المجموعة العربية الأردنية للتأمين ش.م.ع.
Arab Jordanian Insurance Group P.l.c.

إشارتنا : 800 /2020/20

التاريخ: 16/ 03 /2020

السادة / بورصه عمان المحترمين
عمان – المملكة الأردنية الهاشمية

الموضوع : البيانات الماليه للعام 2019

نرفق لكم طيه نسخة من البيانات الماليه باللغه العربية والإنجليزيه كماهي في 2019/12/31 .

مؤكدين لكم حسن تعاوننا معكم .

وتفضلوا بقبول فائق الاحترام،،،

المدير العام
ناصر فايز عبد الله

بورصة عمان
الدائـــرة الإدارية والمالية
الديـــوان
١٦ آذار ٢٠٢٠
الرقم المتسلسل: ١٢٧٤
رقم الملف: ٢١٠٤٧
الجهة المختصة: المدراء

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS AND CERTIFIED PUBLIC ACCOUNTANT'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2019

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS AND CERTIFIED PUBLIC ACCOUNTANT'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019

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CERTIFIED PUBLIC ACCOUNTANT'S REPORT

To the shareholders
Arab Jordanian Insurance Group

Report on the Consolidated Financial Statements Audit

Opinion
We have audited the accompanying financial statements consolidated of Arab Jordanian Insurance Group (P.L.C), which comprise of the statement of financial position as of December 31, 2018, and the related statements of comprehensive income, Statement of owners' equity and statement of cash flows, notes to the financial statements consolidated and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the statement of financial position of Arab Jordanian Insurance Group (P.L.C) as of December 31,2019, and its financial performance and cash flows for the year then ended are in accordance with International Financial Reporting Standards.

Basis for Opinion
We conduct our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in Auditor's Responsibilities for the audit of the Financial Statements. We are independent from the Company in accordance with International Standard Board Code of Ethics for professional accountants ("the code") and we have fulfilled our other ethical responsibilities in accordance with the code.

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

Key audit matters
Key audit matters, according to our professional judgment are matters that had the significant importance in our auditing procedures that we performed to the financial statement of the current year. The key auditing matters have been addressed in our auditing workflow to financial standards as we do not express separate opinions.

Basic auditing matters	The following is a description of our auditing procedures
Property, plant and equipment In accordance with International Financial Reporting Standards, and due to the estimation nature of the property, plant and equipment, the company has to review the useful life and the method of depreciation, and the impairment test for property, plant and equipment has to be performed, where the management estimates impairment of property, plant and equipment through the use of assumptions and estimates, if any. Regard to its importance, its considered as on the significant audit risks.	**Property, plant and equipment** The audit procedures included examining the control procedures used in the process of verification of existence and completeness. The additions and exclusions were verified during the year. The calculation of the depreciation expense was determined periodically according to the useful life of the asset. The inventory of property , plant and equipment has been reconciled to ensure that the property and equipment are productive and there is no impairment in value as they arise by assessing the management assumptions taking into account external information available about the risks of impairment of property, plant and equipment. The land and buildings of the Company were assessed by licensed real estate appraisers Resulting in a surplus in valuation. We have also assessed the adequacy of the Company's disclosures about property, plant and equipment.

Audit . Tax . Advisory

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Basic auditing matters	The following is a description of our auditing procedures
Unearned and unreported claims provisions In accordance with International Financial Reporting Standards, and considering the nature of provision recognition the company has to make provisions that is related to the nature of insurance transaction and the technical advantages, and it is only required for insurance companies, the provision are an important element for the company to match with contingencies, but it cannot be accurately determined, so the company has to consider the studies of assumptions and estimations confronation technical future provisions through technical experts reports (Actuary Report), and considering its importance it is considered one of the significant Audit Risks.	**Unearned and unreported claims provisions** Our Audit Procedures included the process of provision recalculation in accordance with The Insurance Committee, so a sample of unearned claims has been reviewed through insurance policies from different branches and ascertaining that it is recognized on the periods on which they belong and it amounted JD 6,376,722 and the claims have been reviewed through its occurrence and comparing it to previous fiscal years, and the actuary reports(acturial experts) have been taken into consideration so the provisions are precisely made, and it amounted JD 4,671,580 and based on that the provisions were reported.
We emphasized on this matter because : Financial Instruments adopted by the IFRS 9 January 2018 Requires complex accounting treatments, including the use of significant estimates and judgments based on the determination of modifications to the transition ,resulted in significant changes in treatments, data and controls that should have been tested for the first time The amendment to the Company's retained earnings due to the adoption to IFRS 9 Was JD 115,894 Financial Instruments applied by the Company IFRS January on January 1, 2018.	**We have included our audit procedures in this area:** •Evaluate the appropriateness of selecting the accounting policies. •Examining the appropriateness of the transition approach and practical methods applied. •Assess the management's approach to testing the "expected credit loss" methodology. •Studying the management's approach and the controls applied to ensure the completeness and accuracy of the transition modifications. •Identify and test relevant controls. •Evaluate the appropriateness of judgments and key estimates made by management in preparing transition adjustments, particularly those related to the amendment to the future factor. •Involving financial risk management specialists to consider key assumptions / judgments regarding future adjustments and definition of default using the net flow method. •Evaluate the completeness, accuracy and appretritress of the data used in the preparation of transitional adjustments. •Evaluating the adequacy of the company's disclosures.

Other information

The management is responsible for other information. Which includes other information reported in the annual report, but not included in the Financial Statements Consolidated and our audit report on it.

Our opinion does not include these other information, and we do not express any assertion over it.

Regarding our audit on financial statements we are obliged to review these other information, and while that, we consider the compatibility of these information with their financial statements or with the knowledge that we gained through audit procedure or seems to contain significant errors. If we detected based on our audit, the existence of significant errors in the information, we are obliged to report this fact. Regarding this, we have nothing to report.

Management and individuals responsibility of governance about the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. And for such internal control, management is determined to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the 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 the management either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

Certified public accountant responsibility
Our objective is to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, and to issue and auditor's 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and or considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these Financial Statements.

As part of an audit in accordance with The International Standards 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.
- 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 the Management.
- Conclude on the appropriateness of the 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 auditor's 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 Auditor's 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.

We communicated with audit the Financial Management 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.

Legal requirements report
The Company maintains propr books of accounts and the accompanying Financial Statements Consolidated and the financial statements contained in the report of the board of directors in accordance with the proper books of accounts. Regard of this , we recommend approving on it.

Modern Accountants

Abdul Kareem Qunais
License No. (496)

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المحاسبون العصريون

Amman- Jordan
February 9, 2020

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2018
(EXPRESSED IN JORDANIAN DINAR)

	Note	2019	2018
Assets			
Deposits at bank	5	**8,620,508**	7,298,848
Financial asstes designated at fair value through statement of comprehensive income	6	**43,586**	130,338
Financial asstes designated at fair value through statement of other comprehensive income	7	**602,175**	602,175
Property Investments	8	**581,975**	592,847
Total investements		**9,848,244**	8,624,208
Cash on hand and at Banks	9	**3,318**	335,259
Checks under collections	10	**2,437,995**	1,676,613
Account receivables – net	11	**5,373,073**	3,592,546
Reinsurance Companies Accounts-Debit	12	**1,475,256**	1,092,515
Deferred Tax assets	13	**1,247,580**	1,347,238
Property, plan and equipment-Net	14	**4,613,393**	4,630,878
Intangible Assets-Net	15	**50,088**	53,227
Other Assets	16	**1,150,148**	749,395
Total assets		**26,199,095**	22,101,879

The accompanying notes are an integral part of these financial statements

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF FINANCIAL POSITION (Continued)
AS OF DECEMBER 31, 2018
(EXPRESSED IN JORDANIAN DINAR)

	Note	2019	2018
Liabilities and shareholders' equity			
Liabilities			
Unearned Premiums Provision -Net		**7,911,710**	6,376,722
Outstanding Claims Provision-Net		**5,047,533**	4,671,580
Accumulated Mathematical Provision - Net		**3,024**	52,286
Total Insurance Contract Liabilities		**12,962,267**	11,100,588
Account Payable	17	**1,208,025**	906,345
Accrued Expenses		**81,366**	76,636
Income tax provision	13	**28,488**	-
Insurance Copmanies Account-Credit	18	**1,491,994**	2,079,422
Other Liabilities	19	**2,298,213**	827,546
Total Liabilities		**18,070,353**	14,990,537
Shareholders' equity			
Declared capital	20	**9,500,000**	9,500,000
paid up capital	1	**9,500,000**	9,500,000
Issuance discount	22	**(3,466,722)**	(3,760,765)
Statutory reserve	21	**1,179,816**	1,065,261
Voluntary reserve	21	**241,912**	12,803
Retained earnings	22	**673,736**	294,043
Total Shareholders' Equity		**8,128,742**	7,111,342
Total Liabilities and shareholders' Equity		**26,199,095**	22,101,879

The accompanying notes are an integral part of these financial statements

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

	Note	2018	2017
REVENUES			
Gross underwritten Premiums		**21,701,087**	17,031,676
Less : Reinsurance Share		**(4,747,143)**	(3,290,177)
Net Underwritten Premiums		**16,953,944**	13,741,499
Net Change In Unearned Premiums Provision		**(1,534,988)**	(1,529,537)
Net Change In Accouting Provision		**49,264**	(37,968)
Net Earned Premiums		**15,468,220**	12,173,994
Commission Revenue		**311,807**	312,343
Issuing Fees		**809,321**	543,662
Intrests Revenue	23	**422,552**	336,535
Gain From Financial Assets And Investment - Net	24	**7,121**	117,997
Other Revenue Frome Underwriting		**574,948**	354,863
Other Revenues	25	**32,770**	5,897
Total revenues		**17,626,739**	13,845,291
Claims, losses and expenses :			
Paid claims		**16,301,045**	13,425,780
Deduct: Recoveries		**(1,676,254)**	(1,363,192)
Deduct: Reinsurance Share		**(3,053,353)**	(1,945,374)
Net Paid Claims		**11,571,438**	10,117,214
Net Change In Claims Provision		**375,953**	(844,190)
Allocated Employee Expenditure	27	**1,063,824**	977,595
Allocated General And Administrative Expenses	28	**391,052**	382,134
Excess Of Loss Premium		**191,415**	180,010
Commission Paid		**815,682**	756,373
Other Expenses Allocated To Underwriting		**755,799**	561,893
Net Claims		**15,165,163**	12,131,029
Unallocated Employees Expenditure	27	**890,956**	694,401
Depreciation And Amortization		**107,374**	105,130
Unallocated General And Administrative Expenses	28	**97,700**	95,534
Account receivables impairment provisions		**122,800**	80,290
Bad Debts		**71,495**	433
Expenses for previous years		**25,705**	-
Total Expenses		**16,481,193**	13,106,817
Net Income Before mortized Income Tax		**1,145,546**	738,474
Expense / tax assets provided		**(99,658)**	28,438
Income Tax	13	**(28,488)**	(116,447)
Net Income		**1,017,400**	650,465
Earnings Per Share Jd/ Share	29	**0,11**	0,068
Outstanding Weighted Average Shares		**9,500,000**	9,500,000

