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السادة بورصة عمان المحترمين

الموضوع : البيانات المالية للشركة كما هي في 2018/3/31

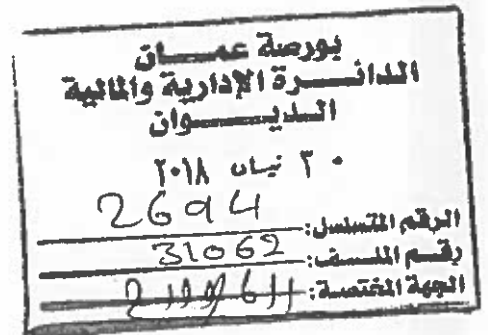
تحية طيبة وبعد

بالاشارة للموضوع اعلاه ، نرفق لكم البيانات المالية للشركة كما هي في 2018/3/31

وتفضلوا بقبول فائق الاحترام

المدير الاداري

زياد حسين صالح



**JORDAN TRADE FACILITIES
(PUBLIC SHAREHOLDING COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)**

31 MARCH 2018

**JORDAN TRADE FACILITIES
(PUBLIC SHAREHOLDING COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(REVIEWED UNAUDITED)**

31 MARCH 2018

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**REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE CHAIRMAN AND BOARD OF
DIRECTORS OF JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)**

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Jordan Trade Facilities (Public Shareholding Company) as of 31 March 2018 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three months period then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard (34) "interim financial reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements (2410) "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurances that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial Statements are not properly prepared, in all material respects, in accordance with IAS (34).

For and on behalf of PricewaterhouseCoopers "Jordan" L.L.C.



JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2018

	Note	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
ASSETS			
Cash on hand and at banks	5	179,740	242,082
Financial assets at fair value through statement of income	6	196,593	195,164
Financial assets at amortized cost	7	42,905,350	42,135,036
Other debit balances		356,635	414,120
Investment properties - Net	8	462,150	468,000
Land plots seized against non-performing loans		1,450,220	1,415,267
Property and equipment		269,079	170,579
Intangible assets		100,203	93,268
Deferred tax assets		1,427,093	1,276,330
TOTAL ASSETS		47,347,063	46,409,846
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES			
Overdrafts	9	3,159,245	2,726,100
Loans	10	14,850,683	17,345,342
Other liabilities		583,501	463,056
Other provisions		68,997	71,220
Income tax provision	12	764,118	864,480
Bonds	11	3,000,000	-
TOTAL LIABILITIES		22,426,544	21,470,198
SHAREHOLDERS' EQUITY			
Authorized and paid-in capital		16,500,000	16,500,000
Statutory reserve		2,905,561	2,905,561
General banking risk reserve		-	385,000
Profit for the period		764,607	-
Retained earnings		4,750,351	5,149,087
NET SHAREHOLDERS' EQUITY		24,920,519	24,939,648
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		47,347,063	46,409,846

Notes from 1 to 17 are an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report

JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Note	31 March 2018 JD (Unaudited)	31 March 2017 JD (Unaudited)
Revenues and commissions from conventional Murabaha and finance leases		1,677,445	1,444,503
Other operating revenues		220,538	133,227
Total revenues		1,897,983	1,577,730
Salaries, wages and employees' benefits		(312,541)	(278,098)
Administrative Expenses		(195,702)	(162,462)
Depreciation and amortization		(30,640)	(31,051)
(Reversal of) Impairment losses on financial assets at amortised cost		13,664	(63,065)
Finance expenses		(364,232)	(280,348)
Total expenses		(889,451)	(815,024)
Income from operating activities		1,008,532	762,706
Gain from valuation of financial assets at fair value through statement of income		1,429	5,031
Other losses		(1,470)	(9)
Profit for the period before income tax		1,008,491	767,728
Income tax expense	12	(243,884)	(184,326)
Profit for the period		764,607	583,402
Other comprehensive income:			
Net change in the fair value of financial assets at fair value through statement of comprehensive income		-	(450)
Total comprehensive income for the period		764,607	582,952
Earnings per share for the period (JD/Share)	14	0,046	0,035

Notes from 1 to 16 are an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2018**

