1,911,328**	**1,053,622**	**78,853**	**(1,333,915)**	**(455,832)**	**21,254,056**

- The fair vlaue reserve is a result of changes in the fair value of the owners equity instruments that valued at the fair value through the comprehensive income statement items, In accordance with the instructions of the Securities Commission It is prohibited to dispose of the credit balance of such change by dividends or capitalization or amortization the accumulated loss or any way of acting
- olso , Dividends to shareholders are excluded from the balance of the negative balance (debit) to calculate the change in fair value for the owners equity instruments that valued at the fair value through the comprehensive income statement items

Accompanying notes form integral part of this statement

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of Cash Flows For The Year Ended December 31, 2018

	Note	2018 JD	2017 JD
Cash flows from operating activities			
(Loss) Profit of the year before tax		612,492	(885,918)
prior years (expenses)		(43,776)	(118,173)
Depreciation		2,197,012	2,469,000
Provision for doubtful debts		50,000	625,110
Company's share of associates profit		(5,127)	(39,613)
Financial Expenses		418,686	386,331
Net operating profit before changes in working		**3,229,287**	**2,436,737**
(Increase) decrease in current assets			
Accounts receivable & cheques under collection - net		(130,543)	(516,540)
Due from related parties		(50,896)	(45,854)
Inventory		(28,828)	29,168
Other debit balances		(189,402)	(38,772)
Increase (decrease) in current liabilities			
accounts payable and posted dated cheques		(170,438)	124,687
due to related Parties		(37,408)	34,151
Other credit balances		(85,654)	124,171
Net cash Resulting from operating activities before tax		**2,536,118**	**2,147,748**
Paid Income tax			**(100,511)**
Net cash Resulting from operating activities		**2,536,118**	**2,047,237**
Cash flows from investing activities			
Changes of property, plant and equipment		(1,107,158)	(1,347,386)
Dividends from associates		40,000	46,666
Investment in associate company		(10,000)	-
Net cash flows (used in) investing activities		**(1,077,158)**	**(1,300,720)**
Cash Flows from Financing Activities			
Credit banks		(1,033,423)	342,084
Financial Expenses		(418,686)	(386,331)
Dividends paid		-	(800,000)
Net cash flows (used in) investing activities		**(1,452,109)**	**(844,247)**
Net (decrease) increase in cash balances		**6,851**	**(97,730)**
Cash balances at beginning of year		260,733	358,463
Cash balances at end of year		**267,584**	**260,733**

Accompanying notes form integral part of this statement

Notes to the Financial Statements

1- **Incorporation**

Ibn-Alhitham Hospital Co was established & registered as a Limited Liability company under nomber (3153) on **April 20,1993** , with a cpital amounted (400,000 JD) divided to (400,000 share) and it was increas to amounted to (20,000,000 JD)

The company has been converted into a public shareholding company and was registerd aunder nomber (436) in accordance to approval of Ministry of Industry and Trade at May 10,2007

One of company's main objectives is to found and establish a hospital for general casses And especially ophthalmology,Otorhinolaryngology, Medicine and Neurosurgery and to Import a necessary medical equipment and supplies

The accompanying financial statements have been approved by the Board of Directors at its meeting held on **February 28 , 2019** and are subject to the approval of the General Assembly of Shareholders

2- **Basis of preparation**

* **General**

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Standards Board (IFRIC)

The financial statements have been prepared accordingly Of the historical cost convention, except for financial assets and liabilities that are stated at fair value

The Jordanian Dinar is the currency of the presentation of the financial statements, which represents the Company's principal currency

3- **Use of estimates**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities . These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular , considerable judgement by management is required in the estimation of the amount and timing of future cash flows . Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions .

Management beleive that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline , Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable . For individually significant amounts , this estimation is performed on an individual basis . Amounts which are not individually significant , but which are past due , are assessed collectively and a provision applied according to the length of time past due , based on historical recovery rates .

- Inventories are held at the lower of either cost or net realizable value . When inventories become old or obsolete , an estimate is made of their realizable value . For individually significant amounts this estimation is performed on an individual basis . Amounts which are not individually significant , but which are old or obsolete , are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence , based on historical selling prices.

- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of comprehensive income.

4- **Significant accounting policies**

The accounting polices used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2017 except for the followings:

Changes in accounting policies

During the current period, the Company adopted the below new and amended International Financial Reporting Standards ("IFRS") and improvements to IFRS that are effective for periods beginning on 1 January 2018:

* IFRS 15 "Revenue from Contracts with Customers"
* IFRS 9 "Financial Instruments"
* Amendments to IFRS 2 "Classification and Measurement of Share-based Payment Transactions".
* Amendments to IFRS 4 "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts".
* Amendments to IAS 40 "Transfers of Investment Property"
* Annual improvements to IFRS 2014-2016 Cycle "Amendments to IFRS 1 and IAS 28".
* IFRIC 22 Foreign Currency Transactions and Advances consideration.

The adoption of the above new and amended IFRS and improvements to IFRS had no significant impact on the financial statements, except for IFRS 9, which led an increase in the provision for impairment of trade Receivable of JD 1,450,260 .

IFRS 9 "Financial Instruments"

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recongnition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments : classification and measurement; impairment; and hedge accounting.

The Company had previously implemented the first phase of IFRS 9 as issued during 2009. The date of initial implementation of the first phase of IFRS 9 was 1 January 2011. The standard has been applied retrospectively and , in line with IFRS 9, comparative amounts have not been restated

The impact of the adoption of IFRS 9 as at 1st Janauary 2018 has been recognised in retained earnings. The standard eliminated the use of the IAS 39 incurred loss impairment model approach, uses the revised hedge accounting framework, and the revised guidance on the classification and measurement requirements.

Impairment

The adoptiion of IFRS 9 has fundamentally changed the company accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

IFRS 9 requires the company to record an allowance fro ECLs for all debt instruments measured at amorization cost.

For all debt instruments, the company has applied the standard's simplified approach and has calculated ECLs bases on lefetime expected credit losses. The company policy to calculate ECls of debt instruments is for a period of 12 months

Line item impacted in the financial statements	As reported at 31 December 2017	Estimated adjustments due to adoption of IFRS 9	Estimated adjusted opening balances as at 1 January 2018
Provision for impairment of trade receivables (Note9)	3,607,143	1,450,260	5,057,403
Accumulated (loss)	(455,832)	(1,452,514)	(1,908,346)

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 "Revenue from Contracts with Customers" (hereafter "IFRS 15) introduced a 5-step approach to revenue recognition, which establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 "Revenue" , IAS 11 "Construction Contracts" and related interpretations.

Management reviewed and assessed the Company existing contracts with customers at 1 January 2018 and concluded that, apart from more extensive disclosures for the Company revenue transactions (Note 17), the initial application of IFRS 15 had no significant impact on the Company statement of financial position as at 31 December 2018 and its statement of profit or loss and other comprehensive income for the year then ended. Consequently, there were no adjustments as at 1 January 2018.

New and amended standards and an interpretation to a standard not yet effective, but available for early adoption

The below new and amended International Financial Reporting Standards ("IFRS" or "standards") and an interpretation to a standard that are available for early adoption for financial years beginning after 1 January 2018 are not effective until a later period, and they have not been applied in preparing these consolidated financial statements.

Effective for year beginning 1 January 2019

- IFRS 16 "Leases"
- Interpretation made by the International Financial Reporting Interpretation Council (IFRIC) 23 "Uncertainty over Tax Treatments"
- Amendments to IFRS 9 "Financial Instruments" on prepayment features with negative compensation.
- Amendments to IAS 28 "Investments in Associates and Joint Ventures" on long-term interests in associates and joint ventures.
- Amendments to IAS 19 "Employee Benefits" on plan amendment curtailment or settlement.
- Amendments to varicus standards based on the Annual Improvements to IFRSs 2015-2017 Cycle.

