الإنتقائية للاستثمار والتطوير العقاري م.ع.م

Entkaeyah For Real Estate Investment Co.

الإنتقائية
للاستثمار
والتطوير العقاري

To: Jordan Securities Commission Amman Stock Exchange Date:15/5/2017 Subject: Quarterly Report as of 31/3/2017	السادة هيئة الاوراق المالية السادة بورصة عمان التاريخ: 2017/5/15 الموضوع: التقرير ربع السنوي كما هو في 2017/3/31
Attached the Quarterly Report of (Entkaeyah For Real Estate Investment Co.) in English as of 31/3/2017.	مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة (الإنتقائية للإستثمار والتطوير العقاري) باللغة الإنجليزية كما هو بتاريخ 2017/3/31
Kindly accept our highly appreciation and respect , Entkaeyah For Real Estate Investment Co. PLC Chairman of the Board Khaled Al Maqableh	وتفضلوا بقبول فائق الإحترام الشركة الإنتقائية للإستثمار والتطوير العقاري م.ع.م توقيع رئيس مجلس الادارة خالد المقابلة

الشركة الإنتقائية
للإستثمار والتطوير العقاري
هاتف ٥٧٧٧٤١٦
عمان - الأردن

بورصة عمان
الدائـــرة الإدارية والمالية
الديـــوان
١٥ أيـــار ٢٠١٧
الرقم المتسلسل: 3073
رقم الملف: 31287
الجهة المختصة: ~~[illegible]~~

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT FOR THE PERIOD ENDED MARCH 31, 2017

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT
FOR THE PERIOD ENDED MARCH 31, 2017

Ghosheh
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REPORT ON REVIEWING THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the president and members of the board of directors
Entkaeya for Investment and Real Estate Development Company. (P.L.C)

Introduction

We have reviewed the accompanying Interim Consolidated Statement of Financial Position for Entkaeya for Investment and Real Estate Development Company. (P.L.C) as of March 31, 2017, and the related statements of Interim Consolidated Comprehensive income, Owners' equity and cash flows for the period then ended, The management is responsible of preparing and presenting company's financial statements in accordance with International Accounting Standard No. 34 (Interim Financial Reporting) which is an integral part of International Financial Reporting Standards. Our responsibility is limited to issue a conclusion on these interim financial statements 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". This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. Our review is primarily limited to inquiries of the company's accounting and financial departments personnel as well as applying analytical procedures to financial data .The range of our review is narrower than the broad range of audit procedures applied according to International Auditing Standards, Accordingly, Getting assurances and confirmations about other important aspects checked through an audit procedure was not achievable, Hence, We don't express an opinion regarding in this regard.

Conclusion

Based on our review, except what was mentioned in basis of qualification above, nothing has come to our attention that causes us to be believe that the accompanying interim consolidated financial statements do not give a true and fair view in accordance with International Accounting Standard No. 34.

Ghosheh & Co.

Sinan Ghosheh
License No.(580)

Ghosheh & Co. (CPA's)
A member of
Nexia
International
غوشه و شركاه (محاسبون قانونيون)

Amman- Jordan
April 26, 2017

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF MARCH 31, 2017 AND DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

	Note	2017	2016
ASSETS			
Non-current assets			
Project under construction		**2,037,472**	2,037,472
Investments in lands		**420,000**	420,000
Property and equipment		**133,109**	137,191
Financial assets designated at fair value through statement of other comprehensive income		**2,537**	2,537
Total non-current assets		**2,593,118**	2,597,200
Current assets			
Prepaid expenses and other receivables		**7,757**	7,746
Financial assets designated at fair value through statement of comprehensive income		**7,923**	7,453
Cash and cash equivalents		**143**	143
Total current assets		**15,823**	15,342
TOTAL ASSETS		**2,608,941**	2,612,542
LIABILITIES AND OWNERS' EQUITY			
Owners' equity			
Share capital	1	**4,926,430**	4,926,430
Statutory reserve		**336**	336
Shares owned by subsidiaries		**(1,053)**	(1,053)
Fair value reserve		**(1,205)**	(1,205)
Accumulated losses		**(2,590,126)**	(2,581,258)
Total Owners' equity		**2,334,382**	2,343,250
Current liabilities			
Accrued expenses and other payables		**218,862**	206,624
Accounts payable and deferred checks		**27,983**	31,925
Due to related parties		**27,714**	30,743
Total current liabilities		**274,559**	269,292
TOTAL LIABILITIES AND OWNERS' EQUITY		**2,608,941**	2,612,542