	Authorized and paid-in capital JD	Statutory Reserve JD	General Banking risk reserve JD	Net Fair value Reserve JD	Profit for the period JD	Retained Earnings* JD	Total JD
2018							
(Unaudited)							
Balance as							
at 31 December 2017	16,500,000	2,905,561	385,000	-	-	5,149,087	24,939,648
Impact of adopting International Financial Reporting Standard number (9)	-	-	-	-	-	(783,736)	(783,736)
Adjusted balance as at 1 January 2018	16,500,000	2,905,561	385,000	-	-	4,365,351	24,155,912
Total comprehensive income for the period	-	-	-	-	764,607	-	764,607
Transfer from general banking risk reserve	-	-	(385,000)	-	-	385,000	-
Balance as at 31 March 2018	16,500,000	2,905,561	-	-	764,607	4,750,351	24,920,519
2017							
(Unaudited)							
Balance as at January 1, 2017	16,500,000	2,502,702	285,000	(78,652)	-	2,652,955	21,862,005
Total comprehensive income for the period	-	-	-	(450)	583,402	-	582,952
Transfer to general banking risk reserve	-	-	58,415	-	-	(58,415)	-
Balance as at 31 March 2017	16,500,000	2,502,702	343,415	(79,102)	583,402	2,594,540	22,444,957

* Included in retained earnings an amount of JD (1,427,093) as of 31 March 2018 (2017: 1,276,330) restricted by the instructions of Jordan Security Commission for deferred tax assets.

The accompanying notes from 1 to 16 form an integral part of these interim condensed consolidated financial statement and should be read with them and with the accompanying review report

JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Note	2018 JD (Unaudited)	2017 JD (Unaudited)
Cash flows from operating activities:			
Profit for the period before tax		1,008,491	767,728
Adjustments for:			
Depreciation and amortization		30,640	31,051
Finance Expenses		364,232	280,348
Reversal of) Impairment losses on financial assets at amortized cost		(13,664)	63,065
loss on valuation financial assets at fair value through income statement		(1,429)	(5,031)
Gain on sale of property and equipment		1,470	9
Changes in working capital:			
Financial assets at amortized cost		(1,787,881)	(627,045)
Other debit balances		57,485	26,918
Assets seized against non-performing loans		(34,953)	-
Other liabilities		120,445	(23,131)
Other provisions		(2,223)	42
Cash flows (used in) from operating activities before income tax and finance expenses		(257,387)	513,954
Finance expense paid		(364,232)	(280,348)
Income tax paid		(247,514)	(182,362)
Net cash (Used in) from operating activities		(869,133)	51,244
Cash flows from investing activities:			
Purchases of property and equipment		(131,925)	(12,838)
Cash proceed from sale of property and equipment		230	-
Net cash used in investing activities		(131,965)	(12,838)
Cash flows from financing activities:			
Bonds		3,000,000	-
Overdrafts		433,145	(1,285,306)
Loans		(2,494,659)	1,262,198
Net cash from financing activities		938,486	(23,108)
Net change in cash and cash equivalents		(62,342)	15,298
Cash and cash equivalents at the beginning of the period	5	242,082	133,817
Cash and cash equivalents at the end of the period	5	179,740	149,115

The accompanying notes from 1 to 16 form an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2018**

(1) GENERAL INFORMATION

Jordan Trade Facilities Company was incorporated in accordance with Companies Law no. (13) for the year 1964 as Public Shareholding Company, under no. (179) on March 13, 1983 with a paid up capital of JD 16,500,000 which, as of the date of the consolidated financial statements, has a par value of JD 1 per share. The Company's Head office is located in Al – Shmeisani, Amman – Jordan. The Company and its subsidiary are collectively referred to as "the Group".

The interim condensed consolidated financial statements for the period ending 31 March 2018 includes Jordan Trade Facilities and its subsidiary Jordan Facilities for Finance Leasing. The Company and its subsidiary are collectively referred to as "the Group".