The accompanying notes are an integral part of these financial statements

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

	Note	Share capital	Issuance discount	Statutory reserve	Voluntary reserve	Retained earnings	Total owners' equity
2019							
January 1, 2019	20	**9,500,000**	**(3,760,765)**	**1,065,261**	**12,803**	**294,043**	**7,111,342**
Extinguish the retained earnings in the release discount	22	-	**294,043**	-	-	**(294,043)**	-
Transfer to reserves	21	-	-	**114,555**	**229,109**	**(343,664)**	-
Comprehensive income for the year		-	-	-	-	**1,017,400**	**1,017,400**
December 31, 2018		**9,500,000**	**(3,466,722)**	**1,179,816**	**241,912**	**673,736**	**8,128,742**
2018							
January 1, 2018	34	9,500,000	(3,760,765)	991,414	12,803	(166,681)	6,576,771
Impact of expected credit loss IFRS 9	35	-	-	-	-	(115,894)	(115,894)
January 1, 2018		9,500,000	(3,760,765)	991,414	12,803	(282,575)	6,460,877
Statutory Reserve	21	-	-	73,847	-	(73,847)	-
Comprehensive income for the year		-	-	-	-	650,465	650,465
December 31, 2018		9,500,000	(3,760,765)	1,065,261	12,803	294,043	7,111,342

The accompanying notes are an integral part of these financial statements

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

	2019	2018
Cash flow from operating activities		
Net income before tax	**1,145,546**	738,474
Gain on sale of fixed assets	**5,258**	(738)
Adjustments for non-cash items		
Depreciation and amortization	**107,374**	105,130
Unearned Premiuim Provision-Net	**1,534,988**	1,529,537
accounting provision- Net	**(49,262)**	37,968
Outstanding Claims Provision - Net	**375,953**	(844,190)
Allowance for doubtful accounts - Reinsurers	**122,800**	80,290
Bad debts	**71,495**	433
Change in fair value Financial asstes designated at fair value through statement of comprehensive income	**86,752**	(50,080)
Net cash avaliable from operating before changes in working capital items	**3,400,904**	1,596,824
Financial asstes designated at fair value through statement of other comprehensive income	**-**	(302,175)
Checks under collection	**(792,382)**	(473,332)
Accounts receivable	**(1,943,822)**	(1,507,227)
Accounts receivable from reinsurance	**(382,741)**	74,040
Other assets	**(400,753)**	(6,521)
Accounts payable	**301,680**	356,568
Accrued expense	**4,730**	18,758
Accounts payables from reinsurers	**(587,428)**	553,302
Other liabilities	**1,470,667**	(285,015)
Net cash used in operating activities	**(2,330,049)**	(1,571,602)

The accompanying notes are an integral part of these financial statements

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

	Note	**2019**	2018
Cash flows from investements activities			
Purchase of fixed assets		**(104,136)**	(60,496)
Purchase of Intangible assets		**(7,500)**	(9,000)
Cash proceeds from sale of fixed assets		**30,500**	16,918
Net cash used in from investing activities		**(81,136)**	(52,578)
Net changes in cash and cash equivalent		**989,719**	(27,356)
Cash and cash equivalent , January 1	26	**7,309,107**	7,336,463
Cash and cash equivalent , December 31	26	**8,298,826**	7,309,107

The accompanying notes are an integral part of these financial statements

شركة المجموعة العربية الأردنية للتأمين
شركة مساهمة عامة محدودة
عمان - المملكة الأردنية الهاشمية

List of subscription income for the general insurance branches as required 31-12-2019

Total		Other Branches		Medical		Fires and other property damages		Marine and Shipping		Vehicles		
2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	**Written installments**
16,783,651	21,107,059	206,164	691,766	5,142,556	6,219,259	1,011,544	1,387,218	362,029	336,722	10,061,358	12,472,094	Direct insurance
87,079	365,110	2,306	2,775	-		84,773	357,279	-	5,056	0	-	Optional reinsurance
16,870,730	21,472,169	208,470	694,541	5,142,556	6,219,259	1,096,317	1,744,497	362,029	341,778	10,061,358	12,472,094	Total premiums
												deduct
115,459	397,708	1,785	1,291		-	24,904	280,610	1,910	2,966	86,860	112,841	Local reinsurance premiums
3,114,490	4,246,246	72,517	160,193	1,803,250	2,422,074	938,025	1,378,895	300,698	285,084	-	-	Foreign reinsurance premiums
13,640,781	16,828,215	134,168	533,057	3,339,306	3,797,185	133,386	84,992	59,421	53,728	9,974,498	12,359,253	Net premiums
												add
												The balance of the first duration
5,821,203	7,925,852	69,140	107,240	797,420	2,087,468	452,928	496,682	71,534	100,342	4,430,181	5,134,120	Provision for unearned premiums
630,878	1,549,130	33,427	22,678	431,745	951,987	406,115	436,439	60,129	83,852	42,602	54,174	deduct : Share reinsurers
0	-									0	-	
5,190,325	6,376,722	35,713	84,562	365,675	1,135,481	46,813	60,243	11,405	16,490	4,387,579	5,079,946	Net unearned premium
												deduct
												Last balance
7,925,852	9,937,783	107,240	350,812	2,087,468	2,766,185	496,682	637896	100,342	100,414	5,134,120	6,082,476	Provision for unearned premiums
1,549,130	2,026,073	22,678	79,734	951,987	1,181,852	436,439	602002	83,852	90,468	54,174	72,017	deduct : Share reinsurer
0	-									0		
6,376,722	7,911,710	84,562	271,078	1,135,481	1,584,333	60,243	35,894	16,490	9,946	5,079,946	6,010,459	Net unearned premium
	-									-	-	
12,111,244	15,293,227	85,319	346,541	2,569,500	3,348,333	119,958	109,341	54,336	60,272	9,282,131	11,428,740	Net income from written premiums

تعتبر الإيضاحات المرفقة جزء من هذه البيانات المالية وتقرأ معها

شركة المجموعة العربية الأردنية للتأمين
شركة مساهمة عامة محدودة
عمان - المملكة الأردنية الهاشمية

The list of the compensation for the general insurance branches 31-12-2019

Total		Other Branches		Medical		Fires and other property damages		Marine and Shipping		Vehicles		
2,018	2,019	2,018	2,019	2,018	2,019	2,018	2,019	2,018	2,019	2,018	2,019	
دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني		دينار أردني	دينار أردني	دينار أردني	دينار أردني	
13,259,003	16,267,413	17,089	53,606	2,966,694	4,579,677	503,153	296,190	118,740	129,048	9,663,327	11,208,892	Compensation paid
						-			-			deduct:
1,363,192	1,676,254	70	187	-		16,807	8,673	11,979	2,713	1,334,336	1,684,481	Refunds
7	-	7		-		-		-		-		Local reinsurance premiums
1,826,049	3,030,162	9,718	18,488	1,287,535	2,277,336	446,244	263,549	82,552	109,126	-	361,663	Foreign reinsurance premiums
10,079,755	11,560,997	7,294	34,931	1,679,159	2,302,341	40,102	23,768	24,209	17,209	8,328,991	9,182,748	Net compensation paid
												add
												Provision for last - time claims
11,095,533	12,582,191	192,167	200,551	97,103	207,726	5,733,144	6,825,637	72,816	92,475	5,000,303	5,255,802	Amount
1,723,474	1,302,803	2,109	5,904	207,086	93,231	-		1,358	3,468	1,512,921	1,200,000	Not reported
	-			-								deduct:
7,716,159	8,840,947	72,229	87,043	66,933	133,716	5,446,487	6,484,355	61,430	69,709	2,069,080	2,066,124	Reinsurers' share - amount
487,621	70,438	793	2,562	-	65,262	-		1,146	2,614	488682	-	Share of reinsurers - not reported
-	-	-		-		-		-		-	-	
-	-	-	-	-								Net claims for the last period
3,379,374	3,741,244	119,938	113,508	30,170	74,010	286,657	341,282	11,388	22,766	2,931,223	3,189,678	Amount
1,235,853	1,232,165	1,316	3,342	207,086	27,969	-	-	212	854	1,027,239	1,200,000	Not reported
												deduct:
												Provision for first - time claims
10,084,893	11,095,533	146,427	192,167	76,040	97,103	5,027,836	5,733,144	67,770	72,816	4,766,820	5,000,303	Amount
1,741,519	1,723,474	15,934	2,109	179,125	207,086	5,000	-	1,460	1,358	1,540,000	1,512,921	Not reported
												deduct:
-	-	-		-		-		-		-		Refunds
6,286,353	7,716,159	42,775	72,229	41,854	66,933	4,776,444	5,446,487	58,534	61,430	1,368,746	2,069,080	Reinsurers' share - amount
98,705	487,621	4,522	793	93,817		-	-	366	1,146	-	485,682	Share of reinsurers - not reported
5,441,354	4,615,227	115,064	121,254	119,494	237,256	256,392	286,657	10,330	11,598	4,940,074	3,958,462	Net provision for first - time claims
9,253,628	11,919,179	13,484	30,527	1,795,921	2,167,064	70,367	78,393	25,477	29,231	7,347,379	9,613,964	Net cost of compensation

تعتبر الإيضاحات المرفقة جزء من هذه البيانات المالية وتقرأ معها

شركة المجموعة العربية الأردنية للتأمين
شركة مساهمة عامة محدودة
عمان - المملكة الأردنية الهاشمية

List of profits (losses) branches of public guarantees as they are 31-12-2019

Total		Other Branches		Medical		Fires and other property damages		Marine and Shipping		Vehicles		
2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	دينار أردني	
12,111,244	15,293,227	85,319	346,541	2,569,500	3,348,333	119,958	109,341	54,336	60,272	9,282,131	11,428,740	let income from written premiums
						-	-	-				deduct:
9,253,628	11,919,179	13,484	30,527	1,796,921	2,167,064	70,367	78,393	25,477	29,231	7,347,379	9,613,964	Net cost of compensation
						-		-				add
312,343	311,742	10,639	17,528			197,329	193,697	104,375	100,036	-	481	Commissions received
533,235	804,367	17,407	98,671	193,722	283,235	35,262	45,009	13,744	13,664	273,100	363,788	Insurance service allowance
336,205	574,818	-	161	120,423	187,358	900	10,169	16,638	6,060	197,244	371,070	Other income
4,038,399	5,064,975	99,881	432,374	1,086,724	1,661,862	283,082	279,823	163,616	160,801	2,405,096	2,550,115	Total revenue
												deduct:
739,255	815,655	26,726	27,914	28,690	30,084	65,527	74,721	21,883	19,227	576,429	663,709	Paid commissions
180,010	191,415	-		-		24,490	26,175	-		155,520	165,240	Surplus premiums
1,350,829	1,447,726	10,174	63,173	347,183	540,371	83,011	99,654	18,815	87,806	891,646	656,722	Administrative expenses for subscription accounts
555,186	753,283	1,182	5,140	366,291	543,407	10,346	9,306	3,009	3,094	174,358	192,336	Other expenses
2,825,280	3,208,079	38,082	96,227	742,164	1,113,862	203,374	209,866	43,707	110,127	1,797,953	1,678,007	Total expenses
1,213,119	1,856,896	61,799	336,147	344,560	538,000	79,708	69,957	119,909	40,674	607,143	872,108	Profit (loss) of subscription