The accompanying notes are an integral part of these consolidated financial statements

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2017
(EXPRESSED IN JORDANIAN DINAR)

	March 31 ,2017	March 31 ,2016
Revenue		
Sales	**13,980**	10,175
Cost of sales	**(19,562)**	(20,193)
Gross loss	**(5,582)**	(10,018)
Unrealized gains / losses from Financial assets designated at fair value through statement of comprehensive income	**470**	(1,520)
Gross operation loss	**(5,112)**	(11,538)
Finance margin interests	-	(5,551)
Financial charges	-	(19)
General and administrative expenses	**(3,756)**	(25,072)
Other revenues and expenses	-	506
Loss for the period	**(8,868)**	(41,674)
other comprehensive items:		
Realized loss from sell of shares owned by subsidiaries	-	(25,980)
Realized gains from Financial assets designated at fair value through statement of other comprehensive income	-	674
Total other comprehensive income transferred to Accumulated losses	**(8,868)**	(66,980)
Change in fair value reserve	-	(4,815)
Total comprehensive income	**(8,868)**	(71,795)
loss per share:		
Loss per share- JD/ per share	**(0,002)**	(0.014)
Weighted average of outstanding shares-share	**4.926.430**	4.926.430

The accompanying notes are an integral part of these consolidated financial statements

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED STATEMENT OF OWNERS' EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2017
(EXPRESSED IN JORDANIAN DINAR)

	Share capital	Statutory reserve	Shares owned by subsidiaries	Fair value reserve	Accumulated losses	Total
Balance at January 1, 2017	**4,926,430**	**336**	**(1,053)**	**(1,205)**	**(2,581,258)**	**2,343,250**
Comprehensive income for period	-	-	-	-	**(8,868)**	**(8,868)**
Balance at March 31, 2017	**4,926,430**	**336**	**(1,053)**	**(1,205)**	**(2,590,126)**	**2,334,382**
Balance at January 1, 2016	4,926,430	336	(1,053)	(39,890)	(2,117,861)	2,767,962
Comprehensive income for period	-	-	-	(4,815)	(66,980)	(71,795)
Balance at March 31, 2016	4,926,430	336	(1,053)	(44,705)	(2,184,841)	2,696,167

The accompanying notes are an integral part of these consolidated financial statements

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2017
(EXPRESSED IN JORDANIAN DINAR)

	March 31 ,2017	March 31 ,2016
OPERATING ACTIVITIES		
Loss for the period	**(8,868)**	(41.674)
Adjustments for Loss for the period :		
Depreciation	**4,082**	750
Financial charges	-	19
Unrealized gains / (losses) from Financial assets designated at fair value through statement of comprehensive income	**(470)**	1.520
Realized gains from Financial assets designated at fair value through statement of other comprehensive income	-	25.980
Realized loss from sell of shares owned by subsidiaries	-	674
Changes in operating assets and liabilities:		
Prepaid expenses and other receivables	**(11)**	601
Accounts receivable and checks under collection	-	3,004
Due to related parties	**(3.029)**	19,565
Inventory	-	1,039
Accrued expenses and other payables	**12,238**	10.882
Account payables and deferred checks	**(3,942)**	(7,385)
Cash available from operating activities	-	14.975
Financial expenses paid	-	(19)
Net cash available from operating activities	-	14,956
INVESTING ACTIVITIES		
Purchase of property and equipment	-	(31.782)
Project under construction	-	29,268
Financial assets designated at fair value through statement of other comprehensive income	-	64.241
Net cash available from investing activities	-	61,727
FINANCING ACTIVITIES		
Finance margin	-	(80.067)
Net cash used in financing activities	-	(80,067)
Net change in cash and cash equivalents	-	(3,384)
Cash and cash equivalents, January 1	**143**	5,241
CASH AND CASH EQUIVALENTS, MARCH 31	**143**	1,857