The main objectives of the parent company and its subsidiary are:

- To establish offices and agencies to implement its objectives, which was established for in accordance with laws and regulations inside and outside the Kingdom.
- To borrow from banks and financial institutions the necessary funds for its operations, and to pledge their property as collateral.
- Financing long term and consumable commodities.
- Selling and marketing credit cards and prepaid cards.
- Real-estate financing.
- Trading in different commodities, on cash or installment basis.
- Engaging in commercial brokerage, sale and purchase dealings, finance leasing, and financial services.
- Possessing land for the purpose of constructing buildings and residential apartments to be sold directly or through finance leasing.
- Owning lands for rehabilitation, development, splitting, dividing and selling them either directly and/or indirectly through capital leases.
- Owning and managing tourist projects, vehicles and university studies.
- Financial leasing in accordance with the provisions of Islamic Sharia law.
- Granting all kinds of loans in accordance with the provisions of Islamic Sharia law.

The Company shares are listed on the Amman Stock Exchange.

The company belongs to Invest Bank group, were its financial statement will be consolidated with the bank consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors on 18 April 2018.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following are the significant accounting policies used by the Group in the preparation of these interim condensed consolidated financial statements.

2.1 Basis of preparation

The interim condensed consolidated financial statements for the period ending 31 March 2018 for the Group have been prepared in accordance with International Accounting Standards No. (34) ("interim financial reporting").

The reporting currency of these interim condensed consolidated financial statements is the Jordanian Dinar Which is the functional currency of the Group.

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2018**

The interim condensed consolidated financial statements are prepared under the historical cost convention, except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income that have been measured at fair value at the date of the interim condensed consolidated financial statements.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the consolidated financial statements of the Group prepared in accordance with International Financial reporting Standards for the year ended 31 December 2017

Furthermore, the results of operations for the three months ended 31 March 2018 do not necessarily reflect the expected results for the year ending 31 December 2018. There was no appropriation of the profit of the three months ended on 31 March 2018 which is usually performed at year end.

2.2 Changes in accounting policies and disclosures

The accounting policies agree with those used in preparing the consolidated financial statements for year ending 31 December 2017.

2-2-1 New and amended standards adopted by the Company, which have insignificants effect on the financial statements:

- Amendments to IAS 12 - 'Income tax' that explains measurement and accounting for deferred tax assets.
- Amendments to IAS 7, 'Statement of cash flows'. The amendment requires additional disclosures about changes in liabilities arising from financing activities. The standard is effective for annual periods beginning on or after 1 January 2017 and early adoption is permitted.
- Amendments to IAS 40, 'Transfers of Investment Property'.
- Annual Improvements to IFRSs – 2012-2014 Cycle.
- **IFRS 15 "Revenue from Contracts with Customers"**

Nature of change: The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognized. When control of a good or service transfers to a customer. The standard permits a modified retrospective approach for the adoption

Impact: The management is not expecting any impact of adoption this standard over the Company's financial statements, as most of the Company's income is generated through sources not subject to this standard.

Mandatory application date: Is mandatory for financial years beginning on or after 1 January 2018.

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2018**

(b) New standards and interpretations applied for annual reporting period commencing 1 January 2018 and that have significant effect:

- IFRS 9 "Financial Instruments":

Nature of change: IFRS 9 addresses the classification, measurement, derecognition of financial assets and financial liabilities, and introduces new rules for hedge accounting and introduced a new impairment model.

Impact of adopting IFRS 9:

The Company is required to adopt IFRS 9 starting 1 January 2018, for that, the Company has prepared an assessment over the impact of the adoption with guidance of the Central Bank of Jordan instructions regarding the application of IFRS (9) as at 1 January 2018.

The following are the most important aspects of application:

A Classification and measurement of financial assets

The Company's management does not expect any material impact from applying this standard; as the Company has early adopted the first phase of IFRS (9) from January 1st, 2011.

The Company did not perform any reclassification between the categories of the financial instruments of this standard, which is allowed for one time starting 1 January 2018 to achieve the requirements of the standard to ensure proper application for the standard implication.

B- Classification and measurement of financial liabilities:

IFRS (9) has retained the requirements of IAS (39) regarding the classification of financial liabilities. IAS 39 (revised) requires recognition of the differences in the assessment of financial liabilities classified as financial liabilities at fair value through profit or loss in the consolidated statement of profit or loss, whereas IFRS (9) requires:

- Recognition of differences in the assessment of financial liabilities classified as financial liabilities at fair value through statement of profit or loss as a result of changes in credit risk in the consolidated statement of comprehensive income.
- The remaining amount of fair value valuation differences is recognized in the consolidated statement of profit or loss.