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

UNDERWRITING ACCOUNTS FOR THE LIFE INSURANCE DEPARTMENT
FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

	2019	2018
Underwriting Premiums		
Direct Insurance	228,918	160,946
Gross Premiums	228,918	160,946
Deduct :Foreign Reinsurance Share	(103,189)	(60,228)
Net Premiums	125,729	100,718
Beginning Balance mathmatical Provision	135,855	97,398
Deduct: Beginning Foreign Reinsurance Share	(83,568)	(83,080)
Net Beginning Balance mathmatical Provision	52,287	14,318
Ending Balance mathmatical Provision	35,180	135,855
Deduct: ending Reinsurance Share	32,156	(83,568)
Net Ending Balance mathmatical Provision	3,024	52,287
Net Underwriting Premiums revenue Earned	174,992	62,749

The accompanying notes are an integral part of these financial statements

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF PAID CLAIMS COST FOR LIFE INSURANCE DEPARTMENT FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

	2019	2018
CLAIMS PAID	**33,632**	156,777
Deduct :		
Foreign Reinsurance share	**(23,191)**	(119,318)
Net Paid claims	**10,441**	37,459
Add:		
Ending Outstanding Claims Provision		
Reporting	**110,218**	227,938
IBNR	**-**	-
Deduct: Reinsurance Share	**(36,094)**	171,585
Net Ending Balance Claims Provision	**74,124**	56,353
Deduct:		
Beginning Outstanding Claims Provision		
Reporting	**22,938**	404,076
IBNR		10,000
Deduct: Reinsurance Share	**(171,585)**	(339,660)
Net Beginning Balance Claims Provision	**56,353**	74,416
Net Claims Cost	**28,212**	19,396

The accompanying notes are an integral part of these financial statements

ARAB JORDANIAN INSURANCE GROUP
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF UNDERWRITING PROFIT (LOSS) FOR LIFE INSURANCE DEPARTMENT
FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

	2019	2018
Net Earned Premium Income	**174,992**	62,749
Deduct :		
Cost Of Claims Incurred	**(28,212)**	(19,396)
Add:		
Commision Received	**65**	-
Issuing Fees	**4,954**	10,427
Other Revenue	**130**	19,658
Total Revenue	**151,929**	73,438
Deduct:		
Commision Paid	**(27)**	(17,118)
Allocated administrative expenses	**(6,900)**	(8,900)
Other expenses	**(2,516)**	(6,707)
TOTAL EXPENSES	**(9,443)**	(32,725)
UNDERWRITING PROFIT	**142,486**	40,713

The accompanying notes are an integral part of these financial statements

1. ORGANIZATION AND ACTIVITIES

Arab Jordanian Insurance Group is a Jordanian public shareholding Company ("the Company"), registered on 1996 under Commercial registration number (321). The Company's Declared share capital is JD 11,000,000 and the authorized and paid up capital is JD 9,500,000 thwdivided into 9,500,000 shares, the par value is one JD per share.

The company principal activity is insurance (Vehicles,marine and shipping, fire and other property damages,medical, other branches) and life insurance.

The consolidated financial statements of the company for the year ended December 31, 2019 is the first consolidated financial statements are issued to the company.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 New and amended IFRS Standards that are effective for the current year.

- IFRS (16) "Leases"

IFRS 16 was issued in December 2016, IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for less or accounting have remained largely unchanged. Therefore, IFRS 16 does not have an impact for leases where the Company is the less or.

There is no any impact of the adoption of IFRS 16 on the company's financial statements because all of the company's operations rent contracts leases are shorts-term leases.

Standard mainly did not affect the operating lease contracts accounting for the company that the company contracts for operating leases of low value.

2. BASIS OF PREPARATION

These financial statements were prepared in accordance with the International Reporting Financial Standards issued by The Board of internatioal accounting standards and in accordance with the local regulations and in accordance with the Insurance committee.

The financial statements have been prepared on historical cost basis except for the financial assets designated at fair value through comprehensive income statement and the financial assets designated at fair value through other comprehesive icome that are stated at fair value as of the date of financial statements. Moreover, reserved financial assets and financial liabilities are stated at fair value.

The Financial statements have been presented by the Jordanian Dinar as it is the main currancy of the company.
The followed policies for the year are the policies followed previous year, except for what has been disclosed in the change of accounting policies.

3. NEW AND AMENDED IFRSS IN ISSUE BUT NOT YET EFFECTIVE AND EARLY ADOPTED:-

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

New Standards	**Effective for annual periods beginning on or after**
Amendments to IFRS 3 Business Combinations	January1, 2020
Amendments to IAS 1 Presentation of Financial Statements	January1, 2020
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	January1, 2020
Amendments to IFRS 7 Financial Instruments : Disclosures	January1, 2020
Amendments to IFRS 9 Financial Instruments	January1, 2020
IFRS No.17 Insurance Contracts	January1, 2020
Amendments to IFRS 10 Consolidated Financial Statements	Effective date deferred indefinitely
Amendments to IFRS 28 Investment in Associates and Joint Ventures	Effective date deferred indefinitely

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpolations and amendments, may have no material impact on the financial statement of the Company in the period of initial application.

Basis of consolidation financial statements
The consolidated financial statements incorporate the financial statements of Arab Jordanian Insurance Group (Public Shareholding Company) and the subsidiaries controlled by the Company

Control is achieved where the Company:

- Ability to exert power over the investee.
- Exposure, or rights, to variable returns from its involvement with the investee.
- Ability to exert power over the investee to affect the amount of the investor's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries above.

When the Company has less than a majority of the voting, The Company shall have control over the investee when the voting rights sufficient to give it the ability to direct relevant activities of the investee individually.

When The Company reassesses whether or not it controls an investee, it consider all the relevant facts and circumstances which includes:

- Size of the holding relative to the size and dispersion of other vote holders
- Potential voting rights, others vote-holders, and Other parties
- Other contractual rights
- Any additional facts and circumstances may indicate that the company has, or does not have, the current ability to direct the activities related to the time needed to make decisions, including how to vote at previous shareholders meetings.

The consolidation process begins when the company's achieve control on the investee enterprise (subsidiary), while that process stops when the company's loses control of the investee (subsidiary). In particular Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement, and the consolidated comprehensive income statement from the effective date of acquisition and up to the effective date of which it loses control of a subsidiary Company.

Financial assets designated at fair value through statement of comprehensive income
Financial assets are classified as at fair value through statement of income when the financial asset is either held for trading or it is designated as at fair value through statement of income .A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through statement of income upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- It forms part of a contract containing one or more embedded derivatives, and IAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at fair value through statement of income.

Financial assets at fair value through statement of income are stated at fair value, with any gains or losses arising on measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the consolidated income statement.

The consolidated financial statements include as December 31, 2019 the following financial company lists subsidiaries:

Subsidiary company	Place of registration	Registration year	Ownership and voting percentage	Company's main activity
Arab Jordan for Real Estate Development Company	Hashemite Kingdom of Jordan	2013	100%	Purchase and sell stocks and bonds

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The sectoral report represents
The business sector represents a collection of assets and operation engaged together in providing product or services subjected to risks and returns that are different from those of other business sectors, which are measured according to the reports that are used by the executive director and the main decision – markers in the Company.

Realestate Investment
The realestate investment are stated at cost less accumulated depreciation (except for the lands), they are depreciated over their useful lives between 2% to 3% , any impairment in value is recorded as operational loss.

Financial assets designated at fair value through statement of comprehensive income
Financial assets are classified as at fair value through statement of income when the financial asset is either held for trading or it is designated as at fair value through statement of income .A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through statement of income upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- It forms part of a contract containing one or more embedded derivatives, and IAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at fair value through statement of income.

Equity instruments at FVTOCI
Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently. They are measured fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the cumulative changes in fair value of securities reserve: The cumulative changes or loss will not be reclassified investments. But reclassified to retained earnings. The Company has designated all instruments that are not held for trading as at FVTOCI

Dividends on these investments in equity instruments arc recognized in profit or loss when the Company right to receive the dividends is established, unless the dividends clearly represent a recovery of a part of the cost of the investments. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Debt instruments at amortized cost or at FVTOCI
The Company assesses the classification and measurement of the cash flow characteristics of the contractual asset and the Company's business model for managing the asset
For an asset to classified and measured at amortized cost or at FVTOCI, is contractual terms should give rise to cash flows that are solely represent payments of principal and interest on the principal outstanding (SPPI)
At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.

When a debt instrument measured a FVTOCI is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured FVTOCI , the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss but transferred within equity
Debt instruments that are subsequently measured at amortized cost or FVTOCI are subject to impairment.

Financial assets at FVTPL
Financial assets at FVTPL are:
(i) Assets with contractual cash flows that are not SPPI ; or and
(ii) assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
(iii) Assets designated at FVTPL using the fair value option.
These assets are measured at fair value, with any gains / losses arising on re-measurement recognized in profit or loss.

Fair value option: A financial instrument with a reliably measureable fair value can be designated as FVTPL (the fair value option) on its initial recognition even if the financial instrument was not acquired or incurred principally for the purpose of selling or repurchasing .The fair value option can be used for financial assets if it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities, or recognizing related gains and losses on a different basis (an "accounting mismatch").

Reclassifications
If the business model under which the Company holds financial assets changes. The financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying he Company's financial assets. During the current financial year and previous accounting period, there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made

Impairment
IFRS 9 replaces the "incurred loss" model in IAS 39 with an expected credit loss model (ECLs). The Company recognizes loss allowance for expected credit losses on the following financial instruments that are not measured at FVTPL
- Cash and bank balances:
- Trade and other receivables;
- Due from related party.

With the exception of purchased or originated credit impaired (POCI) financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12 Month ECL, i.e. lifetime ECL that results from those default events on the financial instrument that are possible within 12 months after the reporting date(referred to as stage1); or

- Full lifetime ECL, i.e. Lifetime ECL that results from all possible default events over the life of the financial instruments, (referred to as stage2 and stage3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial Instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-monh ECL.

The Company has elected to measure loss allowances of cash and bank balances. Trade and other receivables, and due from a related party at an amount equal to life time ECLs.
ECLs are probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flow to the Company under the contract and the cash flows that the Company expects to receive arising from weighting of multiple future economic scenarios. Discounted at the asset's EIR.

Loss allowance for financial investments measured at amortized costs is deducted from gross carrying amount of assets. For debt securities a FVTOCI, the loss allowance is recognized in the OCI, instead of reducing the carrying amount of the asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue costs or effort. This includes both quantitative and qualitative including forward-looking information.