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017
(EXPRESSED IN JORDANIAN DINAR)

1. ORGANIZATION AND ACTIVITIES

Entkaeya for Investment and Real Estate Development Company ("the Company") is a Jordanian Public Shareholding Company registered on August 9, 2007 under commercial registration number (443). The company's authorized, declared and paid-up capital is JD 4,926,430 divided into 4,926,430 shares with par value if JD 1 per share , The paid up capital includes a total of 1,747,823 JD/share Where they were covered by contributions in kind by the founders and it's a land No. (109) basin (128) Iraqi Ayn Saada from the lands of Salt (note 4).

the share capital of the Company is JD 4,926,430 divided into 4,926,430 shares, The value of each share is one JD.

The main activity of the Company is buying and selling and investing in real estate and land inside the organization or outside them in at different kinds of used by the legal and rouls.

The consolidated financial statements as at 31 March 2017 comprise the financial statements of the following subsidiaries:

Subsidiary	Place of registration	Year of registration	Percentage of ownership and voting	The main activity
Al-Hakameya for Trading and Investment (Ltd)	Jordan	2010	100%	ownership of trademarks, conversion and assignment, ownership of land and real estate and sale except real estate office, development and improvement of real estate and real estate and commercial consultations
Al Rostamiya for Trading and Investment (Ltd)	Jordan	2010	100%	Import and export, general trade, and borrowing the necessary funds
Kalat Al-Aman wal khair for Commercial Investment (Ltd)	Jordan	2010	100%	ownership of trademarks, conversion and assignment, ownership of land and real estate and sale except real estate office, development and improvement of real estate and real estate and commercial consultations
Western for Trading and Marketing (Ltd)	Jordan	2011	100%	Enter into tenders, tenders, import, export and marketing
Al Ghazalia for General Trading and Marketing (Ltd)	Jordan	2011	100%	Enter into tenders, tenders, import, export and marketing

The Company's share in the results of its subsidiaries as of March 31, 2017 (JD 5,582) (loss) and as of December 31, 2016 (97,078) JD loss) according to the net equity method is as follows:

	2017	2016
Company's share in losses of Al-Hakameya for Trading and Investment (Ltd)	-	(1,444)
Company's share in losses of Al Rostamiya for Trading and Investment (Ltd)	-	(2,926)
Company's share in losses of Kalat Al-Aman wal khair for Commercial Investment (Ltd)	-	(1,400)
Company's share in losses of Western for Trading and Marketing (Ltd)	**(5,582)**	(90,308)
Company's share in losses of Al Ghazalia for General Trading and Marketing (Ltd)	-	(1,000)
	(5,582)	(97,078)

The book value of the investment in subsidiaries as of March 31, 2017 (JD 168,118) and as of December 31, 2016:(JD 162,536) was as per the net equity method, as follows:

	2017	2016
The book value of the investment in Al-Hakameya for Trading and Investment (Ltd)	**(9,373)**	(9,373)
The book value of the investment in Al Rostamiya for Trading and Investment (Ltd)	**(35,792)**	(35,792)
The book value of the investment in Kalat Al-Aman wal khair for Commercial Investment (Ltd)	**(1,420)**	(1,420)
The book value of the investment in Western for Trading and Marketing (Ltd)	**(122,156)**	(116,574)
The book value of the investment in Al Ghazalia for General Trading and Marketing (Ltd)	**623**	623
	(168,118)	(162,536)

Summary of assets, liabilities and net income of subsidiaries the significant items of assets and liabilities as of March 31, 2017 and December 31, 2016 are as follows:

A- Al-Hakameya for Trading and Investment

	2017	2016
Total assets	**60**	60
Total owners' equity	**(1,140)**	(1,140)
Total liabilities	**1,200**	1,200
Loss for the period / year	-	(1,444)
Accumulated losses	**(11,372)**	(11,372)
Partner current account	**8,270**	8,270
Statutory reserve	**1,000**	1,000

b- Al Rostamiya for Trading and Investment

	2017	2016
Total assets	**143**	143
Total owners' equity	**3,048**	3,048
Total liabilities	**(2,905)**	(2,905)
Loss for the period / year	-	(2,926)
Partner current account	**32,887**	32,887
Share capital	**5,000**	5,000