C- Hedge accounting

When initially applying IFRS (9), the Bank choose to continue applying the hedge accounting requirements of IAS (39) instead of the requirements IFRS (9).

C- Impairment of financial assets

IFRS (9) replaced the 'incurred loss' model in IAS (39) with a forward-looking 'expected credit loss' model. Which requires the use of estimates and judgements to estimate economic factors. The model will be applied to all financial assets – debt instruments which classified as amortized cost or at fair value through statement of comprehensive income or at fair value through profit or loss.

Impairment losses were calculated in accordance with the requirements of IFRS (9) in accordance with the following rules:

- 12 month impairment loss: the expected impairment is calculated for the next 12 months from the date of the consolidated financial statements.
- Impairment losses for the lifetime of the instrument: the expected impairment of the life of the financial statement is calculated until the maturity date from the date of the consolidated financial statements.

The expected credit loss mechanism depends on the probability of default (PD). Which is calculated according to the credit risk and future economic factors, the loss in default (LGD), which depends on the value of the existing collateral, the exposure at default (EAD).

E- Disclosures

IFRS (9) requires detailed disclosures, particularly with regard to hedge accounting, credit risk, and expected credit losses. The Bank is working to provide all the necessary details for these disclosures to be presented in the subsequent consolidated financial statements after application.

F- Implementation

The Company had reflected the effect of the standard implementation over the opening balances of retained earnings on January 1, 2018, rather than restating the figures of the consolidated financial statements for the year ended December 31, 2017 and earlier.

The table below includes analysis of credit risk exposure for financial assets exposed to expected credit loss:

Exposure to credit risk related to the financial assets on the financial position statement:

Financial assets at amortized cost

	stage 1 JD	stage 2 JD	stage 3 JD	Total JD	Deferred tax assets JD	Net Effect JD
Financial assets at amortized cost	883,071	148,160	-	1,031,231	(247,495)	783,736

JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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- The table below show the effect on the opening balances as of 1 January 2018:

	As of 31 of December 2017	Effect of the applying	Modified balance as of 1 st January 2018
	JD	JD	JD
Financial Assets at amortized cost	42,135,036	(1,031,231)	41,103,805
Differed tax assets	1,276,330	247,495	1,523,825
Retained earnings	5,149,087	(783,736)	4,365,351

- (c) **New standards and interpretations applied for annual reporting period commencing 1 January 2018 and which are not yet adopted by the Company:**

- **IFRS 16 "Leases"**

Nature of change: IFRS 16 was issued in January 2016. It will result in almost all leases being recognized on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

Impact: The Standard will primarily affect the accounting of the Company's operating leases. As at the reporting date, most of the Company's operating leases are short-term and low-value leases. Therefore, the standard is not expected to have any financial impact on the Bank.

Mandatory application date: Mandatory for financial years commencing on or after 1 January 2019. At this stage, the Company does not intend to adopt the standard before its effective date. The company intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

(3) BASIS OF CONSOLIDATION

The consolidated financial statements contain the financial statements of Jordan Trade Facilities the (Parent company), and its subsidiary, which is subject to its control. Control occurs when the parent company has the ability to control the financial and operating policies of the subsidiary to obtain benefits from its activities. Any Intra – group balances, transactions, revenues and expenses are eliminated in preparing the consolidated financial statements.

The the following are the details of its subsidiary as of March 31, 2018:

Company Name	Authorized Capital	Paid-up Capital	Acquisition Percentage	Nature of Activity	Operation Country	Date of Acquisition
	JD	JD				
Jordan Facilities for Finance Lease L.L.C	2,000,000	2,000,000	100%	Finance Lease	Amman	2010

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The financial statements of the subsidiary are prepared using the same accounting policies adopted by the company. Changes are made to the accounting policies of the subsidiary, when necessary, to align them with accounting policies adopted by the company.

The subsidiary's financial statement is consolidated in the consolidated income statement from the date of acquisition, which is date of transfer of the controlling over the subsidiary. When the company lose the control over the subsidiary, it will not be consolidated.

