



شركة المصانع العربية الدولية للأغذية والاستثمار  
المساهمة العامة المحدودة

The Arab International Food Factories and Investment Co.

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التاريخ : 27/3/2017

To: Jordan Securities Commission  
Amman Stock Exchange

السادة هيئة الأوراق المالية  
السادة بورصة عمان

Subject: Audited Financial Statements  
for the fiscal year ended 31/12/2016

الموضوع : البيانات المالية السنوية  
المدققة للسنة المنتهية في 2016/12/31

Attached the Audited Financial Statements  
of The Arab International Food Factories  
and Investmant CO. for the fiscal year  
ended 31/12/2016

مرفق طيه نسخة من البيانات المالية  
المدققة لشركة المصانع العربية الدولية  
للأغذية والاستثمار عن السنة المالية  
المنتهية في 2016/12/31

Kindly accept our high appreciation  
and respect

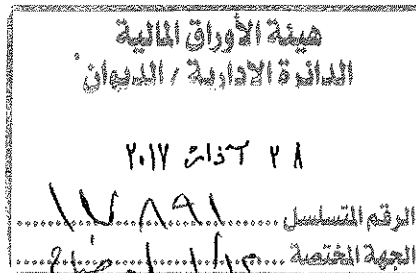
وتفضلوا بقبول فائق الاحترام،،،

Sahar Abdallah Abu-Khadijeh.

سحر عبد الله أبو خديجة

General Manager

المدير العام



AIFFICO

**The Arab International Food Factories And Investment Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

**Financial Statements**  
**and Independent Auditor's Report**  
**as of December 31, 2016**

**The Arab International Food Factories And Investment Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

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## Independent Auditors' Report

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To the Shareholder of

**The Arab International Food Factories And Investment Co.**

**Public Shareholding Company**

**Amman- The Hashemite Kingdom of Jordan**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the Accompanying financial statements of **The Arab International Food Factories And Investment Co (Public Shareholding Company)**, which comprise the statement of financial position as at December 31,2016,and the statements of comprehensive income, changes in owner's equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

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

#### **Basis for Opinion**

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

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

#### **Key Audit Matters**

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



• **Financial assets**

The financial assets in the balance sheet of the company have a great value, amounting 97.8% of total assets, the listed securities amounted for 93% of total assets, and unlisted securities amounted for 4.8%.

Related to this is the risk that the quoted prices of securities listed held by the Company may not be reflected fair value, for this is one of the important things scrutinizes.

**The audit procedures included the:**

- Review the purchase and sale of securities approved by company's procedures.
- It has been verified by the company's ownership of financial assets carried through endorsements received from the Securities Depository Center.
- It has been verified evaluation of financial assets and reviewing evaluations directly through an independent pricing source (ASE closing price as at 31 December 2016).
- With respect to securities unlisted, it has been revised Management assessments and appropriate extent of methodologies and assumptions used within the valuation calculation process.
- Reviewing the adequacy of disclosures concerning the company's financial assets (note 5.4).

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon. We expected that we will give the annual report after our report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty



exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

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

**Ibrahim Abbasi & Co.**



**Nabil Obeidat**  
**License 877**

**Amman in**  
**1 February 2017**

**The Arab International Food Factories And Investment Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

**Statement of Financial Position as of December 31 , 2016**

	<u>Note</u>	<u>2016</u> JD	<u>2015</u> JD
<b><u>Assets</u></b>			
<b><u>Non-current Assets</u></b>			
Investments in financial assets at Fair value through Comprehensive income	5	27,255,476	32,393,528
Investment in associate company	6	346,200	514,298
Property, plant and equipment - Net	7	117,953	384,044
<b>Total Non-current assets</b>		<b><u>27,719,629</u></b>	<b><u>33,291,870</u></b>
<b><u>current Assets</u></b>			
Cash on hands an at the Banks	8	144,450	766,247
Due from related parties	20a	802	8,174
Other debit balances	9	1,119	5,317
<b>Total Current Assets</b>		<b><u>146,371</u></b>	<b><u>779,738</u></b>
<b>Total Assets</b>		<b><u>27,866,000</u></b>	<b><u>34,071,608</u></b>
<b><u>Owner's Equity and liability</u></b>			
<b><u>Owner's Equity</u></b>			
Capital	10	10,500,000	10,500,000
Statutory reserve	11	1,789,515	1,593,779
Fair value reserve	12	11,687,546	18,360,810
Retained Earning at the end of the year	13	3,722,318	3,448,785
<b>Total equity</b>		<b><u>27,699,379</u></b>	<b><u>33,903,374</u></b>
<b><u>Current Liability</u></b>			
Accounts payable		927	927
Due to related Parties	20b	36,562	35,505
Other credit balances	14	129,132	131,802
<b>Total current liabilities</b>		<b><u>166,621</u></b>	<b><u>168,234</u></b>
<b>Total Owner's Equity and liabilities</b>		<b><u>27,866,000</u></b>	<b><u>34,071,608</u></b>