c- Kalat Al-Aman wal khair for Commercial Investment

	2017	2016
Total assets	**280,527**	280,527
Total owners' equity	**279,327**	279,327
Total liabilities	**1,200**	1,200
Loss for the period / year	-	(1,400)
Investments in lands	**280,527**	280,527
Partner current account	**280,747**	280,747

d- Western for Trading and Marketing

	2017	2016
Total assets	**211,006**	215,827
Total owners' equity	**155,449**	161,782
Total liabilities	**55,557**	54,045
Partner current account	**278,559**	278,559
Loss for the period / year	**(5,582)**	(90,308)
Share capital	**2,500**	2,500

e- Al Ghazalia for General Trading and Marketing

	2017	2016
Total assets	-	-
Total owners' equity	**(1,000)**	(1,000)
Total liabilities	**1,000**	1,000
Partner current account	**(1,623)**	(1,623)
Loss for the period /year	-	(1,000)
Share capital	**2,500**	2,500

2. NEW AND REVISED STANDARDS AND AMENDMENTS TO IFRSs IN ISSUE BUT NOT YET EFFECTIVE:-

The following new standards and amendments to the standards have been issued but are not yet effective and the Company intends to adopt these standards, where applicable, when they become effective.

New Standards	Effective Date
(IFRS) No.9 – Financial Instruments	January 1, 2018
(IFRS) No.15 – Revenue from Contract with Customers	January 1, 2018
(IFRS) No.16 – Leases	January 1,2019

Board of directors of the Company is expected that the application of these standards and interpretations will not have a substantial impact on the company's consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

The interim consolidated financial statement is presented in Jordanian Dinar, since that is the currency in which the majority of the Company's transactions are denominated.

The interim financial statements have been prepared on historical cost basis.

The interim statement do not include all the information and notes needed in the annual financial statement and must be reviewed with the ended financial statement at December 31, 2016, in addition to that the result for the three months ended in March 31, 2017 is not necessarily to be the expected results for the financial year ended December 31, 2017.

Significant accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the audited financial statements for the period ended 31 December 2016.

Basis of consolidating interim financial statements

The consolidated financial statements incorporate the financial statements of Afaq Holding Investment and Real Estate Development Company (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.

The profit or loss and each component of other comprehensive income elements distributed on the company's owners and owners of non-controlling interests, total comprehensive income for the subsidiary distributed to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balances.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the parent Company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

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 remeasurement 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.

Financial assets designated at fair value through statement of other comprehensive income

Specific financial assets at fair value through statement of other comprehensive income are non-derivative financial assets, the purpose of the acquisition is to keep them as available for sale until the date of maturity, not for trading.

Differences in the change in fair value of financial assets specified at fair value through other comprehensive income statement are recorded in other comprehensive income statement. Financial assets specified at fair value through statement of other comprehensive income that is have a market prices stated at fair value after deducting any accumulated Impairment losses in its fair value.

Financial assets specified at fair value through statement of other comprehensive income that is do not have a market prices and cannot determine the fair value stated at cost and any Decline in its value recorded in other comprehensive income statement.

Profits and losses resulting from differences of foreign currency translation for the debt instruments are recorded within the financial assets specified at fair value through other comprehensive income statement in the statement of other comprehensive income, while differences from foreign currency translation for the debt instruments are recorded in the accumulated change in fair value in owners' equity.

Revenue recognition

Revenue is recognized from the sale of shares and interest payable to bank deposits

Expenses

General and administrative expenses include direct and indirect costs which are not specifically part of production costs as required under Generally Accepted Accounting principles. Allocations between general and administrative expenses and cost of sales are made on a consistent basis when required.

Cash and cash equivalents

Cash and cash equivalents include cash, demand deposits, and highly liquid investments with original maturities of three months or less.

Accounts receivable

Accounts receivable are stated at invoice amount less any provision for doubtful and a provision for doubtful debts is taken when there is an indication that the receivable may not be collected, and are written off in the same period when there is impossible recovery of them.