Effective for year beginning 1 January 2020
Amendments to references to conceptual framework in IFRS standards

Effective for year beginning 1 January 2021
IFRS 17 "Insurance Contracts

Effective date deferred indefinitely / available for
Amendments to IFRS 10 " Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" on sale or contribution of assets between an investor and its associate or joint venture

The management did not expecting any significant effect as a result of applaying the new and adjusted standards on the financial statements for the company

The following is a summary of the significant accounting policies used:

- **Property, plant and equipment**

Property & equipments are recorded at cost and depreciated (except lands) over its estimated useful lives under the **straight line** method by using annual depreciation rates from 2-20 % .

An assets carrying amounts is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount , the impairement record in statement of comprehensive income .

The expected production life for assets is reviewed at end of the year , whenever ther are changes between the expected life and the estimated , the depreciation method is changed to depreciate on net book value based on the remaining production life after re-estimation from the year re-estimated on .
When there are no expected economic benifits from usage , that item will be written down immediately .

- **Investments in Associated Companies**

The investment in associated companies that the percentages of ownership is greater than 20% will be recorded at the equity method

- **Investments in financial assetsat fair value through Comprehensive income statement**

Financial assets stated at fair value through comprehensive income are non derivative financial assets, the purpose of the acquisition is to keep them available for sale and not to trade or keep them until maturity. The differences in the change in fair value of financial assets carried at fair value are recorded through the statement of comprehensive income.
Financial assets stated at fair value through comprehensive income that is available to quoted market prices in active markets at fair value, net of accumulated impairment losses in the fair value appear.

Gains and losses arising from differences foreign currency debt instruments that bear interest within the specified financial assets at fair value through comprehensive income transfer register, while the registration of foreign exchange rate changes ownership of the tools included in the cumulative change in fair value in equity.

If the company did not adopt the recognition of the fair value changes of financial assets in equity instruments in the list of other comprehensive income must be an option then these assets are measured at fair value and recognize changes in fair value in the statement of comprehensive income.

Inventory

Books warehouse is stated at the cost , the cost is determined by using the moving average method .

spare parts warehouse is stated at the cost , the cost is determined by using the moving average method

- **Accounts Receivables**

Accounts receivable are stated at their net realizable value net of a provision for doubtful accounts , bad debts were written off when identified and deducted from its stated provision and the collected amounts from debts are identified to revenues .

- **Accounts payable**

The accounts Payable and accrued amounts are recognized upon receipt of the goods by the company, whether billed by the supplier or not.

Provesions

Provisions are recognized when the Company has an obligation (legal or constructive) arising from a past event, and that the payment of the obligations is potential and its value can be measured reliably

Offsetting

Offsetting of fianacial assets and financial liabilities is occurred and the net amount reported in the financial statements when the rights and legaly enforceable right to offset the recognized amounts and the bank intends to either settle them on a net basis , or to realize the assets and settle the liability

Revenue recognition

The revenue achieved upon providin the medical services and issue the invoice

Income tax

Taxes owed expenses are calculated on the basis

Provision is made for the calculation of income tax under the tax rates established in accordance with the temporary income tax law No. 34 of 2014 and its subsequent amendments

Foreign currency conversions

Foreign currency transactions are translated into Jordanian Dinars at the exchange rates prevailing at the date of transaction . Assets and liabilities expressed in foreign currencies are translated into Jordanian Dinars at the exchange rates prevailing as at the balance sheet date . Exchange differences arising from these translations are included in the statement of income .

-5 **Property, plant and equipment - Net**

This item consists of :