For certain categories of financial assets, assets that are assessed not to be impaired individually are. in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio as well as observable changes in national or local economic conditions that correlate with default on receivables.

Impairment losses related to cash and bank balances, trade and other receivables and due from a related party, are presented separately in the interim condensed statement of income and other comprehensive income
The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of the grade of the investment
Measurement of ECL
The Company employs statistical models for ECL calculations. ECLs are a probability-weighted estimate of credit losses. For measuring ECL under IFRS 9, the key input would be the term structure of the following variables.

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

These parameters will be derived from our internally developed statistical models and other historical data. They will be adjusted to reflect forward – looking information

Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Credit-impaired financial assets are referred to stage 3 assets. At each reporting date, the Company assesses Whether financial assets carried at amortized costs and debt securities at FVTOCI at credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact in the estimated future cash flows of the financial asset have occurred.

DE-recognition of financial assets
The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity .If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. if the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On DE recognition of a financial asset measured at amortized cost or measured at FVTPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss
On DE recognition of a financial asset that is classified as FVTOCI, the cumulative gain or loss previously accumulated in the cumulative changes in fair value of securities reserve is not reclassified to profit or loss, but is reclassified to retained earnings.

Presentation of allowance for ECL are presented in the condensed interim financial information

Loss allowances for ECL are presented in the in the condensed interim financial information as follows:
For financial assets measured at amortized cost (loans and advances, cash and bank balances): as a deduction from the gross carrying amount of the assets.

For debt instruments measured at FVTOCI no loss allowance is recognized in the interim condensed statement of financial position as the carrying amount is at fair value. However, the less allowance is included as part of the revaluation amount in re-evaluation reserve and recognized in other comprehensive income.

Revenue recognition
IFRS 15 "Revenue from contracts with customers" outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several standards and Interpretation within IFRSs. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

Step1: identify the contract with customer : A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2: Identify the performance obligations in the contract : performance obligation in a contract is a promise to transfer a good or service to the customer

Step 3 :Determine the transaction price Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring the goods and services to a customer excluding amount collected on behalf of third parties.

Step 4 : Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation the Company will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenues as and when the entity satisfies the performance obligation
The Company recognizes revenue over time if any one of the following criteria is met:

The customer simultaneously receives and consumes the benefits provided by the Company performance as The Company performs.

The Company performance creates or enhances an asset that the customer controls as the asset is created or enhanced or
The Company performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance obligation completed to date
the Company allocates the transaction price to the performance obligations in a contract based on the input method which requires the revenue recognition on the basis of the Company efforts or inputs to the satisfaction of the performance obligations. The Company estimates the total costs to complete the projects in order to determine amount of revenue to be recognized.

Impact of changes in accounting policies due to adoption of new standards (Continued)

Revenue recognition (Continued)
When he Company satisfies A performance obligation by delivering the promised goods and services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from the customer exceeds the amount of revenue recognized this gives rise to a contract liability
Revenue is measured at the fair value of consideration received or receivable, taking into account the contractually agreed terms of payment. the Company assesses its revenue arrangements against specific criteria to determine if it is acting as a principal or agent and has concluded that it is acting as a principal all of its revenue arrangements
-Revenue is recognized in the interim condensed consolidated financial statements to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if and when applicable, can be measured reliably.

Critical accounting judgments and key sources of estimation uncertainty
The preparation of condensed consolidated financial statements requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant Judgments made by management in applying the Company accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of IFRS 9 which has resulted in changes in accounting judgments for recognition of financial assets and Liabilities and impairment of financial assets, as set out below.

Critical judgments in applying the Company 's accounting policies in respect of IFRS 9
Business model assessment: Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Company s of financial assets were managed together to achieve a particular business objective. This assessment includes judgments reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of f he assets are compensated. Monitoring is part of the Company s continues assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets

Significant increase of credit risk
ECLs are measured as an allowance equal to 12-month ECL for stage1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information.

Establishing Company s of assets with similar credit risk characteristics
When ECLs are measured on a collective basis, the financial instruments are Company collected on the basis of shared risk characteristics (e g, instrument type, credit risk grade, collateral type, date of initial recognition, remaining term to maturity, industry, geographic location of the borrower, etc.). The Company monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that Company of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant Increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12 month or lifetime ECLs but the amount of the ECLs changes because the credit risk of the portfolios differ.

Models and assumptions used
The Company uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

Key sources of estimation uncertainty in respect of IFRS 9
The following are key estimations that the management has used in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in condensed consolidated interim financial statements.

Establishing the number and relative weightings of forward-looking scenarios for each type of product /market determining the forward looking information relevant to each scenario: When measuring ECL the Company uses reasonable and supportable forward looking information, which s based on assumptions for the future movement of different economic drivers and how these drivers will affect each other

Probability of Default
PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of Default likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Loss Given to Default
LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation. Expenditures on maintenance and repairs are expensed. While expenditures for betterment are capitalized. Depreciation is provided over the estimated useful lives of the applicable assets using the straight-line method. The estimated rates of depreciation of the principal classes of assets are as follows:

	Annual depreciation rate
Buildings	2-4%
Electrical and electronic equipments	3-5%
Vehicle	7-15%

Useful lives and the depreciation method are reviewed periodically to make sure that the method and amortization period appropriate with the expected economic benefits of property, plant and equipment.
Impairment test is performed to the value of the property, plant and equipment that appears in the interim Statement of Financial Position When any events or changes in circumstances shows that this value is non-recoverable.
In case of any indication to the low value. Impairment losses are calculated according to the policy of the low value of the assets
At the exclusion of any subsequent property, plant and equipment. recognize the value of gains or losses resulting. Which represents the difference between the net proceeds of exclusion and the value of the property, plant and equipment that appears in the interim Statement of Financial Position. Gross Profit and loss.

Intangible assets
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line method over their estimated useful lives.
The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.
The amount initially recognised for internally-generated intangible assets is recognised in profit or loss in the period in which it is incurred.

At the financial statement date, the Company reviews whether if there is any indication that the assets have suffered an impairment loss.

Computer softwares are amortized over it's useful life of 10 years (5 years as on December 31, 2010) using straight-line method.

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and reliable estimate can be made regarding the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Technical Provisions
Technical Provisions are taken and maintained according to the regulations of the insurance commision as follows:

- The provision unearned premiums for general insurance activities is calculated according to the remaining up to the expiry date of the insurance policy after the financial statements date on the basis of a (365) day year except for marine and land transport insurance for which provision is calculated on the basis of written premiums of the policies issued on the date of financial statements according to laws, regulations and instructions issued for this purpose.

- The provision for reported claims is computed by determining the maximum total expected costs for each claim on an individual basis.

- Additional provisions for incurred but not reported claims are calculated based on the company's experience and estimates so as to meet any obligations that might arise due to events that took place prior to the end of fiscal year but have not been reported to the company.

Provision for doubtful debts
A provision for doubtful debts is taken when there is objective evidence that whole or part of these debts has become irrecoverable.The provision is calculated as the difference between the book value and recoverable value.

Income tax
The company is subject to Income Tax Law and its subsequent amendments and the regulations issued by the Income Tax Department in the Hashemite Kingdom of Jordan and provided on accrual basis, Income Tax is computed based on adjusted net income. According to International Accounting Standard number (12), the company may have deferred taxable assets resulting from the differences between the accounting value and tax value of the assets and liabilities related to the provisions, these assets are not shown in the financial statements since it's immaterial.

Deferred Taxes
-Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the Financial Statements CONSOLIDATED and the value of the taxable amount.Moreover, deferred taxes are calculated according to the statement of financial position liability method based on the tax rates expected to be appliedat the tax settlement date or the realization of the deferred tax assets and liabilities.

-The balances of deferred tax assets and liabilities are reviewed at the statement of financial position date and reduced in case they are expected not to be utilized or are no longer needed, wholly or partially.

Foreign currency transactions
Foreign currency transactions are translated into Jordanian Dinar at the rates of exchange prevailing at the time of the transactions, Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rates prevailing at that date, Gains and losses from settlement and translation of foreign currency transactions are included in the statement of comprehensive income.

Annual compensations paid to terminated employees are charged at the end-of-service indemnity provision when paid. Moreover, an allowance for the company's liabilities in connection with end-of-service compensations is taken to the statement of income.

Reclassification
Financial assets from amortized cost may be re-classified to financial assets at fair value through the income statement and vice versa only when the entity changes the business model that was classified on basis of those assets, taking into consideration the following:

- Profits or losses or benefits that has been recognized previously may not be recovered
- When re-classification of financial assets so that they are measured at fair value the fair value is then determined at the date of reclassification, any gain or loss arising from the difference between the previously recorded value and fair value in the income statement are classified.

The Decline in value of the financial assets
In date of Financial statements, values of the financial assets have been reviewed , to determine if there indication to decline in its value, individualy or combined , And if there is such indication, the recoverable amout is estimated for determining the impairment loss.

Offsetting
Financial assets and financial liabilities are offset, and the net amount is reflected in the statement of financial position only when there are legal rights to offset the recognized amounts, the Bank intends to settle them on a net basis, or assets are realized and liabilities settled simultaneously.

Recognition date of the financial assets
The purchase and selling of financial assets is recognized on the date of trading (the date of the company's commitment to purchase or sell financial assets).

Fair Value
Closing market prices (acquiring assets/selling liabilities) in active market at the date of the financial statement represent the fair value of the financial derivatives traded. In case declared market prices do not exist , active trading for some financial assets and derivatives is not available, or the market is inactive, fair value is estimated by one of several method including the following:

- Comparison with the market value of another financial asset with similar terms and conditions.
- Analysis of the present value of expected future cash flows for similar instruments.
- Adoption of the option pricing model.

Reinsurers accounts
The shares of reinsurers is calculated from insurance premiums and paid compensations and technical provisions and all rights and obligations arising from the re-insurance based on contracts between the company and reinsurers, according to the accrual basis.

Cash and cash equivalents
Cash and cash equivalents include cash, demand deposits, and highly liquid investments with original maturities of three months or less, and which are not exposed to a significant risk of value change.

Revenue Recognition

-Insurance Contracts
Insurance premiums arising from insurance contracts are recorded as revenue for the year (earned insurance premiums) on the basis of the maturities of time periods and in accordance with the insurance coverage periods. Insurance premiums from the insurance contracts unearned at the date of the statement of financial position are recorded as unearned insurance premiums within liabilities.

Claims and incurred losses settlement expenses are recorded in the statement of income based on the expected liability amount of the compensation relating to the insurance policyholders or other affected parties.

- Dividends and Interest
Dividends from investments are recorded when the right of the shareholder to receive dividends arises upon the related resolution of the general assembly of shareholders.

Interest income is calculated according to the accrual basis based on the maturities of the time periods, original principals, and earned interest rate.

Rental Income
Rental income from investment properties is recognized in statement of income on a straight line basis over the term of operating lease and the advances amd unearned portion of the rental income is recognized as a liability.

Expense Recognition
all commissions and other costs relating to the acquisition of new or renewed insurance policies are amortized in the statement of income upon their occurrence. Other expenses are recognized on the accrual basis.

