Ad-Dulayl
Industrial Park & Real Estate Company
شركة مجمع الضليل الصناعي العقاري

To: Jordan Securities Commission Amman Stock Exchange Date:-2017/5/15 Subject: English version of Audited Financial Statements for the fiscal year ended 31/12/2016	السادة هيئة الاوراق المالية السادة بورصة عمان التاريخ:-2017/5/15 الموضوع : البيانات المالية السنوية المدققة باللغة الانجليزية للسنة المنتهية في 2016/12/31
Attached the English version of Audited Financial Statements of (Ad-dulayl Industrial Park &Real Estate Co.) for the fiscal year ended 31/12/2016	مرفق طيه نسخة من البيانات المالية المدققة باللغة الانجليزية (شركة مجمع الضليل الصناعي العقاري) عن السنة المالية المنتهية في 2016/12/31
Kindly accept our high appreciation and respect Ad-dulayl Industrial Park &Real Estate Co. General Manager's Signature	وتفضلوا بقبول فائق الاحترام،،، شركة مجمع الضليل الصناعي العقاري توقيع المدير العام

Ad-Dulayl Industrial Park & Real Estate Company P.L.C

هيئة الأوراق المالية
الدائرة الإدارية / الديوان
١٥ أيار ٢٠١٧
الرقم المتسلسل
الجهة المختصة

Al Dulayl Industrial Park Real Estate Company
Public Shareholding Company

Consolidated Financial Statements as at 31 December 2016
Together With
Independent Auditor's Report

Arab Professionals
(Member Firm within Grant Thornton International Ltd.)

Al Dulayl Industrial Park Real Estate Company
Public Shareholding Company

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INDEPENDENT AUDITOR'S REPORT

To The Shareholders of
Al Dulayl Industrial Park Real Estate Company
Amman - Jordan

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Al Dulayl Industrial Park Real Estate Company PLC**, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Hashemite Kingdom of Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

(1) Impairment of Receivables

Included in the accompanying consolidated financial statements at the end of the year 2016 accounts receivables totaling JOD (553,281), as the provision of the doubtful portion of these receivables is dependent on the management's estimates of the timing and value of the amounts expected to be collected, the adequacy of the doubtful accounts provision is considered a key audit matter. The audit procedures performed by us to address this key audit matter included inquiring from management about the methodology used in calculating the provision of doubtful accounts and assessing the reasonableness of estimates and assumptions used by the management in calculating the provision amount. We have also inquired about the management's collection procedures and the amounts collected post year end.

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Other Matters

The consolidated financial statements of **Al Dulayl Industrial Park Real Estate Company PLC** as at 31 December 2015 were audited by another auditor who expressed a qualified opinion on those statements on 29 March 2016, regarding the impairment on total assets of AL-Jedar AL-Hadeeth Company (Subsidiary owned by 50%) with net book value amounting to JOD (1.1) Million.

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 consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 for the Consolidated Financial Statements

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

In preparing the consolidated 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

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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 to 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 maintains proper accounting records and the accompanying consolidated financial statements are in agreement therewith and with the financial data presented in the Board of Director's report, and we recommend the General Assembly to approve it.

15 March 2017

Amman - Jordan

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Al Dulayl Industrial Park Real Estate Company
Public Shareholding Company
Consolidated Statement of Financial Position as at 31 December 2016

(In Jordanian Dinar)

	Notes	2016	2015
Assets			
Non - Current Assets			
Property, plant and equipment	3	1,323,823	1,521,651
Investment properties	4	40,328,371	38,981,816
Checks under collection – long term		3,551,596	233,085
Financial assets at fair value through other comprehensive income		-	62,310
Total Non - Current Assets		45,203,790	40,798,862
Current Assets			
Other receivables	5	207,406	186,697
Accounts receivable	6	346,312	649,396
Checks under collection – short term		385,424	1,290,207
Financial assets at fair value through statement of profit or loss		400,704	323,292
Notes receivable		34,690	69,382
Cash and cash equivalents	7	574,931	172,979
Total Current Assets		1,949,467	2,691,953
Total Assets		47,153,257	43,490,815
Equity and Liabilities			
Equity	8		
Paid-in capital		21,000,000	21,000,000
Additional paid in capital		2,052,252	2,052,252
Statutory reserve		431,756	351,363
Merge revaluation surplus		15,960,546	15,960,546
Cumulative change in fair value		-	(59,720)
Accumulated losses		(1,934,097)	(2,605,292)
Total Shareholder's Equity		37,510,457	36,699,149
Non-controlling interest		(33,508)	48,414
Total Equity		37,476,949	36,747,563
Liabilities			
Non - Current Liabilities			
Deferred revenues – long term	9	4,284,874	2,190,327
Bank loans – long term	10	1,900,750	1,162,395
Total Non - Current Liabilities		6,185,624	3,352,722
Current Liabilities			
Other liabilities	11	386,443	408,257
Amounts due to related parties	18	43,214	-
Accounts payable and postdated checks	12	338,903	874,463
Deferred revenues	9	1,781,412	1,106,822
Bank loans	10	662,847	673,602
Bank facilities	10	277,865	327,386
Total Current Liabilities		3,490,684	3,390,530
Total Liabilities		9,676,308	6,743,252
Total Equity and Liabilities		47,153,257	43,490,815