(4) ACCOUNTING ESTIMATES

Preparation of the interim condensed consolidated financial statements and the application of the accounting policies require the Company's management to perform assessments and assumptions that affect the amounts of financial assets and liabilities, fair value reserve and the disclosure of contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown within the consolidated statement of comprehensive income. In particular, this requires the company's management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover, the mentioned assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to changes resulting from the conditions and circumstance of those assessments in the future.

The significant estimates used by management in the preparation of these interim condensed consolidated financial statements applied in the accounting policies as well as the sources of estimates in cases of uncertainty are consistent with those used in the preparation of the consolidated financial statements as of and for the year ended on 31 December 2017.

(5) CASH ON HAND AND AT BANKS

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Cash on hand	45,832	40,066
Cash at banks – current accounts	133,908	202,016
	<u>179,740</u>	<u>242,082</u>

(6) FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH INCOME STATEMENT

	31 March 2018 JD (Unaudited)	31 December 2017 JD (audited)
Outside the kingdom		
Shares of unlisted companies	196,593	195,164
	<u>196,593</u>	<u>195,164</u>

JORDAN TRADE FACILITIES COMPANY
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(7) FINANCIAL ASSETS AT AMORTIZED COST

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Installments receivable (A)	34,115,536	33,435,991
Finance lease contracts receivable (B)	8,611,125	8,526,111
Customers loans- credit cards	178,689	172,934
	<u>42,905,350</u>	<u>42,135,036</u>

(A) Installments receivable

Installment receivables represent the installments due from the Company's customers arising from financing of vehicles and real estate contracts, which includes the original finance principle in addition to the Murabaha amount. Installment receivable balances as of December 31 were as follows:

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Due and past due installments receivable	21,166,513	20,385,899
Mature within less than a year	24,312,430	24,002,344
Mature within more than a year and less than five years	512,230	721,817
	<u>45,991,173</u>	<u>45,110,060</u>
Less: Provision for impairment on the overdue installments receivable	(4,718,747)	(4,336,871)
Less: Deferred revenue related to unmeasured installments	(6,443,922)	(6,682,514)
Finance revenue in suspense within accrued installment	(712,968)	(654,684)
	<u>34,115,536</u>	<u>33,435,991</u>

The sectorial distribution of installment receivables is as follows:

	31 March 2018 JD	31 December 2017 JD
Real Estate	4,528,105	4,842,408
Corporate	29,239,174	28,595,305
Loans and discounted bills	12,223,894	11,672,347
Total installments receivable	<u>45,991,173</u>	<u>45,110,060</u>
Provision for impairment on the overdue installments receivable	(4,718,747)	(4,336,871)
Deferred revenue related to unmeasured installments	(6,443,922)	(6,682,514)
Finance revenue in suspense	(712,968)	(654,684)
Net investment in installments receivable	<u>34,115,536</u>	<u>33,435,991</u>

JORDAN TRADE FACILITIES COMPANY
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The movement on provision for impairment in due and overdue installments receivable during the year was as follows:

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Balance at the beginning of the period / year	4,336,871	4,782,916
Reversal during the period/year	(88,956)	(440,566)
Effect of applying International Financial Reporting Standard number (9)	947,112	-
Loans written off during the period/year *	(476,280)	(5,479)
Balance at the end of the year	4,718,747	4,336,871

- * According to the Board of directors' decision, an amount of JD 476,280 were written off during the period ended 31 March 2018 (2017:5,479) and write off amount of JD 56,585 from the suspended revenue.

Details of Provision for impairment loss on Installments receivable facilities after the adoption of IFRS 9:

	31 March 2018 JD
stage 1	820,939
stage 2	126,174
stage 3	3,771,634
Total	4,718,747

(B) Finance lease contract receivables

The Company is leasing out real estate with an average term period of 5 years,

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Real Estate	6,238,240	6,333,399
Corporations	154,435	163,561
Loans	4,482,997	4,183,247
Total investment in finance lease contracts	10,875,672	10,680,207
Provision for impairment on the overdue finance lease contracts	(387,669)	(228,259)
Deferred revenue related to finance lease contracts	(1,779,537)	(1,857,106)
Finance revenue in suspense	(97,341)	(68,731)
Net investment in finance lease contracts	8,611,125	8,526,111