	Lands	Buildings	Vehicles	Medical Equipment's	Furniture	Office equipment	Computers	Machines and equipments	Signboard	Other assets	Total
	JD	JD	JD		JD	JD	JD	JD	JD	JD	JD
Cost as of t januarey 1, 2018	**5,190,304**	**12,601,389**	**499,908**	**17,766,397**	**935,674**	**716,639**	**327,375**	**104,030**	**22,257**	**42,472**	**38,206,445**
Additions during the year	176,812	24,771	-	337,481	54,104	149,823	366,189	3,486	1,356	4,020	**1,118,042**
Deletion during the year	-	-	(27,184)	-	-	-	-	-	-	-	(27,184)
Cost at December 31, 2018	**5,367,116**	**12,626,160**	**472,724**	**18,103,878**	**989,778**	**866,462**	**693,564**	**107,516**	**23,613**	**46,492**	**39,297,303**
Acumulated Depreciation											
balance as of januarey 1, 2018	-	6,058,085	432,926	12,116,965	702,214	614,070	280,471	25,557	19,586	35,012	20,284,886
Additions during the year	-	686,972	36,499	1,252,860	70,579	61,904	71,364	13,997	1,065	2,118	2,197,358
Deletion during the year	-	-	(16,646)	-	-	-	-	-	-	-	(16,646)
balance as of December 31, 2018	-	**6,745,057**	**452,779**	**13,369,825**	**772,793**	**675,974**	**351,835**	**39,554**	**20,651**	**37,130**	**22,465,598**
Net book value as of December 31, 2018	**5,367,116**	**5,881,103**	**19,945**	**4,734,053**	**216,985**	**190,488**	**341,729**	**67,962**	**2,962**	**9,362**	**16,831,705**
Net book value as of December 31, 2017	**5,190,304**	**6,543,304**	**66,982**	**5,649,432**	**233,460**	**102,569**	**46,904**	**78,473**	**2,671**	**7,460**	**17,921,559**

6- **Investment in associated**

This item consists of the following:

	Ownership rate	2018	2017
		JD	JD
International medical investment company *	2.2%	51,197	64,572
Umana for investment and financial protofolio management	7.41%	706,824	732,560
Applied for energy	40.0%	-	10,000
Total		**758,021**	**807,132**

* The market value of the investment in International Medical Investment Company WLL was listed at 160,908 JD as at 31 December 2018

The following is a summary of the movement on the value of investment in associates

	2018	2017
	JD	JD
Balance at the beginning of the year	**807,132**	**807,132**
Effect of application of (IFRS No 9)	(2,253)	-
Adjusted opening balance	**804,879**	**807,132**
Company's share of associates profit	5,127	**39,613**
Change in fair value reserve - associates co	(19,742)	(49,613)
gains from sale financial assets	(3)	-
Effect of application of (IFRS No 9)	(2,240)	-
Capital increase - Applied energy	10,000	10,000
Dividends - Alomana' Company	(40,000)	-
Balance at end of year	**758,021**	**807,132**

The following table summarizes the financial statements of investments in associates:

2018

	Activity	Assets	Liabilities	Revenues	Company's share of associates profit
		JD	JD	JD	JD
International medical investment company *		1,718,451	1,015,277	155,774	(9,968)
Umana for investment and financial protofolio management		10,118,570	600,509	759,531	35,095
Applied for energy		352,812	410,399	-	(20,000)
Total		**12,189,833**	**2,026,185**	**915,305**	**5,127**

2017

	Activity	Assets	Liabilities	Revenues	Company's share of associates profit
		JD	JD	JD	JD
International medical investment company		1,965,381	1,024,728	400,003	198
Umana for investment and financial protofolio management		10,436,841	571,264	839,339	39,415
Applied for energy		11,678	3,267	-	-
Total		**12,413,900**	**1,599,259**	**1,239,342**	**39,613**

7- **Investments in financial assets at fair value through Comprehensive income statement**

This item consists of the following:

	2018	2017
	JD	JD
Inside Jordan		
Listed financial assets	3,512,114	3,806,925
Total	**3,512,114**	**3,806,925**

There are shares that held by the Securities Depository Center for the purpose of membership in the boards of directors of companies with 65,000 share

8- **Inventory**

This item consists of the following:

	2018	2017
	JD	JD
Medical and Pharmacy material	708,972	598,980
Operation and clincs material	668,997	678,884
Non-medical matrial and stationary warehous	78,750	90,591
Laps material	38,595	98,031
Total	**1,495,314**	**1,466,486**

9- **Account Receivables and Cheques under collection**

A- This item consists of the following:

	2018	2017
	JD	JD
Medical Receivables	8,955,534	8,573,871
Trade Receivables	499,765	576,790
Personal Receivables for Doctors	358,273	430,981
Inpatients Receivable	65,459	78,810
Legal Cases Receivables	100,900	100,900
Returned cheques	161,176	178,892
Cheuqes under collection	33,565	123,954
Total	**10,174,672**	**10,064,198**
Provision for impairment	(5,087,334)	(3,607,143)
Net	**5,087,338**	**6,457,055**

B- Transactions occurred on the provision for Doubetful Receivables during the year were as follows :

	2018	2017
	JD	JD
Beginning balance	3,607,143	2,984,906
Effect of application of (IFRS No 9)	1,450,347	-
Adjusted opening balance	**5,057,490**	**2,984,906**
Additions for the year	50,000	625,110
Additions for the year	(20,156)	(2,873)
Ending Balance	**5,087,334**	**3,607,143**

10- **Other debit balances - Net**

This item consists of the following:

	2018	2017
	JD	JD
Prepaid expenses	66,636	77,467
Accrued Revenue	126,169	-
Refundable Debosit	72,440	56,239
Employees receivables	146,713	148,760
Other debit balances	38,932	23,732
Prepayment to Purchase property and equipment	44,710	-
Total	**495,600**	**306,198**

11- **Cash on hand and at banks**

This item consists of the following:

	2018	2017
	JD	JD
General Cash	55,758	55,767
Cash at the banks	211,826	204,966
Total	**267,584**	**260,733**

12- **Capital**

The paid-up capital and unauthorized amounted to 20,000,000 Jordanian dinars, divided into 20,000,000 shares, the par value per share is JD one shares) value per share of nominal dinars).

13- **Stock premium**

premium account reperesent difference between from nominal value and share value Issued

14- **Statutory reserve**

The accumulated amounts in this account represent what has been diverted from the annual profit The General Authority may, after exhausting the other reserves, decide at an extraordinary meeting ammortize its losses from the amounts accumulated in the Statutory Reserve Account and be reconstituted in accordance to low

15- **Voluntary reserves**

This item represents the accumulated amount appropriated at a rate of 20% of annual income before taxs , and it used in purpose detrmined by the Border of Directors

16- **Fair value reserve**

This ammount is represent the increas / (decreas) in the fair value for the financial assets at fair value throug coprehensive income as following :

	2018 JD	2017 JD
Balance at the beginning of the year	(1,333,915)	(558,132)
Change Duruing the year	(314,552)	(775,783)
Balance at end of year	**(1,648,467)**	**(1,333,915)**

17- **Retained Earning at the end of the year**

This item consists of the following:

	2018 JD	2017 JD
Balance at the beginning of the year	(455,832)	1,348,259
Effect of application of (IFRS No 9)	(1,450,260)	-
Effect of application of (IFRS No 9) associates co	(2,253)	-
prior years (expenses)	(46,016)	(118,173)
Dividends paid *	-	(800,000)
Profit for the year after income tax	612,492	(885,918)
gains from sale financial assets	(3)	-
Transfer to statutory reserve	(65,750)	-
Balance at end of year	**(1,407,622)**	**(455,832)**

18- **Banks Over Draft**

This item consists of the following:

	Interest Rate	Facilities Limit	2018	2017
			JD	JD
Arab bank	8.250%	2,000,000	3,450,414	988,033
Banak al Etihad	7.750%	4,000,000	-	2,988,818
AL rajihi Bank	7.500%	3,000,000	1,999,970	2,500,000
Arab Islamic Bank			-	6,956
Total			**5,450,384**	**6,483,807**

The credit facility is to guarantee the name of the company

19- **Accounts payable and posted dated cheques**

This item consists of the following:

	2018	2017
	JD	JD
Account Payable	2,589,504	2,777,272
Posted Dated Cheques	47,330	30,000
Total	**2,636,834**	**2,807,272**

20- **Other credit balances**

a- This item consists of the following:

	2018	2017
	JD	JD
Legal Cases	334,579	334,579
Company's share of associates profit	45,000	-
Income Tax Deposits	10,048	33,194
Employees payable	20,840	15,686
Income Tax provision (20b)	10,313	10,313
Social security deposites	61,312	63,891
Accrued expenses	99,679	63,613
Unearned rent	68,262	130,168
Doctors deposites	9,488	29,407
Other	46,022	110,347
Total	**705,543**	**791,198**

b- **The movement of provision Tax during the year as follows :**

	2018	2017
	JD	JD
Balance beginning of the year	10,313	110,824
Tax for the year *	-	-
Tax Paid Half yearly	-	(100,511)
Balance at the ending of the year	**10,313**	**10,313**

- The company was terminated with the Income and Sales Tax Department until 2016
- The annual estimate of 2017was presented within the legal period of the Income and Sales Tax Department and has not yet been reviewed

* Income tax is not calculated for the results of 2018 as the value of accumulated losses from the previous year exceeds the profit for the year according to the opinion of the tax advisor of the company

21- **Revenue**

This item consists of the following:

	2018	2017
	JD	JD
Entrances, Surgeries and Clinics	7,820,158	7,732,940
Pharmacy	2,687,182	3,045,343
Laps	1,866,706	2,110,387
Radiology	1,850,205	1,882,059
Total	**14,224,251**	**14,770,729**

22- Cost of Revenue

A- This item consists of the following:

	2018	2017
	JD	JD
Salaries and wages	2,850,500	2,924,320
Company contribution in the social security	357,739	378,480
Medicine and medical and non-medical tools (Note 22b)	3,622,813	4,843,368
Depreciations	1,279,835	1,616,334
General Maintenance	457,506	348,576
Expenses of Anesthesia Convention	348,790	-
Consumables	198,285	250,773
Cleaning and other services	56,965	47,137
Stationary and Publication	62,235	67,935
Medical material and films printing	118,543	101,283
External tests	55,696	68,570
Hospitality, conferences and donations	13,507	57,770
Vehicles Insurance	450	2,070
Health insurance	49,560	57,191
Governmental fees and registerations	6,850	8,448
Training	142	22,431
Travel and transportations	70	2,405
Telephone and mail	3,263	3,200
fuels	1,484	1,786
Total	**9,484,233**	**10,802,077**

B- **Medicine and medical and non-medical tools**

	2018	2017
Medicine - cost of goods sold	1,832,987	2,287,856
Medical Supply - cost of goods sold	1,216,869	1,946,600
Non-medical supply - cost of goods sold	169,631	223,755
Laps - cost of goods sold	403,326	385,157
Total	**3,622,813**	**4,843,368**

23- General and Adminstrative expenses

This item consists of the following:

	2018	2017
	JD	JD
Salaries and wages	1,362,993	1,338,326
Company contribution in the social security	147,740	150,651
Board of directors remunerations	45,000	-
Cleaning and other services	46,232	50,900
Electricity	1,040,688	1,203,582
Health insurance	62,273	69,370
Insurance	11,847	13,448
Telephone and mail	25,570	21,855
Water	27,990	49,102
Fule	260,477	217,060
General Maintenance	62,433	76,501
Governmental fees and registerations	95,794	114,611
Advertising	7,830	15,175
Professional and legal cases fees	31,227	18,397
Stationary and Publication	45,733	43,870
Travel and transportations	7,502	27,112
Groceries	19,188	28,230
Hospitality, conferences and donations	8,493	30,768
Research and consultancy fees	24,414	12,729
Others	76,804	64,949
Total	**3,410,228**	**3,546,636**

24- Other Revenue

This item consists of the following:

	2018	2017
	JD	JD
Rent revenue	271,906	275,140
Acquied Discount revenue	9,939	11,555
Share Dividens	278,627	280,631
Other	102,966	42,064
Total	**663,438**	**609,390**

25- Earnings Per Share

This item consists of the following:	2018	2017
	JD	JD
Profit of the year after tax	612,492	(885,918)
The weighted average number of shares	20,000,000	20,000,000
Basic and diluted, earnings per share	**0.031**	**(0.044)**

The reduced per share from the year profit is equal to the basic share from the year profit.