"The attached notes from (1) to (23) are an integral part of these consolidated financial statements"

Al Dulayl Industrial Park Real Estate Company
Public Shareholding Company
Consolidated Statement of Profit or Loss for the year ended 31 December 2016

(In Jordanian Dinar)

	Notes	2016	2015
Lease revenue		1,396,338	1,079,096
Net revenue from servicers & others	13	148,295	150,701
Leased building deprecation	4	(186,084)	(121,785)
Operating expenses	15	(158,985)	(161,676)
Net operating profit		**1,199,564**	**946,336**
Administrative expenses	16	(465,897)	(571,042)
Finance cost		(260,650)	(241,318)
Change in fair value of financial assets through profit or loss		69,534	(326,568)
Profit (loss) from sale of financial assets through profit or loss		175,804	(15,237)
Board of directors remuneration		-	(12,000)
Contingent liabilities provision		-	(208,595)
Provision for doubtful accounts		-	(102,397)
Unneeded provision for doubtful accounts		3,000	-
Net of other income		654	111,962
Profit (loss) for the year		**722,009**	**(418,859)**
Attributable :			
Shareholders of the company		803,931	(317,273)
Non-controlling interest		(81,922)	(101,586)
		722,009	(418,859)
Basic and diluted earnings (losses) per share	17	0.038	(0.015)

"The attached notes from (1) to (23) are an integral part of these consolidated financial statements"

Al Dulayl Industrial Park Real Estate Company
Public Shareholding Company
Statement of comprehensive income for the year ended 31 December 2016

(In Jordanian Dinar)

	2016	2015
Profit (loss) for the year	722,009	(418,859)
Other comprehensive income :		
Impairment of merge revaluation surplus	-	(4,527,690)
Changes in fair value of financial assets	7,377	30,905
Total comprehensive income (loss) for the year	**729,386**	**(4,915,644)**
Attributable :		
Shareholders of the company	811,308	(4,814,058)
Non-controlling interest	(81,922)	(101,586)
	729,386	(4,915,644)

"The attached notes from (1) to (23) are an integral part of these consolidated financial statements"

Al Dulayl Industrial Park Real Estate Company
Public Shareholding Company
Consolidated Statement of Changes in Equity for the year ended 31 December 2016

(In Jordanian Dinar)

	Paid - in capital	Additional Paid- in capital	Statutory reserve	Merge revaluation surplus	Cumulative change in Fair value	Accumulated losses	Total shareholder's equity	Non-controlling interest	Total equity
Balance at 1 January 2016	21,000,000	2,052,252	351,363	15,960,546	(59,720)	(2,605,292)	36,699,149	48,414	36,747,563
Total comprehensive income for the year	-	-	-	-	7,377	803,931	811,308	(81,922)	729,386
Statutory reserve	-	-	80,393	-	-	(80,393)	-	-	-
Loss from sale of financial assets at fair value through other comprehensive income	-	-	-	-	52,343	(52,343)	-	-	-
Balance at 31 December 2016	21,000,000	2,052,252	431,756	15,960,546	-	(1,934,097)	37,510,457	(33,508)	37,476,949
Balance at 1 January 2015	21,000,000	2,052,252	351,363	20,488,236	(338,337)	(2,040,307)	41,513,207	67,498	41,580,705
Total comprehensive loss for the year	-	-	-	(4,527,690)	30,905	(317,273)	(4,814,058)	(101,586)	(4,915,644)
Loss from sale of financial assets at fair value through other comprehensive income	-	-	-	-	247,712	(247,712)	-	-	-
Non-controlling interest	-	-	-	-	-	-	-	82,502	82,502
Balance at 31 December 2015	21,000,000	2,052,252	351,363	15,960,546	(59,720)	(2,605,292)	36,699,149	48,414	36,747,563

"The attached notes from (1) to (23) are an integral part of these consolidated financial statements"

Al Dulayl Industrial Park Real Estate Company
Public Shareholding Company
Consolidated Statement of Cash Flows for the year ended 31 December 2016

(In Jordanian Dinar)