Accompanying notes form integral part of this statement

**The Arab International Food Factories And Investment Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

**Statement of comprehensive Income For The Year Ended December 31,2016**

	<u>Note</u>	<u>2016</u> JD	<u>2015</u> JD
<b><u>Revenues</u></b>			
Dividends profit		1,611,453	2,129,534
Gain on sale of property and equipment		498,100	-
Other income		8,914	10,578
share company from Gains associated CO	6	1,111	24,440
<b>Total Revenues</b>		<b>2,119,578</b>	<b>2,164,552</b>
<b><u>Expenses</u></b>			
Employee Benefits	15	(71,940)	(50,018)
Administrative and general expenses	16	(85,205)	(82,134)
doubtful debts		(5,067)	-
Board of directors remuneration		(40,000)	(40,000)
<b>Total Expenses</b>		<b>(202,212)</b>	<b>(172,152)</b>
<b>Profit of the year before tax</b>		<b>1,917,366</b>	<b>1,992,400</b>
Income tax	14	(1,626)	(1,985)
<b>Profit of the year</b>		<b>1,915,740</b>	<b>1,990,415</b>
<b><u>Other comprehensive income items</u></b>			
change in fair value reserve		(6,504,055)	(2,741,562)
Gains on sales financial assets at Fair value through Comprehensive income		128,529	-
change in fair value reserve - associated CO		(169,209)	19,193
<b>Total Comprehensive income</b>		<b>(4,628,995)</b>	<b>(731,954)</b>
		JD	JD
<b>Basic and diluted per share</b>	17	<b>0.182</b>	<b>0.190</b>

Accompanying notes form integral part of this statement



The Arab International Food Factories And Investment Co  
Public Shareholding Company  
Amman - The Hashemite Kingdom of Jordan

Statement of Changes in Owners Equity For The Year Ended December 31,2016

	Capital	Statutory reserve	Fair value reserve	Retained earnings			Net
				Realized gain	unrealized gain	Total	
	JD	JD	JD	JD	JD	JD	JD
<b>Balance as of Jan 1, 2016</b>	<b>10,500,000</b>	<b>1,593,779</b>	<b>18,360,810</b>	<b>3,214,035</b>	<b>234,750</b>	<b>3,448,785</b>	<b>33,903,374</b>
Profit of the year After tax	-	-	-	1,914,763	1,111	1,915,740	1,915,740
change in fair value reserve	-	-	(6,673,264)	-	-	-	(6,673,264)
Gains on sales financial assets at Fair value through Comprehensive income	-	-	-	128,529	-	128,529	128,529
<b>Total Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(6,673,264)</b>	<b>2,043,292</b>	<b>1,111</b>	<b>2,044,269</b>	<b>(4,628,995)</b>
Transfer to statutory reserve	-	195,736	-	(195,736)	-	(195,736)	-
Dividends paid ( Note 13 )	-	-	-	(1,575,000)	-	(1,575,000)	(1,575,000)
<b>Balance as of Dec 31, 2016</b>	<b>10,500,000</b>	<b>1,789,515</b>	<b>11,687,546</b>	<b>3,486,591</b>	<b>235,861</b>	<b>3,722,318</b>	<b>27,699,379</b>
<b>Balance as of Jan 1, 2015</b>	<b>10,500,000</b>	<b>1,390,539</b>	<b>21,083,179</b>	<b>2,763,800</b>	<b>210,310</b>	<b>2,974,110</b>	<b>35,947,828</b>
Profit of the year After tax	-	-	-	1,965,975	24,440	1,990,415	1,990,415
change in fair value reserve	-	-	(2,722,369)	-	-	-	(2,722,369)
<b>Total Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,722,369-</b>	<b>1,965,975</b>	<b>24,440</b>	<b>1,990,415</b>	<b>(731,954)</b>
Transfer to statutory reserve	-	203,240	-	(203,240)	-	(203,240)	-
Dividends paid	-	-	-	(1,312,500)	-	(1,312,500)	(1,312,500)
<b>Balance as of Dec 31, 2015</b>	<b>10,500,000</b>	<b>1,593,779</b>	<b>18,360,810</b>	<b>3,214,035</b>	<b>234,750</b>	<b>3,448,785</b>	<b>33,903,374</b>