Insurance claims
Insurance compensations represent the claims during the period and the change in the claims provision.

The insurance compensations represent all the amounts paid during the year whether they relate to the current year or previous years. Moreover, outstanding claims represent the highest estimated amount for the settlement of all claims resulting from events that took place prior to the statement of financial position date but were still unsettled at that date. Moreover, outstanding claims are calculated on the basis of the best information available at the date of Financial Statements CONSOLIDATED and include the incurred but not reported claims provision..

Salvage and Subrogation Reimbursements
Estimates of salvage and subrogation reimbursements are considered as an allowance in the measurement of the insurance liability of claims.

General and Administrative Expenses
All distributable general and administrative expenses are loaded on insurance branches separately, Moreover (80%) the general and administrative expenses have been allocated to the various insurance departments o the basis of the earned premiums of each department in proportion to total premiums.

Employees Expenses
All distributable employee's expenses are reloaded on insurance branches separately.Moreover, 80% of the employee's expenses have been allocated to the various insurance departments on the basis of the earned premiums of each department in proportion to total premiums.

Acquisition Costs of Insurance Policies
Acquisitions costs represent the costs incurred by the company againsts selling,underwriting, or starting new insurance contracts. The acquisition costs are recorded in the statement of income.

Mortgaged Financial Assets
It is those financial assets pledged in favor of other parties with a right of the other party to dispose of them (selling or re-mortgage). Evaluation of these assets will continue in accordance with the adopted accounting policies according to each of their orginal classifications.

Liability Adequacy Test
At each reporting date, liability adequacy tests are performed to ensure the adequacy of insurance contract liabilities.The group makes use of the best estimates of future contractual cash flows and claims handling and adminstration expenses, as well as investment income from the assets backing such liabilities in evaluating the liability.Any deficiency is immediately charged to the statement of income.

5. BANK DEPOSITS

	Deposits maturing within a month	Deposits maturing for more than a month and up to three months	Deposits maturing after more than a month and a year	Total	
				2019	2018
In Jordan	**8,295,508**	**325,000**	-	**8,620,508**	7,298,848
	8,295,508	**325,000**	-	**8,620,508**	7,298,848

The interest rates on deposits in Jordan Dinar ranged from 5% to 6.53%. and on deposits issuance in U.S. Dollar from 0.5% to 1%.

Moreover deposits collateralized against a bank guarantee issued to the order of the director of the insurance commission in addition to his position amounted to 325,000 as of December 31, 2017 (2016:325,000 JD).

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH THE INCOME STATEMENT

Financial assets at fair value through the income statement which been classified upon initial recognition as follows:

	2019	2018
Stock listed at Amman stock exchange	**43,586**	130,338
	43,586	130,338

7. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This item represent the amount of investment in Saray Dabouq Company by 30.1%(2017:15%) from total share capital of 2,000,000 JD and it is a Jordanian private shareholding Company ("the Company"), registered under Commercial registration number (783).

8. REALESTATE INVESTMENT

This item represent the following:

December 31, 2019	Lands	Buildings	Total
Cost :			
Balance at the beginning of the year	**110,099**	**577,437**	**687,536**
Additions	-	-	-
Disposals	-	-	-
Balance at the end of the year	**110,099**	**577,437**	**687,536**
Accumulated depreciation			
Balance at the beginning of the year	-	**94,689**	**94,689**
Depreciation of the year	-	**10,872**	**10,872**
Balance at the end of the year	-	**105,561**	**105,561**
Net book value	**110,099**	**471,876**	**581,975**

December 31, 2018	Lands	Buildings	Total
Cost :			
Balance at the beginning of the year	110,099	577,437	687,536
Additions	-	-	-
Disposals	-	-	-
Balance at the end of the year	110,099	577,437	687,536
Accumulated depreciation			
Balance at the beginning of the year	-	83,817	83,817
Depreciation of the year	-	10,872	10,872
Balance at the end of the year	-	94,689	94,689
Net book value	110,099	482,748	592,847

The Company has re-evaluated Real Estates Investments in 31 December, 2018 by real Estate experts in accordance with the regulations of the Insurance committee and the international statndards amounted 1,112,204 JD .

9. CASH AND CASH AT BANKS

	2019	2018
Cash on hand	134	335,259
Cash at bank	3,184	-
	3,318	335,259

10. CHEQUES UNDER COLLECTION AND NOTES RECEIVABLES

	2019	2018
Cheques under collection	3,513,046	1,720,664
Impact of expected credit loss IFRS 9	(75,051)	(44,051)
	2,437,995	1,676,613

The cheques under collection maturing date up to January 2018.

11. NET – ACCOUNT RECEIVABLES

	2019	2018
Policy holders	5,067,393	3,613,256
Agents	273,572	98,006
Brokers	862,413	638,690
Employees	91,545	93,215
Others	27,113	6,542
Total	6,322,036	4,449,709
Allowance for doubtful account*	(948,963)	(857,163)
	5,373,073	3,592,546

*The movement of allowance for doubtful account is as follows :

	2019	2018
Beginning balance	857,163	719,827
Additions during the year	91,800	137,336
Disposals	-	-
Ending balance	948,963	857,163

The following is the aging schedule for accounts receivable

	2019	2018
Not due	-	-
1-90 days	3,016,262	2,979,736
91-180 days	1,413,837	577,985
181-360 days	942,974	34,825
More than 361 days	-	-
	5,373,073	3,592,546

12. REINSURANCE COMPANIES ACCOUNTS – DEBIT

	2019	2018
Local insurance company	656,757	442,306
Foreign reinsurance company	1,137,428	969,138
*Allowance for reinsurance account	(318,929)	(318,929)
	1,475,256	1,092,515

*The movement of allowance for doubtful account is as follows

	2019	2018
Beginning balance	318,929	304,132
Additions during the year	-	14,797
Disposals	-	-
Ending balance	318,929	318,929

**The following is the aging schedule for accounts receivable

	2019	2018
1-90 days	665,422	867,430
91-180 days	564,622	125,329
181-360 days	245,212	99,756
More than 361 days	-	-
	1,475,256	1,092,515

13. INCOME TAX

A-Income tax expense

	2019	2018
Accounting profit	1,145,546	738,474
Profit not subject to tax	(705,347)	(42,500)
Non – deductible tax expenses	160,929	196,184
Non – deductible tax expenses- Temporarily	(491,557)	(406,961)
Taxable profit	109,571	485,197
Income tax	26,297	116,447
National contribution tax	2,191	-
	28,488	116,447
Income tax rate	%24	%24

Tax Assets
The Details Of this item is as Follow

	Beginning balance	Released amounts	Added Amounts 2018	Added Amounts 2019	Year end balance	Deferred Tax
Deferred Tax assets						
Beginning balance						
Unreported claims	1,723,474	(420,871)	-	-	1,302,603	(101,009)
Change in Financial asstes designated at fair value through statement comprehensive income	635,559	(226,547)	-	37,879	446,891	(45,280)
Allowance for impairment of collection checks	44,051	-	44,051	31,000	75,051	7,440
Allowance for doubtful accounts	857,163	-	137,336	91,800	948,963	22,032
Provision for impairment of Financial asstes designated at amortized cost	599,400	-	-	-	599,400	-
Allowance for doubtful accounts-Reinssurance	318,929	-	14,797	-	318,929	-
Bad debts	400,574	-	433	71,495	472,069	17,159
Deferred Tax assets	-	-	-	-	-	1,347,238
Total	4,579,150	(566,648)	196,617	232,174	4,244,676	1,247,580

Total Deferred Tax 1,247,580

B-Deferred Tax assets
The transaction of deferred tax assets was as follows

	2019	2018
Deferred Tax assets	1,347,238	1,435,247
Income tax for the year	-	(116,447)
Additions during the year	(99,658)	28,438
	1,247,580	1,347,238

The deffered tax asset has been taken by 24% of various allowances, which is refundable at the opinion at management.

14. PROPERTY , PLANT AND EQUIPMENT – NET

December 31, 2019	Lands	Buildings	Equipment and furniture's	Vehicles	Total
Cost					
Balance at the beginning of the year	794,185	4,246,892	556,202	93,349	5,690,628
Additions	-	-	20,942	83,194	104,136
Disposals	-	-	-	(46,606)	(46,606)
Balance at the end of the year	794,185	4,246,892	577,144	129,937	5,748,158
Accumulated depreciation					
Accumulated Depreciation - begining of the year	-	791,065	235,884	32,801	1,059,750
Depreciation of the year	-	63,971	16,757	5,135	85,863
Disposals	-	-	-	(10,848)	(10,848)
Accumulated Depreciation – at year end	-	855,036	252,641	27,088	1,134,765
Property, plant and Equipment net book value	794,185	3,391,856	324,503	102,849	4,613,393

December 31, 2018	Lands	Buildings	Equipment and furniture's	Vehicles	Total
Cost					
Balance at the beginning of the year	794,185	4,246,892	530,812	74,681	5,646,570
Additions	-	-	25,390	35,106	60,496
Disposals	-	-	-	(16,438)	(16,438)
Balance at the end of the year	794,185	4,246,892	556,202	93,349	5,690,628
Accumulated Depreciation					
Accumulated Depreciation - begining of the year	-	727,093	219,746	29,190	976,029
Depreciation of the year	-	63,972	16,138	3,868	83,978
Disposals	-	-		(257)	(257)
Accumulated Depreciation – at year end	-	791,065	235,884	32,801	1,059,750
Property, plant and Equipment net book value	794,185	3,455,827	320,318	60,548	4,630,878

15. INTAGNGIBLE ASSETS

	2019	2018
Balance at begnning of the year	**262,481**	253,481
Additions	**7,500**	9,000
Disposals	**-**	-
Book value at year end	**269,981**	262,481
Amortization	**(219,893)**	(209,254)
Balance at ending the year	**50,088**	53,227

16. OTHER ASSETS

	2019	2018
Accrued Revenues and not received	**295,235**	262,705
Income tax deposits	**23,405**	-
Refundeable deposits	**10,317**	11,160
Prepaid expenses	**798,728**	463,570
Other	**22,463**	11,960
	1,150,148	749,395

17. ACCOUNTS PAYABLE

	2019	2018
Maintenance workshops	**196,593**	144,356
Brokers	**38,708**	18,843
Policy holders	**77,751**	88,210
Agents payable	**1,052**	4,146
Employees payable	**8,327**	2,820
Others *	**885,594**	647,970
	1,208,025	906,345

Others *

	2019	2018
Doctors payable	**9,033**	7,572
Nat health payable	**577,977**	493,022
Omni payable	**43,546**	7,019
	885,594	647,970

18. REINSURERS ACCOUNTS PAYBLE

	2019	2018
Local insurance companies	**183,412**	364,289
Foreign reinsurers companies	**1,308,582**	1,715,133
	1,491,994	2,079,422

19. OTHER LIABILITIES

	2019	2018
Due to reisurance payable	**1,343,757**	373,746
Income tax payable	**24,780**	41,113
Cheecks payble	**836,310**	321,900
Commission Borker payable	**40,403**	60,469
Different payble	**29,834**	4,010
Social security Deposits	**23,129**	26,308
	2,298,213	827,546

20. PAID IN CAPITAL

Decreasing the declared capital from 9,000,000 JOD/share to 8,000,000 JOD/ share by Amortizing an amount of 1,000,000 JOD from the the accumulated losses.