JORDAN TRADE FACILITIES COMPANY
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The following table shows the maturity periods of finance lease contracts receivables:

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Mature during less than a year	5,163,982	4,973,941
Mature during more than a year and less than five year	5,228,052	5,179,033
Mature during more than five year	483,638	527,233
	<u>10,875,672</u>	<u>10,680,207</u>
Less: Impairment provision of finance lease contract	(387,669)	(228,259)
Deferred revenue	(1,779,537)	(1,857,106)
Finance revenue in suspense within accrued installments	<u>(97,341)</u>	<u>(68,731)</u>
	<u>8,611,125</u>	<u>8,526,111</u>

The movement on provision for impairment of finance lease contract during the year was as follows:

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Balance at the beginning of the period / year	228,259	234,059
Effect of applying International Financial Reporting Standard number (9)	84,119	-
Addition (reversed) during the period/ year	<u>75,291</u>	<u>(5,800)</u>
Balance at the end of the period / year	<u>387,669</u>	<u>228,259</u>

Details of Provision for impairment loss on Finance lease contract after the adoption of IFRS 9:

	31 March 2018 JD
stage 1	62,132
stage 2	21,987
stage 3	303,550
Total	<u>387,669</u>

****** Part of the collaterals of the due instalments and finance lease contract related to Jordan Trade Facilities Company with an amount of JD 9,894,671 (promissory notes) as of 31 March 2018 against JD9,692,559 in 2017 (promissory notes) were deposited as collaterals against the loans and overdraft of the company,

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(8) INVESTMENT PROPERTIES

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Buildings*	585,000	585,000
Accumulated Depreciation	(122,850)	(117,000)
	<u>462,150</u>	<u>468,000</u>

- * This item represents payments on acquiring investment property based on the agreements signed between the Company and Tameer International Company during 2009, by which 24 residential units in Al-Majd City Housing Project has been allocated to the Company. The fair value of the investment property as assessed by an independent expert on 31 March 2018 was JD 593,465.

(9) DUE TO BANKS

The facilities granted to the Company in the form of an overdraft have been secured against endorsed bills with a percentage of 125% of the ceiling and overdraft against guarantee letter, bearing an interest rate ranging between 6,50% - 8,75%. The main purpose of these facilities is to finance the Group's activities within a year.

(10) LOANS

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Bank loans due within a year	7,117,212	7,566,310
Bank loans due after a year	7,733,471	9,779,032
	<u>14,850,683</u>	<u>17,345,342</u>

The Company was granted credit facilities from local banks with total ceiling of JD 20,400,000, the utilized amount of these facilities as of 31 March 2018 amounted to JD [14,850,684] (2017: JD 17,345,342)

These loans are in Jordanian dinars, and are secured against endorsed bills with a percentage of 125% of the utilized loans balances.

These loans bear interest rates between 5.5% - 8,50%

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(11) Bonds

The details of this item are as follows:

	31 March 2018	31 December 2017
	JD	JD
	(Unaudited)	(Audited)
Bonds mature within one year	3,000,000	-
	<u>3,000,000</u>	<u>-</u>

This item represents bonds issued by the Company on February 9, 2018 for 360 days with an interest rate of 6.75%. Interest is payable each 6 Months on 9 August and 3 February. These bonds are payable on May 3 February 2019.

(12) INCOME TAX

A. Income tax provisions

The movement on the provisions during the year is as follows:

	31 March 2018	31 December 2017
	JD	JD
	(Unaudited)	(Audited)
Balance at 1 January	864,480	748,298
Income Tax paid	(247,514)	(906,482)
Income tax on current period/year profits	146,367	1,022,664
Income tax related to prior years	785	-
Balance at the end of the period/year	<u>764,118</u>	<u>864,480</u>

B. Income tax expense presented in the consolidated interim statement of comprehensive income consists of the following:

	31 March 2018	31 March 2017
	JD	JD
	(Unaudited)	(Unaudited)
Income Tax due	147,152	258,987
Change on Deferred tax	96,732	(74,661)
	<u>243,884</u>	<u>184,326</u>