Accompanying notes form integral part of this statement

**The Arab International Food Factories And Investment Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**  
**Statement of Cash Flows For The Year Ended December 31, 2016**

	Note	2016 JD	2015 JD
<b><u>Cash flows from operating activities</u></b>			
Profit of the year before tax		1,917,366	1,992,400
Depreciation		14,810	13,584
doubtful debts		5,067	-
Gains on sales financial assets at Fair value through Comprehensive income		128,529	-
share company from Gains associated co		(1,111)	(24,440)
Gain on sale of property and equipment		(498,100)	-
<b>Net operating profit before changes in working</b>		<b>1,566,561</b>	<b>1,981,544</b>
<b><u>(Increase) decrease in current assets</u></b>			
Due from related parties		7,372	-
Other debit balances		(869)	1,402
<b><u>Increase (decrease) in current liabilities</u></b>			
Accounts payable		-	4,855
due to related Parties		1,057	-
Other credit balances		(2,310)	18,792
<b>Net cash Resulting from operating activities</b>		<b>1,571,811</b>	<b>2,006,593</b>
Income tax		(1,985)	(1,700)
<b>Net cash Resulting from operating activities</b>		<b>1,569,826</b>	<b>2,004,893</b>
<b><u>Cash flows from investing activities</u></b>			
Collection from sale of property and equipment		750,000	-
Changes of property, plant and equipment		(620)	(145,000)
Financial assets at fair value through other comprehensive income		(1,366,003)	-
<b>Net cash flows (used in) investing activities</b>		<b>(616,623)</b>	<b>(145,000)</b>
<b><u>Cash Flows from Financing Activities</u></b>			
Dividends paid		(1,575,000)	(1,312,500)
<b>Net cash flows (used in) investing activities</b>		<b>(1,575,000)</b>	<b>(1,312,500)</b>
Net ( decrease) increase in cash balance		(621,797)	547,393
Cash balances at beginning of year		766,247	218,854
<b>Cash balances at end of year</b>		<b>144,450</b>	<b>766,247</b>

Accompanying notes form integral part of this statement



**The Arab International Food Factories And Investment Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

**Notes to the Financial Statements**

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**1- Incorporation**

The Arab International Food Factories And Investment Co was established as a Public Shareholding Company and It was registered at the Public Shareholding companies' registry at the Ministry of Commerce and Trade under the number of( 256 ) at september 13,1994 .

The objective of the company is Establishment and management of milk kids production Factory and Health food and Other industries , Plus Invested its money.

Arab international co for educationn and investments owns 45.92% from The Arab International Food Factories And Investment Co The way that it deems appropriate to the interests of the company

The financial statements were approved by the company 's Board of Dirictors in their meeting held on february 1, 2017 . the financial statements require the approval of the

**2- Basis of preparation**

**\* General**

The financial statements of the company have been prepared in accordance to International Financial Reporting Standards .

The financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

The financial statements are presented in Jordanian Dinars (JD) which is the financial currency of the company .

**\* Use of estimates**

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

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

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

**Specialized Investment Jordanian Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

**Notes to the Financial Statements**

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- Inventories are held at the lower of either cost or net realizable value . When inventories become old or obsolete , an estimate is made of their realizable value . For individually significant amounts this estimation is performed on an individual basis . Amounts which are not individually significant , but which are old or obsolete , are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence , based on historical selling prices.
- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of comprehensive income.

**3- Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the

**Accounts Receivables**

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

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

Financial assets stated at fair value through comprehensive income are non derivative financial assets, the purpose of the acquisition is to keep them available for sale and not

The differences in the change in fair value of financial assets carried at fair value are recorded through the statement of comprehensive income.

Financial assets stated at fair value through comprehensive income that is available to quoted market prices in active markets at fair value, net of accumulated impairment Gains and losses arising from differences foreign currency debt instruments that bear interest within the specified financial assets at fair value through comprehensive income transfer register, while the registration of foreign exchange rate changes ownership of the tools included in the cumulative change in fair value in equity.