Increasing the capital by 3000000 share /JOD special underwiting by the shareholders to become 11000000 share/JOD in which 1,500,000 shares to be covered during 2014 and 1,500,000 shares to be covered during 2015 and discount issuance for the new shares by (0.6 JOD) or the price presented by security exchange commetee and the legal process is have been completed on July 8, 2014 accourding certificate (1/6/21027/726).

21.RESERVES

Statutory reserve:

In accordance with the Companies' Law in the Hashemite Kingdom of Jordan and the Company's Article of Association, the Company has established a statutory reserve by the appropriation of 10% of net income until the reserve equals 25% of the capital. However, the Company may, with the approval of the General Assembly continue deducting this annual ratio until this reserve is equal to the subscribed capital of the Company in full. This reserve is not available for dividends distributionThe General assembly is entitled to decide, in its unusual meeting, to amortize its losses by the accumulated statuary reserve if all other reserves pay off, to rebuild it again in accordance with the law.

Voluntary reserve

In accordance with the Companies' Law in the Hashemite Kingdome of Jordan and the Company's Article of Association, The Company can establish a voluntary reserve by an appropriation no more than 20% of net income. Based on suggestion of board of directors. This reserve is not available for dividend distribution till the approval of the Company's General Assembly.

22. RETAINED EARNINGS/ ACCUMULATED LOSSES

	2019	2018
Balance at the beginning of the year	**294,043**	(166,681)
	(294,043)	-
Impact of expected credit loss (ECL) IFRS 9	**-**	(115,894)
Net income for the year	**1,017,400**	650,465
Trasferred to statury reserves	**(343,664)**	(73,847)
Balance at the end of the year	**673,736**	294,043

23. INTEREST REVENUE

	2019	2018
Earned Bank Interests	**422,552**	336,535
Total	**422,552**	336,535
Amount Transferred to statement of comprehensive income	**422,552**	336,535

24. NET INCOME FROM FINANCIAL ASSETS AND INVESTMENTS-NET

	2019	2018
Real Estate Investment Return	**45,000**	67,917
Net Change in Financial asstes designated at fair value through statement comprehensive income	**(37,879)**	50,080
	7,121	117,997

25. OTHER REVENUE

	2019	2018
Miscellaneous Revenues	**11,170**	5,897
Retrieval Provision	**26,858**	-
	(5,258)	-
Total	**32,770**	5,897
Amount Transferred to statement of comprehensive income	**32,770**	5,897

26. CASH AND CASH EQUIVALENTS

	2019	2018
Cash on hand and at the bank	**3,318**	335,259
Add: Deposits At Banks maturing within three months	**8,620,508**	7,298,848
Less: Deposits for general manager of Insurance Authority	**(325,000)**	(325,000)
Net cash and cash equivalents	**8,298,826**	7,309,107

27. ALLOCATED EMPLOYEES EXPENDITURES

	2019	2018
Salaries and wages	**1,608,088**	1,382,352
Comoany Contribution in social security	**189,908**	158,887
Health and Life Insurance	**113,441**	78,266
Training	**760**	1,185
Travel and transportation	**39,883**	48,806
Social Committee Fund	**2,700**	2,500
Total	**1,954,780**	1,671,996
Allocated Employees Expenditures	**1,063,824**	977,595
Unallocated Employees Expenditures	**890,956**	694,401

The employees expenditured have been reclassified based on distrubution of salaries and administrators salaries by a percentage of 80% based on total premium.

28. GENERAL AND ADMINISTRATIVE

	2019	2018
Professional fees	32,938	25,877
Electricity, heating andwater	41,538	47,937
Board of directors transportation and remunerations	66,000	61,250
Stationary and printings	21,277	11,683
Others	50,121	47,862
Subscriptions	38,380	22,327
Cleaning	17,871	16,081
Post and telecommunication	8,172	14,360
Scurity expenses	6,427	25,481
Legal expenses	52,280	57,971
Maintenance	31,894	49,780
Computer expenses	16,950	6,669
Advertisements	7,194	7,304
Governmental fees	6,272	5,732
Travel and transportation	15,954	4,195
Non deductable tax	10,693	8,475
Hospitality	9,341	11,338
Vehicles expenses	3,444	1,775
Tenders	6,053	7,046
Bank intrest	15,159	14,880
Rentals	3,600	3,533
Municipality taxes expenses	27,194	26,112
Total	488,752	477,668
Total general and administrative expenses allocated to underwriting accounts	391,052	382,134
Total general and administrative expenses unallocated to underwriting accounts	97,700	95,534

29. EARNING PER SHARE

	2019	2018
Net income for the year	1,017,400	650,465
Weighted average number of shares	9,500,000	9,500,000
Earning Per Share	0,11	0,068

30. RELATED PARTY TRANSACTIONS

The Company's transacted with the allied company, major shareholder, the Board of Directors, and the management within the company's main activities using commercial interest rates. All deferred sale account receivables and funds granted to related parties are effective and no provision was allocated.

	2019	2018
The terms in the balance sheet:		
Accounts receivable Resulting from Production	**205,285**	285,430
Board of directors receivables	**6,430**	12,815
The terms of the income statement:		
Revenue from prduction (Underwriting premiums)	**642,360**	692,719
Board of Directors Transportation	**54,000**	42,250
Production commission paid		-

-Top executive management and board of dorector (salary,bonuses, and other benefits) are as follows:

	2019	2018
Salaries , remunerations and transportaion of executive management	676,460	492,004

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

-The Book value for financial assets and liabilities are almost equal to it's fair value

- The Notes to the financial statements indicate to the fair value of these financial instruments as well it show some of significant accounting policies on the Note (4) method used in evaluation of these instruments.

31- ACCRUED INCOME TAX

The company has settled it's tax position with the income and sales tax department until 2017.

32- LITIGATIONS AGAINST THE COMPANY

The Company appears litigated against in number of legal cases and the company took technical provisions to face any liabilities resulting from these cases

33-CONTINGENT LIABILITIES

The Company has no contingent liabilities as on December 31, 2018.

34. SUBSEQUENT EVENTS

The general commettee decided in its unuseual meeting held on April 30, 2014 the following :

Decreasing the declared capital from 9,000,000 JOD/share to 8,000,000 JOD/ share by Amortizing an amount of 1,000,000 JOD from the the accumulated losses. Increasing the capital by 3,000,000 share /JOD special underwiting by the shareholders to become 11000000 share/JOD in which 1,500,000 shares to be covered during 2014 and 1,vf 500,000 shares to be covered during 2015 and discount issuance for the new shares by (0.6 JOD) or the price presented by security exchange commetee and the legal process is have been completed on July 8, 2014 accourding certificate (1/6/21027/726).

35 -IMPACT OF ADOPTION OF IFRS 9FINANCIAL INSTRUMENTS

IFRS 9Financial Instruments provides requirements for the identification and measurement of financial assets and liabilities and certain contracts for the purchase or sale of non-financial items. This Standard supersedes IAS 39Financial Instruments: "Recognition and Measurement"

The Company has adopted IFRS 9as of January 1, 2018. The Company has chosen not to adjust the comparative figures and the changes in the effective date have been included in the carrying amounts of the financial assets and liabilities within the opening balances of the retained earnings.

The net effect arising from the application of IFRS 9as of January 1 2018 is a decrease in retained earnings of JD 115,894.

Accounts receivable and other receivables and accrued income previously classified as loans and receivables under IAS 39 are now classified at amortized cost. An additional impairment allowance of JD 115,894 for these receivables was recognized and recognized as part of the opening balance of retained earnings as at 1 January 2018 when IFRS 9 was applied.

36. RISK MANAGEMENT

INSURANCE RISK

Risk of any insurance policy represent the probability of occurrence of the insured accident and the uncertainty of the related claim amount due to the nature of the insurance policy whereby the risks are volatile and unexpected in connection with insurance policies of a certain insurance class. As regards the application of the probability theory on pricing and the reserve , the primary risks facing the company are that incurred claims and the related payment may exceed the book value of the insurance obligation . this may happen if the probability and risks of claims are greater than expected . as insurance accident are unstable and vary from one year to another , estimates may differ from the related statics.

Studies have shown that the more similar the insurance policies are the nearer expectations are to the actual loss.Moreover, diversifying the types of insurance risks covered decreases probability of the overall insurance loss.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019**

LIFE INSURANCE

The main risks for life insurance are represented in the accumulation of risks resulting from Multiple injuries in one accident, or multiple policies for the same person, or the individual underwritten standards do not comply within immediate coverage.
The insurance strategy for the life insurance are represented in diversification of risks and and to ascertain of Compliance of individual underwritten standards and to exclude existing risks

VEICHLES

As for veichles the main risks are claims for death and personal injuries and the replacement or repair of automobiles. The Company has cover from reinsurers to cover losses both at the level of the low and large values and ratios provide the required protection for businesses and their customers notification. The amounts to be paid in compensation for deaths and to injured and replacement costs of cars are the main factors affecting the level of claims.

MARINE AND TRANSPORTATION INSURANCE

As for marine and transportation insurance that are considered the main risk in the loss or damage of the marine and land units and accidents resulting in total or partial loss of goods.
The strategy followed for the marine and transportation insurance sector is to ensure that policies are varied regarding shipping, land and roads covered by insurance. the Company has cover from reinsurers to cover losses both at the level of the low and great values and provided ratios that require protection for businesses and their clients.

FIRE AND OTHER DAMAGE TO PROPERTY

The main risks for real estate insurance contracts are fire and business interruption.
The conclusion of insurance contracts on the basis of the replacement for value of real estates and its content insured, cost of reconstruction of the real estate and providing alternatives to the content and the time required to restart the disContinued operations is considered as the main factors, that affect the size of the claims for the company's cover from reinsurance companies to limit the damage whether at the level of the low and great values and ratios that provide the required protection and its clients.

MEDICAL INSURANCE

Includes the insured losses when damage is caused by illness or disability and is followed by providing fixed financial benefits or benefits in the form of compensation or a combination of both benefits that the company has the intention of providing cover from reinsurance companies to reduce this risk.

PERSONAL ACCIDENTS

The main risks for personal accidents insurance is high recurrence of claims and the accumulation of risks resulting from Multiple injuries in one accident.
These contracts are made by referencing to approved medical prices.

Second: Quantitative Disclosures

1- INSURANCE RISK

Risk of any insurance policy represent the probability of occurrence of the insured accident and the uncertainty of the related claim amount due to the nature of the insurance policy whereby the risks are volatile and unexpected in connection with insurance policies of a certain insurance class. As regards the application of the probability theory on pricing and the reserve , the primary risks facing the company are that incurred claims and the related payment may exceed the book value of the insurance obligation . this may happen if the probability and risks of claims are greater than expected . as insurance accident are unstable and vary from one year to another , estimates may differ from the related statics.