	2016	2015
Operating Activities		
Profit (loss) for the year	722,009	(418,859)
Depreciation	386,368	327,255
Changes in fair value of financial assets through profit or loss	69,534	(326,568)
Unneeded provision for doubtful accounts	(3,000)	-
Changes in operating activities		
Financial assets at fair value through profit or loss	(146,946)	50,773
Accounts receivable and checks under collection	(2,107,644)	(507,069)
Notes receivables	34,692	-
Inventories	-	3,091
Other receivables	(20,709)	5,331
Accounts payable and postdated checks	(535,560)	472,354
Other liabilities	(21,814)	147,942
Deferred revenues	2,769,137	1,268,604
Amounts due to related parties	43,214	-
Net cash flows from operating activities	1,189,281	1,022,854
Investing Activities		
Property, plant and equipment	(2,456)	(44,135)
Investment properties	(1,532,639)	(1,610,751)
Financial assets at fair value through other comprehensive income	69,687	592,134
Net cash flows used in investing activities	(1,465,408)	(1,062,752)
Financing Activities		
Banks facilities	(49,521)	38,346
Bank loans	727,600	77,433
Non-controlling interest	-	82,502
Net cash flows from financing activities	678,079	198,281
Net change in cash and cash equivalents	401,952	158,383
Cash and cash equivalents, beginning of year	172,979	14,596
Cash and cash equivalents, end of year	574,931	172,979

"The attached notes from (1) to (23) are an integral part of these consolidated financial statements"

1. General

Al Dulayl Industrial Park Real Estate Company was established on 23 August 1995 as a Public Shareholding Company and registered at the Ministry of Trade and Industry under number (290). The Company registered in the Hashemite Kingdom of Jordan. The Company's main activity is to establish and manage the companies, manufacturing the liquid chemical cleaners, precast concrete walls and clothing.

The accompanying consolidated financial statements were authorized for issue by the Company's Board of Directors in their meeting held on 15 March 2017, and it is subject to the General Assembly approval.

2. Summary of Significant Accounting Policies

Basis of Preparation

The consolidated financial statements of the Company and all its subsidiaries have been prepared in accordance with International Financial Reporting Standards.

The consolidated financial statements have been prepared on a historical cost convention except for investment securities, which have been measured at fair value.

The consolidated financial statements are presented in Jordanian Dinar which is the functional currency of the Company.

The accounting policies are consistent with those used in the previous year.

Principles of Consolidation

The consolidated financial statements comprise of the financial statements of the parent and its subsidiary where the Company has the power to govern the financial and operating policies of the subsidiary so as to obtain benefits from their activities. The financial statements of the subsidiary are prepared for the same reporting year as the Company using consistent accounting policies. All balances, transactions, income, and expenses between the Company and its subsidiary are eliminated.

Subsidiary are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

The results of operations of the subsidiary are included in the consolidated statement of profit or loss from the acquisition date which is the date on which control over subsidiary is transferred to the Company. The results of operation of the disposed subsidiary are included in the consolidated statements of profit or loss to the disposal date which is the date on which the Company loses control over the subsidiary.

The following subsidiaries have been consolidated:

Company	Capital	Ownership	Activity	Country
Regional Industrial Shoring Co.	30,000	100%	Manufacturing	Jordan
Al-Jedar Al Hadeeth Company	300,000	50%	Manufacturing	Jordan

Adoption of new and revised IFRS standards

The following standards have been published that are mandatory for accounting periods after 31 December 2016. Management anticipates that the adoption of new and revised Standards will have no material impact on the consolidated financial statements of the Company.

Standard No.	Title of Standards	Effective Date
IFRS 2	Classification and Measurement of Share-based Payment Transactions (Amendments)	1 January 2017
IFRS 15	Revenue from Contracts with Customers	1 January 2018
IFRS 16	Leases	1 January 2019

Use of Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of the consolidated financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions and in particular, considerable judgment 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 changes in such provisions.

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

- Management reviews periodically the tangible assets in order to assess the depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the consolidated statement of profit or loss.

- Management reviews periodically it's financial assets, which presented by cost to estimate any impairment in its value, and an impairment of loss (it founded) is accrued in the consolidated statement of profit or loss.

Property, Plant and Equipment

Property plant and equipment are stated at cost less accumulated depreciation (except lands) and accumulated impairment loss. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the consolidated statement of profit or loss.

Depreciation is computed on a straight-line basis at annual depreciation rates:

Buildings	4%
Machines & Equipment	2-20%
Water Station	8%
Vehicles	15-25%
Furniture & Fixtures	4-25%

The useful life and depreciation method are reviewed periodically to ensure that the method and period of deprecation are consistent with the expected pattern of economic benefits from items of property plant and equipment.