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

**- Investment in associate company**

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



**Specialized Investment Jordanian Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

**Notes to the Financial Statements**

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**- Property, plant and equipment**

Property & equipments are recorded at cost and depreciated (except lands) over its estimated useful lives under the **straight line** method by using annual depreciation rates from 10-20 % .

Furniture & fixture	10%
Office Equipments	12%
Vehicles	10%
Lands	20%

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

The expected production life for assets is reviewed at end of the year , whenever there are changes between the expected life and the estimated , the depreciation method is changed to depreciate on net book value based on the remaining production life after re-estimation from the year re-estimated on .

When there are no expected economic benefits from usage , that item will be written down immediately .

**- Accounts payable**

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

**Income tax**

Taxes owed expenses are calculated on the basis of taxable profits

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

**- Foreign currency conversions**

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

**- Revenue recognition**

The revenue are stated on the declaration of accurales .

**- Offsetting**

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

**The Arab International Food Factories And Investment Co**  
**Public Shareholding Company**  
**Amman - The Hashemite Kingdom of Jordan**

**Notes to the Financial Statements**

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

This item consists of the following:

	<u>2016</u>	<u>2015</u>
	JD	JD
<b><u>listed Shares</u></b>		
Shares listed in the financial market	25,930,343	31,068,395
<b>Fair value</b>	<u>25,930,343</u>	<u>31,068,395</u>
<b><u>Shares in limited liability companies</u></b>		
financial assets at cost	1,325,133	1,325,133
<b>Total</b>	<u>1,325,133</u>	<u>1,325,133</u>
<b>Total financial assets at fair value</b>	<u>27,255,476</u>	<u>32,393,528</u>

The investments in limited liability companies are stated at cost because the fair value can not measure reliably

**6- Investment in affiliated associated**

This item consists of the following:

	<u>2016</u>	<u>2015</u>
	JD	JD
Balance at the beginig of the year	514,298	470,665
share company from Gains associated co	1,111	24,440
change in fair value reserve - associated co	(169,209)	19,193
<b>Balance at the End of the year</b>	<u>346,200</u>	<u>514,298</u>

The Arab International Food Factories And Investment Co  
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Amman - The Hashemite Kingdom of Jordan  
Notes to the Financial Statements

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

This item consists of :

	Lands		Vehicles		Office Equipments		Furniture & fixture		Improvements Lands		Total	
	JD		JD		JD		JD				JD	
<b><u>Cost</u></b>												
Cost at january 1, 2016	251,900		145,000		13,553		2,209		4,251		416,913	
Additions during the year	-		-		620		-		-		620	
Disposals during the year	(251,900)		-		-		-		(4,251)		(256,151)	
<b>Cost at December 31, 2016</b>	<b>0</b>		<b>145,000</b>		<b>14,173</b>		<b>2,209</b>		<b>0</b>		<b>161,382</b>	
<b><u>Accumulated Depreciation</u></b>												
balance of january 1, 2016	-		13,292		13,450		1,877		4,250		32,869	
Additions during the year	-		14,500		89		221		-		14,810	
Disposals during the year	-		-		-		-		(4,250)		(4,250)	
<b>balance as of December 31, 2016</b>	<b>0</b>		<b>27,792</b>		<b>13,539</b>		<b>2,098</b>		<b>0</b>		<b>43,429</b>	
<b>Net book value as of December 31, 2016</b>	<b>0</b>		<b>117,208</b>		<b>634</b>		<b>111</b>		<b>0</b>		<b>117,953</b>	
<b>Net book value as of December 31, 2016</b>	<b>251,900</b>		<b>131,708</b>		<b>103</b>		<b>332</b>		<b>1</b>		<b>384,044</b>	

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**8- Cash in hand and at banks**

This item consists of the following:

	2016	2015
	JD	JD
petty Cash	420	396
Cash at local banks	144,030	765,851
<b>Total</b>	<b>144,450</b>	<b>766,247</b>

**9- Other debit balances**

This item consists of the following:

	2016	2015
	JD	JD
Refundable Debsit	165	150
Receivables staff	954	100
Other debit balances	8,424	8,424
<b>Total</b>	<b>9,543</b>	<b>8,674</b>
provision for doubtful debts	(8,424)	(3,357)
<b>Net</b>	<b>1,119</b>	<b>5,317</b>



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**10- Capital**

The paid-up capital and unauthorized amounted to 10,500,000 Jordanian dinars, divided into 10,500,000 shares, the par value per share is JD one .