26- Segment Information

the main company objective is provide a medical services and investing in company, Following is a breakdown of the segment information for the business segments:

				2018	2017
	The main activity	shares	others	Total	Total
	JD	JD	JD	JD	JD
Revenue	14,224,251	5,127	663,438	14,892,816	15,419,732
other segment					
Capital expenditure	1,107,158	-	-	1,107,158	1,347,386
Depreciation	2,197,012	-	-	2,197,012	2,469,000

				2018	2017
	The main activity	shares	others	Total	Total
	JD	JD	JD	JD	JD
Assets And Liability					
Assets	24,309,328	4,270,135	267,584	28,847,047	31,374,563
Liabilities	8,793,583	-	-	8,793,583	10,120,507

27- **Entitlement analysis of assets and liabilities**

the following table shows the analysis of assets and liabilities accordaing to the expected period of recovery and settelment :

2018

	for year	more than one year	Total
	JD	JD	JD
Assets			
Non-current Assets			
Property , plant & equipments - net	-	16,831,705	16,831,705
Investments in associates	-	758,021	758,021
Financial assets at fair value through comprehensive income	-	3,512,114	3,512,114
Inventory	1,495,314		1,495,314
Accounts receivable & cheques under collection - net	5,087,338	-	5,087,338
Due from related parties	399,371	-	399,371
Other debit balances	495,600	-	495,600
Cash on hand and at banks	267,584	-	267,584
Total Assets	**7,745,207**	**21,101,840**	**28,847,047**
Current Liability			
Credit banks	5,450,384	-	5,450,384
accounts payable and posted dated cheques	2,636,834	-	2,636,834
Due to related parties	822	-	822
Other credit balances	705,544	-	705,544
Total current liabilites	**8,793,584**	-	**8,793,584**
Net	**(1,048,377)**	**21,101,840**	**20,053,463**

The analysis of maturity of assets and liabilities

2017

	for year	more than one year	Total
Assets	JD	JD	JD
Non-current Assets			
Property , plant & equipments - net	-	17,921,559	17,921,559
Investments in associates	-	807,132	807,132
Financial assets at fair value through comprehensive income		3,806,925	3,806,925
Inventory	1,466,486	-	1,466,486
Accounts receivable & cheques under collection	6,457,055	-	6,457,055
Due from related parties	348,475	-	348,475
Other debit balances	306,198	-	306,198
Cash on hand and at banks	260,733	-	260,733
Total Assets	**8,838,947**	**22,535,616**	**31,374,563**
Current Liability			
Credit banks	6,483,807	-	6,483,807
accounts payable and posted dated cheques	2,807,272	-	2,807,272
Due to related parties	38,230	-	38,230
Other credit balances	791,198	-	791,198
Total current liabilites	**10,120,507**	**-**	**10,120,507**
Net	**(1,281,560)**	**22,535,616**	**21,254,056**

28- Transactions with related parties

Related parties represent key shareholders, associates, directors and companies with principal owners. The prices and terms of these transactions are approved by the Company's management.

a- The following is the transaction that Due on related Parties

	Nature of transactions	Nature of relationship	2018	2017
			JD	JD
Arab international for education and investme	Sister	Medical services	186,846	304,685
Etihad School	Sister	Medical services	32,353	32,345
AL-Omana'a for Investment and financial portfolio management	Sister	Medical services	6,030	2,658
Arab international fooed factories co	Sister	Medical services	1,502	1,427
Applied Energy Company	Sister	Medical services	159,488	-
First Finance	Sister	Medical services	7,415	2,640
Jordanian real estate co. for development	Sister	Medical services	5,737	4,720
Total			**399,371**	**348,475**

b- The following is thw transaction that Due to related Parties

	Nature of transactions	Nature of relationship	2018	2017
			JD	JD
International Co for Medical Investment	Sister	Medical services	287	36,838
Trans world information technology	Sister	Medical services	535	1,392
Total Assets			**822**	**38,230**

c- The following is a summary of the benefits of management of the company

	2018	2017
	JD	JD
Salaries and bonus	269,050	230,339

29- **Risk management**

The company follows various risk management financial policies within a specific strategy. The company manages risk control and control and optimizes the strategic distribution of both financial assets and financial liabilities. Risks include interest rates, credit risk, foreign currency risk.