- A final clearance was made with the Income and Sales Tax Department until the end of 2011 excluding 2009 and 2010,
- With regard to the 2009 tax, the case is still pending before the Court of Cassation and the Constitutional Court has challenged the provision of Article 66 / C of the Income Tax Law,
- With regard to the 2010 tax, in the opinion of the company's lawyer and the tax advisor of the company there is no financial obligations on the company,
- Final clearance with the Income and Sales Tax Department has been finalized for fiscal years (2011, 2012, 2013, 2014),

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- The Company submitted the self-assessment for 2015 and 2016 on the due date, The Income and Sales Tax Department did not review the Company's records until the date of preparation of these financial statements,
- The company submitted the general sales tax returns on the date specified by law, and the income and sales tax department audited the statements submitted for the years 2009 to 2013,
- The subsidiary (Commercial Leasing Company) submitted the self-assessment statements until the end of 2014 and was accepted by the Income and Sales Tax Department without sampling, The self-assessment report for 2015 and 2016 was also submitted by the Income and Sales Tax Department, Date of preparation of these financial statements,
- The subsidiary (Commercial Leasing Company) has submitted the general sales tax returns on the date specified by law, The Income and Sales Tax Department has audited the statements submitted up to 2014,
- In the opinion of the company's management and its tax consultant, the company and its subsidiary will not have any tax liabilities exceeding the booked provision as of 31 March 2018.

(13) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

(13-1) Consolidated Statement of Financial Position:

	Related Party				Balance as at			
					31 March 2018	31 December 2017		
	Parent company	Subsidiary company	Major shareholders	Executive officers	Less than a year	More than a year	Less than a year	More than a year
	JD	JD	JD	JD	JD	JD	JD	JD
Financial assets at amortized cost	-	1,701,815	-	68,423	1,550,948	219,290	1,546,213	314,274
Loans	-	-	-	-	-	-	1,174,669	1,426,579
Current account	100,389	-	-	-	100,389	-	93,550	-

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(13-2) Consolidated Statement of Income:

	Related Party				Balance	
	Parent company	Subsidiary company	Major shareholders	Executive officers	31 March 2018	31 March 2017
	JD	JD	JD	JD	JD	JD
Installment revenue	-	47,230	-	2,073	49,303	233,707
Finance expenses-Loans	26,166	-	-	-	26,166	157,151

Balances and transactions with the subsidiary were eliminated in the consolidated financial statements and appear for clarification only

(13-3) Executive management salaries and remunerations for administration:

Salaries and remunerations short term paid to the Group's higher executive management amounted to JD 88,163 for the period ended 31 March 2018 against JD 132,456 for the period ended 31 March 2017.

(14) FAIR VALUE HIERARCHY

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 JD	Level 2 JD	Level 3 JD	Total JD
(Unaudited)				
31 March 2018				
Financial Assets measured at Fair Value through profit or loss	-	-	196,593	196,593
Financial Assets measured at fair value through other comprehensive income	-	-	-	-
	<u>-</u>	<u>-</u>	<u>196,593</u>	<u>196,593</u>
(Audited)				
31 December 2017				
Financial Assets measured at Fair Value through profit or loss	-	-	195,164	195,164
Financial Assets measured at fair value through other comprehensive income	-	-	-	-
	<u>-</u>	<u>-</u>	<u>195,164</u>	<u>195,164</u>

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(15) EARNINGS PER SHARE

	Three Months for the period ended 31 March	
	2018	2017
	JD	JD
	(Unaudited)	(Unaudited)
Profit for the period	764,607	583,402
	Share	Share
The weighted average outstanding shares	16,500,000	16,500,000
	JD/Share	JD/Share
Basic and diluted earnings per share for the period (JD/Share)	0,046	0,035

(16) CONTINGENT LIABILITIES

At the date of the consolidated financial statement, the group has the following contingent liabilities:

	31 March 2018	31 December 2017
	JD	JD
Bank Guarantees	192,500	139,500
Cash margin was as follows:		
Cash margin	1,000	1,000

(17) PROPOSED DIVIDENDS

The board of directors recommended to the general assembly of shareholders in their next meeting to distribute JD 1,897,500 that is equivalent to 11.5% of the Company's paid in capital as at 31 December 2017.