**11- Statutory reserve**

The accumulated amounts in this account represent what has been diverted from the annual profit before tax increased by 10% during the year and prior years in accordance with the Companies Act and is not available for distribution to shareholders

**12- Fair value reserve**

This item consists of the following:

	2016 JD	2015 JD
Balance at the beginning of the year	18,360,810	21,083,179
change through of the year	(6,673,264)	(2,722,369)
<b>Balance at end of year</b>	<b>11,687,546</b>	<b>18,360,810</b>

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

This item consists of the following:

	2016 JD	2015 JD
Balance at the beginning of the year	3,448,785	2,974,110
Profit for the year	1,915,740	1,990,415
Gains on sales financial assets at Fair value through Comprehensive income	128,529	-
Dividends paid	(1,575,000)	(1,312,500)
Transfer to statutory reserve	(195,736)	(203,240)
<b>Balance at end of year</b>	<b>3,722,318</b>	<b>3,448,785</b>



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**14- Other credit balances**

a- This item consists of the following:

	2016	2015
	JD	JD
Shareholders withholding	85,108	86,700
Board of directors remuneration	40,000	40,000
Income Tax provision ( note 14 b )	1,014	1,373
Due to social security	1,752	2,435
Accrued expenses	1,100	1,100
vacations provision	158	158
Employees recievables	-	36
<b>Total</b>	<b>129,132</b>	<b>131,802</b>

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

	2016	2015
	JD	JD
<b>Balance beginning of the year</b>	1,373	1,088
Tax of the year	1,626	1,985
Paid tax during the year	(1,985)	(1,700)
<b>Balance ending of the year</b>	<b>1,014</b>	<b>1,373</b>

**c- the settlement of the Accounting profit With the profit tax**

	2016	2015
	JD	JD
Revenue	2,248,107	2,164,552
Exempt income	2,239,193	2,153,974
<b>Taxable income</b>	<b>8,914</b>	<b>10,578</b>
The share of income subject to expenses	782	653
<b>profit taxable</b>	<b>8,132</b>	<b>9,925</b>
The tax rate	20%	20%
<b>Income tax payable</b>	<b>1,626</b>	<b>1,985</b>

- the year of 2012,2013,2014 **2015** the company provided revealed self-esteem and it accepted from income tax & sales department but not reviewed yet .

The provision for income tax year ending in December 31, 2016 is calculated by a tax consultant for the company

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**15- Employee Benefits**

This item consists of the following:

	2016	2015
	JD	JD
Salaries and wages	57,900	40,458
The company's contribution to social security	7,425	5,565
Insurance expenses	-	635
Income tax	6,615	3,360
<b>Total</b>	<b>71,940</b>	<b>50,018</b>

**16- General and administrative expenses**

This item consists of the following:

	2016	2015
	JD	JD
transportation of boards of directors	42,800	41,050
Rents	4,800	4,800
Professional fees	3,190	3,740
Fees and subscriptions	742	503
Mail and phone	2,170	1,268
Advertising	14,041	16,078
Depreciation	14,810	13,584
Other expenses	2,652	1,111
<b>Total</b>	<b>85,205</b>	<b>82,134</b>

**17- Earnings Per Share**

This item consists of the following:

	2016	2015
	JD	JD
Profit for the year	1,915,740	1,990,415
The weighted average number of shares	10,500,000	10,500,000
<b>Basic and diluted, earnings per share</b>	<b>0.182</b>	<b>0.190</b>

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

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**18- Segment Information**

the main company objective is import and export and get to a trade agencies and investing in the company share Following is a breakdown of the segment information for the business segments:

	2016		
	The main activity	others	Total
	JD	JD	JD
Revenue	2,110,664	8,914	2,119,578
<b><u>Assets And Liability</u></b>			
Assets	27,601,676	264,324	27,866,000
Liabilities	166,621	-	166,621
<b><u>other segment</u></b>			
Depreciation	14,810	-	14,810
	2015		
	The main activity	others	Total
	JD	JD	JD
Revenue	2,153,974	10,578	2,164,552
<b><u>Assets And Liability</u></b>			
Assets	32,907,826	1,163,782	34,071,608
Liabilities	168,234	-	168,234
<b><u>other segment</u></b>			
Depreciation	13,584	-	13,584