Studies have shown that the more similar the insurance policies are the nearer expectations are to the actual loss.Moreover, diversifying the types of insurance risks covered decreases probability of the overall insurance loss.

Fire and other damage to property

The purpose of the Property Insurance compensate policyholders for damage caused to their real estate or for lost real estate value. And also policyholders can catch compensation for loss of earnings due to the inability to use the insured properties.

The main risks for real estate insurance contracts are fire and business interruption as the company in recent years has issued policies for properties containing fire alarm equipment.

The conclusion of insurance contracts on the basis of the replacement for value of real estates and its content insured, cost of reconstruction of the real estate and providing alternatives to the content and the time required to restart the disContinued operations is considered as the main factors, that affect the size of the claims for the company's cover from reinsurance companies to limit the damage whether at the level of the low and great values and ratios that provide the required protection and its clients.

Vehicles

The purpose of vehicle insurance is to compensate policyholders from damage caused to their vehicles or responsibility against third parties arising from the accident. Also policyholders can catch compensation for combustion or steal their vehicles.

As for motor the main risks are claims for death and personal injuries and the replacement or repair of automobiles. The Company has cover from reinsurers to cover losses both at the level of the low and large values and ratios provide the required protection for businesses and their customers notification. The amounts to be paid in compensation for deaths and to injured and replacement costs of cars are the main factors affecting the level of claims.

MARINE AND TRANSPORTATION INSURANCE

As for marine and transportation insurance that are considered the main risk in the loss or damage of the marine and land units and accidents resulting in total or partial loss of goods.

the purpose of marine and transport insurance is compensatating insurance policies for damaged that arises from the loss or damaged sea and land units and accidents at sea and land, which produces partial or total loss of goods.

The strategy followed for the marine and transportation insurance sector is to ensure that policies are varied regarding shipping, land and roads covered by insurance. the Company has cover from reinsurers to cover losses both at the level of the low and great values and provided ratios that require protection for businesses and their clients.

MEDICAL INSURANCE

Includes the insured losses when damage is caused by illness or disability and is followed by providing fixed financial benefits or benefits in the form of compensation or a combination of both benefits that the company has the intention of providing cover from reinsurance companies to reduce this risk.

2- THE EVOLUTION OF ALLEGATIONS

Tables below show the actual allegations (based on management's estimates at the end of the year), compared to expectations for the past four years on the basis of the year that have been reported by the claim for insurance cars and on the basis of the year in which the insurance was underwritten to other general Insurance and branches of life insurance, as follows:

TOTAL – VEHICLES:-

Accident year	2015 and before	2016	2017	2018	2019	Total
As at year end	11,097,340	7,411,325	7,539,388	9,432,570	10,373,173	45,853,796
After a years	4,708,955	3,045,266	2,608,248	3,948,149	-	14,310,618
After two years	2,591,352	987,017	2,145,296	-	-	5,723,665
After three years	1,669,405	390,852	-	-	-	2,060,257
After four years	860,544	-	-	-	-	860,544
Accumulated current Claims estimation	860,544	390,852	2,145,296	3,948,149	10,373,173	17,718,014
Accumulated payments	450,216	238,465	503,981	2,907,305	7,108,120	11,208,087
Obligation as it shown in balance sheet	410,330	152,387	1,641,315	1,040,844	3,265,053	6,509,929
Surplus\deficit	10,236,796	7,020,473	5,394,092	5,484,421	-	28,135,782

TOTAL – MARINE AND TRANSPORT:-

Accident year	2015 and before	2016	2017	2018	2019	Total
As at year end	96,706	91,724	95,218	150,782	150,782	585,212
After a years	50,982	17,355	43,083	18,273	-	129,693
After two years	36,290	7,000	7,329	-	-	50,619
After three years	35,559	-	-	-	-	35,559
After four years	45,139	-	-	-	-	45,139
Accumulated current Claims estimation	45,139	-	7,329	18,273	150,782	221,523
Accumulated payments	45,139	-	869	17,793	65,247	129,048
Obligation as it shown in balance sheet	-	-	6,460	480	85,535	92,475
Surplus\deficit	51,567	91,724	87,889	132,509	-	363,689

TOTAL – FIRE AND OTHER INSURANCE :-

	2015 and before	2016	2017	2018	**2019**	**Total**
As at year end	5,634,037	449,673	371,664	452,677	**1,526,625**	**8,434,676**
After a years	4,840,808	287,091	231,940	175,222	-	**5,535,061**
After two years	4,766,933	54,905	31,322	-	-	**4,853,160**
After three years	5,496,777	32,801	-	-	-	**5,529,578**
After four years	5,355,860	-	-	-	-	**5,355,860**
Accumulated current Claims estimation	5,355,860	32,801	31,322	175,222	**1,526,625**	**7,121,830**
Accumulated payments	11,236	-	12,204	90,228	**182,525**	**296,193**
Obligation as it shown in balance sheet	5,344,624	32,801	19,118	84,994	**1,344,100**	**6,825,637**
Surplus\deficit	278,177	416,872	340,342	277,455	-	**1,312,846**

TOTAL – LIFE :-

	2015 and before	2016	2017	2018	**2019**	**Total**
As at year end	52,231	-	5,600	223,860	**227,938**	**509,629**
After a years	-	-	-	-	-	-
After two years	-	-	-	-	-	-
After three years	-	-	-	-	-	-
After four years	-	-	-	-	-	-
Accumulated current Claims estimation	52,231	-	5.600	223,860	**227,938**	**509,629**
Accumulated payments	-	-	-	207,080	74,611	**281,691**
Obligation as it shown in balance sheet	52,231	-	5.600	16,780	**153,327**	**227,938**
Surplus\deficit	-	-	-	-	-	-

TOTAL – MEDICAL :-

	2015 and before	2016	2017	2018	2019	Total
As at year end	208,370	336,452	88,350	308,752	704,280	1,646,204
After a years	-	-	-	-	-	-
After two years	-	-	-	-	-	-
After three years	-	-	-	-	-	-
After four years	-	-	-	-	-	-
Accumulated current Claims estimation	208,370	336,452	88,350	308,752	704,280	1,646,204
Accumulated payments	208,370	336,452	88,350	301,993	319,940	1,255,105
Obligation as it shown in balance sheet	-	-	-	6,759	384,340	391,099
Surplus\deficit	-	-	-	-	-	-

TOTAL – OTHER BRANCHES:-

	2015 and before	2016	2017	2018	2019	Total
As at year end	105,488	92,214	16,053	63,841	65,516	343,115
After a years	97,254	48,882	10,485	48,656	-	205,277
After two years	96,409	46,879	4,700	-	-	147,988
After three years	88,053	46,611	-	-	-	134,664
After four years	85,959	-	-	-	-	85,959
Accumulated current Claims estimation	85,959	46,611	4,700	48,656	65,516	251,442
Accumulated payments	10,553	1,862	-	16,182	22,294	50,891
Obligation as it shown in balance sheet	75,406	44,749	4,700	32,474	43,222	200,551
Surplus\deficit	19,529	45,603	11,353	15,185	-	91,670

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019
(EXPRESSED IN JORDANIAN DINAR)

3. CONCENTRATION OF RISK

	DECEMBER 31, 2019		DECEMBER 31, 2018	
	NET	TOTAL	NET	TOTAL
Vehicles	**10,400,137**	**12,538,278**	9,211,169	11,334,423
Marine and transportation	**32,712**	**192,889**	27,876	173,158
Fire and other insurance	**351,228**	**6,926,051**	346,900	6,229,826
Medical	**1,745,981**	**3,157,284**	1,296,263	2,396,963
Other branches	**384,586**	**551,363**	204,500	299,407
Life	**-**	**-**	78,734	501,474
	12,914,644	**23,365,865**	11,165,442	20,935,251

DECEMBER 31, 2019

	Vehicles	Marine and transportation	Fire and other insurance	Medical	Other branches	Total
Total	**12,538,278**	**192,889**	**6,926,051**	**3,157,284**	**551,363**	**23,365,865**
Net	**10,472,154**	**123,180**	**441,696**	**2,927,833**	**464,320**	**14,429,183**

DECEMBER 31, 2018

	Vehicles	Marine and transportation	Fire and other insurance	Medical	Other branches	Total
Total	11,334,423	173,158	6,229,826	2,396,963	299,407	20,433,777
Net	9,211,169	111,728	783,339	2,248,250	227,178	12,581,664

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019
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Assets, liabilities off the balance sheet are set according to the geographical and sectoral distributions as follow:-

By geographical areas

	DECEMBER 31, 2019			DECEMBER 31, 2018		
	Assets	Liabilities	Accounts off the balance sheet	Assets	Liabilities	Accounts off the balance sheet
Within Kingdom	**10,962,755**	**23,903,347**	-	9,347,069	20,433,777	-
Total	**10,962,755**	**23,903,347**	-	9,347,069	20,433,777	-

Assets, liabilities off the balance sheet are set according to the geographical and sectoral distributions as follow:-

By Sector

	DECEMBER 31, 2019			DECEMBER 31, 2018		
	Assets	Liabilities	Accounts off the balance sheet	Assets	Liabilities	Accounts off the balance sheet
Public sector	**17,350**	**2,770**	-	19,200	3,500	-
Private sector	**-**	**-**	-			-
Institutes and companies	**2,364,890**	**2,246,646**	-	1,650,200	1,752,101	-
Members	**1,790,280**	**1,575,446**	-	1,020,210	16,200	-
Total	**4,172,520**	**3,824,862**	-	2,689,610	1,771,801	-

THE ANALYSIS OF THE MAIN SECTORS

(A) Information about the company's business segments

For administrative purposes the company is organized into two business segments, general insurance sector includes vehicles, and maritime transport, aviation, fire and other damage to property, liability insurance, credit and guarantee, and accident and health, and the sector life insurance, which includes life insurance, dental insurance or pension , insurance-related investment, permanent health insurance. These two sectors constitute the foundation on which the company used to show information related to key sectors. Above also includes sectors on investment and cash management for the company's own account. Transactions between business segments are based on estimated market prices and the same conditions are dealt with others.

(B) The Geographical Distribution Information

The Company's activities are mainly in the Kingdom, which represents the local business practice and there is no branches outside the country

	Inside Kingdom		Outside Kingdom		Total	
	2019	2018	**2019**	2018	**2019**	2018
Total revenue	**17,629,763**	13,845,291	**-**	-	**17,629,763**	13,845,291
Total Assets	**26,199,095**	22,101,879	**-**	-	**26,199,095**	22,101,879

37. CAPITAL MANAGEMENT

Is placed regulate capital requirements by the Insurance Commission, I have put these requirements to ensure an adequate margin, it has been put additional goals by the company to maintain a strong credit scores and the percentage of high capital in order to support its business and increase the upper limit of the value of the shareholders.
The Company manages its capital structure and makes adjustments to it in light of changes in business conditions, the company does not in any amendments to the objectives, policies and procedures related to the structuring of the capital during the current year and previous year.
The opinion of management: the company's management is seeking to raise the solvency margin during 2019.