Projects under construction

Projects under construction are stated at cost

Investments in lands

Investments in land are stated at cost In accordance with (IAS 40) where the standard make the company to choose to record its real estate investments either at cost or at fair value as long as There is no impediment to the ability to reliably determine the value of real estate investments ,The management of the Company has chosen the cost to record its investments in the land

Shares owned by subsidiaries

Shares purchased in the Company's share capital by the subsidiaries are stated at cost less equity

Accounts payable

Accounts payable are stated at the obligation amounts for received services and goods, whether billed by the suppliers or not.

Provisions

The provision had been formed, when the Company has a present obligation (legal or expected) from past events which its cost of repayment consider accepted and it has ability to estimate it reliably.

The provision had been measured according to the best expectations of the required alternative to meet the obligation as of the consolidated statement of financial position date after considering the risks and not assured matters about the obligation. When the provision is measured with the estimated cash flows to pay the present obligation, then the accounts receivable are recognized as asset in case of receipt and replacement of the amount is certain and it able to measure the amount reliably.

The Decline in value of the financial assets

In date of each statement of financial position, values of the financial assets have been reviewed, to determine if there indication to decline in its value

As for the financial assets such as trade accounts receivable and assets was evaluated as individual low-value, where evaluated for the decline in the value on a collective basis. The substantive evidence for decline in portfolio of the accounts receivable includes the past experience about the collection of payments. And the increase in the number of the late payments portfolio (which it's beyond the rate of borrowing) also it includes the significant changes in the international and local economic conditions that are related with non-collection of accounts payable.

The Reduce in the listed value of the financial assets is the amount of loss decline of value directly. And this is for all the financial assets except the trade accounts receivable as the listed value have been reduced by provisions accounts. When is one of the accounts receivables are non-collected then write off the amount of this debt and the equal amount from account of the provisions.

The changes in the listed value for the provisions account are recognized in comprehensive income.

As for the ownership equity tools which are available for sale, decline losses are not closed in the recognized value in the profit and loss statement. However, any increase in the fair value becomes after decline loss has recognized directly in shareholder's equity statement

De-recognition
The Company cancels the recognition of financial assets only when the contractual rights about receipt of cash flows from the financial assets had ended. Substantially all the risks and benefits of the ownership to another firm. In the case of the company doesn't transfer on retain substantially risks or benefits of the ownership and continue in control of the transferred assets, the company in this case recognize it's share retained in the transferred assets and the related liabilities in the limits of the amounts excepted to be paid . In the other case, when the company retained substantially all risks and benefits of owner ship of the transferred assets, the company will continue to recognize of the financial assets.

Segment reporting
A business segment is a group of assets and operation engaged in providing products or services that are subject to risks and returns that are different from those of other business segments, and segment is engaged in providing products or services within a particular economic environment

and Company include significant business sectors in the purchase, develop and trade of lands and real estate in addition to investing in securities and bonds, the company operates only in the Hashemite Kingdom of Jordan

Offsetting
Financial assets and consolidated 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 Company intends to settle them on a net basis, or assets are realized and liabilities settled simultaneously.

The use of estimation
The preparation of consolidated financial statements and the application of accounting policies required of the Company's management to make estimates that affect the amounts of financial assets and liabilities and disclosure of contingent liabilities, these estimates also affect the revenues, expenses and provisions.
As well as changes in fair value that appears in the owners' equity
In particular, required of the company's management to issue important judgments to estimate the amounts of future cash flows and its times Mentioned that the estimates are shown necessarily on the assumptions and multiple factors have a varying degree of appreciation and uncertainty and that actual result may differ from estimates As a result of changes resulting about the conditions and circumstances of these estimates in the future

Property and equipment
Property and equipment are stated at cost less accumulated depreciation. Expenditure on maintenance and repairs is expensed. 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
Furniture	9%
Decoration	12%
Computers and software	25%
Office and electric devices	15%
Signs and decoration tree	15%
Machinery and equipment	15%
Mobile	30%

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 and equipment.

Impairment test is performed to the value of the property and equipment that appears in the consolidated 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 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 and equipment that appears in the consolidated Statement of Financial Position. Gross Profit and loss.