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

the following table shows the analysis of assets and liabilities according to the expected period of recovery and settlement :

	<b>2016</b>		
	for one year	more than one year	Total
	JD	JD	JD
<b><u>Assets</u></b>			
Investments in financial assets at Fair value through Comprehensive income	-	27,255,476	27,255,476
Investment in associate company	-	346,200	346,200
Property, plant and equipment - Net	-	117,953	117,953
Cash on hands and at the Banks	144,450	-	144,450
Due from related parties	802	-	802
Other debit balances	1,119	-	1,119
<b>Total Assets</b>	<b>146,371</b>	<b>27,719,629</b>	<b>27,866,000</b>
<b><u>Current Liability</u></b>			
Accounts payable	927	-	927
Payable to related Parties	36,562	-	36,562
Other credit balances	129,132	-	129,132
<b>Total current liabilities</b>	<b>166,621</b>	<b>-</b>	<b>166,621</b>
<b>Net</b>	<b>(20,250)</b>	<b>27,719,629</b>	<b>27,699,379</b>

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**The analysis of maturity of assets and liabilities**

	<b>2015</b>		
	for one year	more than one	Total
	JD	year JD	JD
<b><u>Assets</u></b>			
Investments in financial assets at Fair value through Comprehensive income	-	32,393,528	32,393,528
Investment in associate company	-	514,298	514,298
Property, plant and equipment - Net	-	384,044	384,044
Cash on hands and at the Banks	766,247	-	766,247
Due from related parties	8,174	-	8,174
Other debit balances	5,317	-	5,317
<b>Total Assets</b>	<b>779,738</b>	<b>33,291,870</b>	<b>34,071,608</b>
<b><u>Current Liability</u></b>			
Accounts payable	927	-	927
Payable to related Parties	35,505	-	35,505
Other credit balances	131,802	-	131,802
<b>Total current liabilities</b>	<b>168,234</b>	<b>-</b>	<b>168,234</b>
<b>Net</b>	<b>611,504</b>	<b>33,291,870</b>	<b>33,903,374</b>

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**20- Transactions with related parties**

.Represent the same relationship with the company associates company specialized

**a- Items within the financial ststement**

	<u>2016</u>	<u>2015</u>
	JD	JD
Ittihad School PLC	802	802
Al Omana'a portfolio and investment	-	7,372
<b>Total Assets</b>	<b>802</b>	<b>8,174</b>

**b- Items within the financial ststement**

	<u>2016</u>	<u>2015</u>
	JD	JD
Arab international co- oman	27,857	27,857
Arab international co for educationn and investments	1,217	-
Ibn Al haytham hospital co	7,488	7,648
<b>Total Assets</b>	<b>36,562</b>	<b>35,505</b>

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

	<u>2016</u>	<u>2015</u>
	JD	JD
Salaries and bonus	60,000	47,000



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**21- Risk management**

**- Credit risks**

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

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

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

**- Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**- Interest rate risks:**

The Company may be exposed to interest rate risk on its financial assets and liabilities that appear interest, such as: banks. Once bank overdrafts are short-term ones, and other assets and liabilities do not bear any interest rates, so the risks that may affect the Company are insignificant.



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**- Liquidity risks**

The management plans the cash flows of the Company. There is an ongoing monitoring policy to ensure the cash adequacy to cover and finance operations with no violations or breaches to any committed bank facilities conditions

	<b>2016</b>		
	Less than three months.	From three months to 12 months	Total
Accounts payable	-	927	927
Payable to related Parties	-	36,562	36,562
Other credit balances	-	129,132	129,132
<b>Total</b>	<b>-</b>	<b>166,621</b>	<b>166,621</b>

	<b>2015</b>		
	Less than three months.	From three months to 12 months	Total
	JD	JD	JD
Accounts payable	-	927	927
Payable to related Parties	-	35,505	35,505
Other credit balances	-	131,802	131,802
<b>Total</b>	<b>-</b>	<b>168,234</b>	<b>168,234</b>

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**23- Capital management**

The management objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for partners and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There are no changes taken place on the objectives, procedures or policies that are related to capital structure neither in this year nor in the last one.

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

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

**25- Comparative**

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