The following table shows the amount that it considers the company as head of capital and solvency margin ratio:

	2019	2018
Initial capital items:		
Paid up capital	**9,500,000**	9,500,000
Issuance discount	**(3,466,722)**	(3,760,765)
Statury reserve	**1,421,728**	1,078,064
Accumulated losse	**673,736**	294,043
Increase in realestate investment	**876,502**	715,630
	9,005,244	7,826,972
Required Capital for Assets Risks	**4,153,471**	3,673,557
Required Capital for Underwritten liabilities	**1,636,825**	1,459,243
Required Capital for Reinsurance Risks	**65,840**	59,737
Required Capital for Life Insurance	**29,894**	22,179
	5,886,030	5,214,716
Solvency margin	**%153**	%150

4 - REINSURANCE COMPANIES

As it is with other insurance companies in order to minimize exposure to financial losses arising from large insurance claims, the Company within the normal course of business to enter into reinsurance agreements with other parties.
To minimize its exposure to significant losses from reinsurer insolvencies, the Company evaluates the financial position of the reinsurance companies that deal and monitors concentrations of credit risk arising from geographic regions, activities or economic characteristics similar to those companies. the re-insurance contracts issued the company is not relieved of its obligations towards policyholders campaign, and as a result the company remains committed with claims reinsured in the case of the inability of reinsurers to meet its obligations assumed under the reinsurance agreements.

5-THE SENSITIVITY OF INSURANCE RISK

* Net after the deduction of income tax impact.
In case of negative change the effect is then equal to the changes above with reverse of the sign

	Change in percentage	The impact on writhe premiums	The impact pre – tax profit for the year	The impact on owners equity *
Vehicles	10 %	1,247,209	1,142,874	868,584
Maritime and transportation	10 %	34,178	6,027	4,581
Fire and other damage to property	10 %	174,450	10,934	8,310
Others branches	10 %	69,454	34,654	26,337
Medical	10 %	621,926	334,833	254,473
Life	10 %	22,892	17,802	13,529
		2,170,109	1,547,124	1,175,814

The following illustrates the possible change in the prices of the whiten premiums on income statement and white keeping all other inflectional changes fixed:-

	Change in percentage	The impact on writhe premiums	The impact pre – tax profit for the year	The impact on owners equity *
Vehicles	10 %	918,275	961,396	730,661
Maritime and transportation	10 %	1,721	2,838	2,157
Fire and other damage to property	10 %	2,377	7,839	5,958
Others branches	10 %	3,493	2,719	2,066
Medical	10 %	230,234	222,673	169,231
Life	10 %	1,044	(4,591)	(3,489)
		1,157,144	1,192,874	906,584

* Net after the deduction of income tax impact.
In case of negative change the effect is then equal to the changes above with reverse of the sign

The company worked on the development of credit policy, and the company maintains balances and deposits with credit suitable banking institutions.

6- FINANCIAL RISKS

The Company follows the financial policies of the various risk management within a specific strategy and assume management control of the company and adjust the risk and make optimal strategic distribution for each of the financial assets and financial liabilities, including interest rate risk, credit risk, foreign exchange risk and market risk.
The company follows the financial hedge for each of the financial assets and financial liabilities whenever the need arises policy, a hedge on future unexpected dangers.

Credit risk:

Credit risk is the risk that may result from the failure or inability of debtors and other parties to fulfill their obligations towards the company.
The company believes that it is not significantly exposed to credit risk in terms of existing monitors receivables on an ongoing basis. The company also maintains balances and deposits with leading banking institutions.
The company carries out various insurance and secure the large number of customers, the largest customer the company has accounted for 17% of accounts receivable as of December 31, 2018 compared to 17% as at 31 December 2017, the company's largest customers and referred to above are a receivables government.

The company worked on the development of credit policy, and the company maintains balances and deposits with credit suitable banking institutions.

The following Schedule Illustrates The sensitivity of income statement and the cumulative change in fair value as a result of reasonably possible changes on stocks prices With all other variables remaining:

	Impact of rising prices by 5% On income statement	Impact of drop in prices by 5% On income statement
December 31, 2019		
stocks listed at Amman stock exchange	**32,288**	**(32,288)**
Foreign stocks	-	-
December 31, 2018		
Stocks listed at Amman stock exchange	36,626	(36,626)
Foreign stocks	-	-

Market price risk

Known as the danger that results from a fluctuation in the value of financial instruments due to changes in market prices. and that the securities that exposes the company to the risk of market price as at the balance sheet is the investment.

Interest rate risk

The financial instruments in statement of financial position are not subjected to Interest rate risk except for deposits where interest rates on deposits from 3.25% to 4.75%.

	Impact of rising Interest rate by 1% On income statement	**Impact of decreasing interest rate by 1%** On income statement
December 31, 2019		
Deposits on banks	**86,205**	**(86,205)**
December 31, 2018		
Deposits on banks	72,988	(72,988)

Liquidity Risk

Liquidity risk represents the inability of the company to provide the necessary funding to perform its obligations in due dates, to guard against this risk, management has diversified funding sources and management of assets and liabilities and convenient maturities and maintaining an adequate balance of cash and cash equivalents and securities negotiable.

December 31 ,2019

Liabilities

	Less than 1 moth	From 1 month to 3 month	More than 3 month to 6 month	More than 6 month to 1 year	More than 1 year to 3 years	More than 3 years
unearned premiums provision	949,405	1,977,928	949,405	3,164,684	870,288	7,911,710
claims provision	603,466	1,257,220	603,466	2,030,204	553,177	5,047,533
Premiums defect provision	-	-	-	-	-	-
accounting provision	-	-	-	3,024	-	3,024
Provision income tax	4,958	10,330	4,958	3,697	4,545	28,488
Accounts payables	144,963	302,006	144,963	483,210	132,883	1,208,025
Insurance companies	140,045	291,762	140,046	466,819	128,375	1,167,047
Accrued expense	81,366	-	-	-	-	81,366
Other liabilities	314,777	655,786	314,777	1,049,258	288,562	2,623,160
Total	2,238,980	4,495,032	2,157,615	7,200,896	1,977,830	18,070,353
Total assets						26,199,095

December 31 ,2018
Liabilities

	Less than 1 moth	From 1 month to 3 month	More than 3 month to 6 month	More than 6 month to 1 year	More than 1 year to 3 years	More than 3 years
unearned premiums provision	765,207	1,594,881	765,207	2,550,689	700,738	6,376,722
claims provision	572,928	1,193,601	572,928	1,909,761	422,362	4,671,580
Premiums defect provision	-	-	-	-	-	-
accounting provision	-	-	-	38,959	13,327	52,286
Accounts payables	108,761	226,586	108,761	362,538	99,699	906,345
Insurance companies	249,531	519,856	249,531	831,769	228,735	2,079,422
Accrued expense	76,636	-	-	-	-	76,636
Other liabilities	99,303	206,881	99,303	331,009	91,050	827,546
Total	1,872,366	3,741,805	1,795,730	6,024,725	1,555,911	14,990,537
Total assets						22,101,879

ANALYSIS OF ASSETS AND LIABILITIES MATURITIES (Continued)

December 31 ,2019	Up to a year	More than a year	Total
Assets:			
Deposits at bank	8,620,508	-	8,620,508
Financial asstes designated at fair value through statement of comprehensive income	43,586	-	43,586
Financial asstes designated at fair value through statement of other comprehensive income	-	602,175	602,175
Realestate investments	-	581,975	581,975
Cash on hand and at Banks	3,318	-	3,318
Cheques under collections	2,437,995	-	2,437,995
Account recievables – net	5,373,073	-	5,373,073
Receivables from reinsurance companies	1,475,256	-	1,475,256
Deferred Tax assets	-	1,247,580	1,247,580
Intangible assets	-	4,613,393	4,613,393
Fixed assets-net	-	50,088	50,088
Other assets	1,150,148	-	1,150,148
Total assets	19,103,884	7,095,211	26,199,095
Liabilities			
Unearned premiums provision	7,911,710	-	7,911,710
Claims provision	5,047,533	-	5,047,533
Premiums defect provision	3,024	-	3,024
Accounting provision	1,208,025	-	1,208,025
Accounts payables	28,488	-	28,488
Reinsurance companies	1,167,047	-	1,167,047
Other liabilities	2,623,160	-	2,623,160
Accrued expense	81,366	-	81,366
Total liabilities	18,070,353	-	18,070,353
Net	1,033,531	7,095,211	8,128,742

ANALYSIS OF ASSETS AND LIABILITIES MATURITIES (Continued)

December 31 ,2018	Up to a year	More than a year	Total
Assets:			
Deposits at bank	**7,298,848**	**-**	**7,298,848**
Financial asstes designated at fair value through statement of comprehensive income	**130,338**	**-**	**130,338**
Financial asstes designated at fair value through statement of other comprehensive income	**-**	**602,175**	**602,175**
Realestate investments	**-**	**592,847**	**592,847**
Cash on hand and at Banks	**335,259**	**-**	**335,259**
Cheques under collections	**1,676,613**	**-**	**1,676,613**
Account recievables – net	**3,592,546**	**-**	**3,592,546**
Receivables from reinsurance companies	**1,092,515**	**-**	**1,092,515**
Deferred Tax assets	**-**	**1,347,238**	**1,347,238**
Intangible assets	**-**	**4,630,878**	**4,630,878**
Fixed assets-net	**-**	**53,227**	**53,227**
Other assets	**749,395**	**-**	**749,395**
Total assets	**14,875,514**	**7,226,365**	**22,101,879**
Liabilities			
Unearned premiums provision			
Claims provision	**6,376,722**	**-**	**6,376,722**
Premiums defect provision	**4,671,580**	**-**	**4,671,580**
Accounting provision	**52,286**	**-**	**52,286**
Accounts payables	**906,345**	**-**	**906,345**
Reinsurance companies	**2,079,422**	**-**	**2,079,422**
Other liabilities	**662,644**	**164,902**	**827,546**
Accrued expense	**76,636**	**-**	**76,636**
Total liabilities	**14,825,635**	**164,902**	**14,990,537**
Net	**49,879**	**7,061,463**	**7,111,342**

38- APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Directors and authorized for issuance on February 9, 2020.

39- RECONCILIATION OF YEAR

All the reconciliation have been made which the management consider important to fair view of financial statement and the its operations outcomes.

Statement of financial position of the branch of life insurance as at December 31

	2019	2018
Assets		
Deposits at banks	**108,890**	104,861
Accounts receivable – net	**390,580**	457,225
Total assets	**499,470**	562,086
Liabilities and shareholder's equity		
Liabilities		
Mathematical provision – net	**3,024**	52,286
Claims provision – net	**-**	56,353
Total insurance contracts liabilities	**3,024**	108,639
Accounts payable	**48,318**	44,312
Total Liabilities	**51,342**	152,951
Shareholders' equity		
Headquarter current account	**448,128**	409,135
Total shareholders' equity	**448,128**	409,135
Total liabilities and shareholders' equity	**499,470**	562,086