The Company follows the financial hedging policy for both financial assets and financial liabilities whenever required, which is the hedge relating to future foreseeable risks

- **Market risk**

Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices such as interest rates, stock prices and currency prices. Market risk arises as a result of open positions in interest and currency returns and equity investments. These risks are monitored in accordance with specific policies and procedures and through committees And market risk, including interest rate risk, exchange rate risk and the risk of changes in share prices.

Market risk is measured and controlled by sensitivity analysis

- **Credit risks**

These risks arise from cash, cash equivalent, bank deposits in financial institutions and receivables treatments which may cause defaults from parties to pay their commitments.

As for financial institutions, the Company treats with solid and reputable institutions.

As for receivables, the management has a credit policy with limits and there is an ongoing following up procedures to collect matured amounts. The management believes that the credit risk the Company exposed to is low.

- **Foreign currency risk**

Most of the company's transactions are in Jordanian Dinars and US Dollars. The dinar is pegged to a fixed rate with the US Dollar, and therefore the impact of currency risk is not significant to the financial

- **Fair value of financial instruments**

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash in hand and at banks, receivables and other receivables. Financial liabilities consist of accounts payable, bank loans, loans and other credit balances. The fair values of financial instruments are not materially different from the value The books for these tools.

- **Liquidity risks**

Liquidity risk is the risk that the Company will not be able to provide the necessary funding to meet its obligations on due dates. In order to prevent these risks, the management diversifies sources of finance, manages assets and liabilities, adjusts their terms and maintains sufficient cash and cash equivalents and negotiable securities

The Company monitors its liquidity requirements on a monthly basis and ensures that sufficient funds are available to meet any liabilities as they arise. The Company also manages liquidity risk by ensuring that banks have cash available to cover undiscounted financial liabilities, which are mostly credit balances to customers.

The table below shows the distribution of financial liabilities (not discounted) based on the remaining contractual maturity and current market interest rates

	2018		
	Less than three months.	**From three months to 12 months**	**Total**
	JD	JD	JD
Credit banks	5,450,384	-	5,450,384
accounts payable and posted dated cheques	2,636,834	-	2,636,834
Due to related parties	822	-	822
Other credit balances	705,543	-	705,543
Total	**8,793,583**	-	**8,793,583**

	2017		
	Less than three months.	**From three months to 12 months**	**Total**
	JD	JD	JD
Credit banks	6,483,807	-	6,483,807
accounts payable and posted dated cheques	2,807,272	-	2,807,272
Due to related parties	38,230	-	38,230
Other credit balances	791,198	-	791,198
Total	**10,120,507**	-	**10,120,507**

30- Capital management

The main objective of the Company's capital management is to ensure that appropriate capital ratios are maintained in a manner that supports the Company's activity and maximizes equity.

The Company manages the capital structure and makes necessary adjustments in light of changes in working conditions. The Company did not make any changes to the objectives, policies and procedures related to capital structure during the current and previous financial year.

The items included in the capital structure consist of paid up capital, issue premium, voluntary reserve, voluntary reserve and retained earnings totaling JD 21,701,931 as of December 31, 2018 against JD 21,254,056 as of December 31, 2017

31- **Contingent Liabilities**

At the date of financial statements there was contingent liabilities represented of :

	2018	2017
	JD	JD
Banks Guarantees	88,000	88,000

32- **legal**

ther is a court cases against the company ammounted at 758,066 JD as of December 31,2018 (December 31,2017 ammounted 675,090 JD The management of the company and the legal counsel of the company, the potential outcome of these issues will be in favor of the company and that the provision is sufficient to meet any potential obligations.

33- **Events after the reporting period :**

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements

34- **Comparative**

Some of comparative figures have reclassified – when needed – to confirm with current year's figures.