The decline in value of the non-current assets
The decline in value of the non-current assets In the date of each balance sheet the company review the listed values for its assets to specify if there is an indication to be decline losses of the value. If there indication to that, the recovery value of the asset will be appreciated to determine the loss of decline in the value if it be. In case, in ability to appreciate the recovery value of specific asset. The Company estimate the recovery value for unit producing of cash that related in the same asset. when there is ability to determine basis of distribution that is fixed and reasonable, the joint assets distribute to units producing of cash that related in the same asset. when there is ability to determine basic of distribution that is fixed and reasonable , the joint assets distribute to specific units producing of cash or it distribute to smallest group from units producing cash that it able to determine basic of distribution fixed and reasonable for it.
The Recovery value is the fair value of asset minus the cost of sale or used value whichever is higher.
In case, the recovery value (cash generating unit) distribute lower than the listed value, reduce the listed value for asset (cash generating unit) to the recovery value. Losses of the decline recognize directly in the income statement except the asset that is reevaluation then record losses of the decline as reduction from re-evaluation provision

Income Tax
The Company is subject to Income Tax Law, 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 No. (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 periodic consolidated financial statements since it's immaterial.

Leasing
Leasing are classified as capital lease whenever the terms of the transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
Rental payable under operating leases are changed to income on a straight-line basis over the term of the operating lease.

4. FINANCIAL INSTRUMENTS

The Fair Value

The fair value of financial assets and financial liabilities include cash and cash equivalents and checks under collection and receivables, securities, and include accounts payable, credit facilities, loans, credits, and other financial liabilities.

Level I: the market prices stated in active markets for the same financial instruments.

Level II: assessment methods depend on the input affect the fair value and can be observed **directly** or indirectly in the market.

Level III: valuation techniques based on inputs affect the fair value cannot be observed directly or indirectly in the market.

March 31, 2017	Level I	Level II	Level III	Total
Financial assets designated at fair value through statement of comprehensive income	7,923	-	-	7,923
Financial assets designated at fair value through statement of other comprehensive income	2,537	-	-	2,537
	10,460	-	-	10,460

December 31, 2016	Level I	Level II	Level III	Total
Financial assets designated at fair value through statement of comprehensive income	7,453	-	-	7,453
Financial assets designated at fair value through statement of other comprehensive income	2,537	-	-	2,537
	9,990	-	-	9,990

The value set out in the third level reflect the cost of buying these assets rather than its fair value due to the lack of an active market for them, this is the opinion of Directors that the purchase cost is the most convenient way to measure the fair value of these assets and that there was no impairment.

Management of share capital risks

The Company manages its capital to make sure that the Company will continue when it takes the highest return by the best limit for debts and owners equity balances. The Company's strategy does not change from 2015.

Structuring of Company's capital includes debts that consists of loans as shown in notes No. (18, 19, 20) and the owner's equity in the Company which includes share capital, issuance premium, reserves, fair value reserve, and accumulated losses as it listed in the changes in consolidated owners equity statement.

Risk management
Include the risks those they may be exposed to the following risks:

Currency risk
When consolidating financial statements of subsidiaries outside Jordan with the parent Company, the assets and liabilities are exchanged as of financial position date to Jordanian Dinar by exchange rates as at the year end, for revenues and expenses it exchanged based on average exchange rates for the period, exchange differences, if any, included in owners' equity.

Interest rates risk
Interest rate risk is defined as the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates, the financial instruments in the consolidated statement of financial position are not subject to interest rate risk with the exception of due to banks and loans that are subject to current market interest rates.

Credit risk management
The credit risks represent in one part of the financial instruments contracts has not obligated to pay the contractual obligations and cause of that the Company is exposing financial losses, However, there are no any contracts with any other parts so the Company doesn't expose to different types of the credit risks, The significant credit exposed for any parts or group of parts that have a similar specification have been disclosed in note No.10.The Company classified the parts which have similar specifications as a related parties. Except the amounts which are related in the cash money. The credits risks that are resulting from the cash money are specific because the parts that are dealing with it are local banks have good reputations and have been controlled from control parties.

The amounts had listed in the financial statements data represents the highest credit risk expose to the trade accounts receivable and to the cash and cash equivalent.

Management of liquidity risks
Board of directors is responsible for management of liquidity risks to manage the cash requirements, short, medium and long term liquidity. The Company managed the liquidity risks through controlling the future cash flow that evaluated permanently and correspond the due dates of assets and liabilities.