Investment properties
Investment properties are stated at cost less accumulated depreciation and any impairment provision. Investment properties (expect lands) are depreciated using the straight-line method at annual depreciation rates from 2%-10%.

Projects under construction
Projects under construction are recorded at cost which represents the contractual obligations of the Company for the construction. Allocated costs directly attributable to the construction of the asset are capitalized. The Projects under construction is transferred to the appropriate asset category and depreciated in accordance with the Company's policies when construction of the asset is completed and commissioned.

Trade Receivables
Trade Receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Financial Assets at Fair Value through Statement of Profit or Loss
It is the financial assets held by the company for the purpose of trading in the near future and achieving gains from the fluctuations in market prices in the short term or trading margins.
Financial assets at fair value through profit or loss are initially stated at fair value at acquisition date (purchase costs are recorded at the consolidated statement of profit or loss upon acquisition) and subsequently measured at fair value. Moreover, changes in fair value are recorded in the consolidated statement of profit or loss including the change in fair value resulting from translation of non-monetary assets stated at foreign currency. Gains or losses resulting from the sale of these financial assets are taken to the consolidated statement of profit or loss.
Dividends and interests from these financial assets are recorded in the consolidated statement of profit or loss.

Financial Assets at Fair Value through Other Comprehensive Income
These financial assets represent investments in equity instruments held for the purpose of generating gain on a long term and not for trading purpose.
Financial assets at fair value through other comprehensive income initially stated at fair value plus transaction costs at purchase date.
Subsequently, they are measured at fair value with gains or losses arising from changes in fair value recognized in the consolidated statement of other comprehensive income and within owner's equity, including the changes in fair value resulting from translation of non-monetary assets stated at foreign currency. In case those assets - or part of them- were sold, the resultant gain or loss is recorded in the consolidated statement of comprehensive income within owners' equity and the reserve for the sold assets is directly transferred to the retained earnings and not through the consolidated statement of profit or loss.
These assets are not subject to impairment testing.
Dividends are recorded in the consolidated statement of profit or loss on a separate line item.

Fair Value
For fair value of investments, which are traded in organized financial markets, is determined by reference to the quoted market bid price at the close of the business on consolidated statement of financial position date. For investments which are listed in inactive stock markets, traded in small quantities or have no current prices, the fair value is measured using the current value of cash flows or any other method adopted. If there is no reliable method for the measurement of these investments, then they are stated at cost less any impairment in their value.

Trading and Settlement Date Accounting
Purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits its self to purchase or sell the asset.

Cash and Cash Equivalents
Cash and cash equivalents comprise cash on hand, deposits held at call with banks and short term deposits with the original maturity of three months or less.

Accounts Payable and Accruals
Accounts payable and accrued payments are recognized upon receiving goods or performance of services.

Provisions
A provision is recognized when, and only when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each consolidated statement of financial position date and adjusted to reflect the current best estimate.

Offsetting
Financial assets and financial liabilities are offset and the net amount reported in the consolidated financial statement when there is a legally enforceable right to offset the recognized amounts and the company intends to either settle them on a net basis, or to realize the asset and settle the liability simultaneously.

Revenue Recognition
Leased units revenue is recognized on a time proportion basis that reflects the effective yield on the lease agreement.
Revenues are recognized from services provided by Al-Dulayl Industrial Park & Real Estate Company upon rendering the service and issuing invoice.
Construction commission revenues are recognized upon signing the contract.
Revenues are recognized from cleaning garments factory upon delivery of the service and issue the invoice.
Other revenues are recognized on the accrual basis.

Leasing
Leases are classified as capital lease whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.
Rentals payable under operating leases are recorded in the consolidated statement of profit or loss on a straight-line basis over the term of the operating lease.

Expenses
Administrative expenses include direct and indirect costs not necessarily parts of leasing assets and services performed by the company as required under accounting principles. An allocation between general administrative expenses and cost of leasing states are made on a consistent basis when required.

Borrowing costs
Borrowing costs generally are expenses as incurred.

Foreign Currency
Assets and liabilities denominated in foreign currencies are translated to Jordanian Dinar using the prevailing exchange rates at year end. Foreign currency transactions during the year are recorded using exchange rates that were in effect at the dates of the transactions. Foreign exchange gains or losses are reflected in the consolidated statement of profit or loss.

Income Taxes
Income tax expenses are accounted for on the basis of taxable income. Taxable income differs from income declared in the consolidated financial statements because the latter includes non-taxable revenues or disallowed taxable expenses in the current year but deductible in subsequent years, accumulated losses acceptable by the tax law, and items not accepted for tax purposes or subject to tax.
Taxes are calculated on the basis of the tax rates according to the prevailing laws, regulations, and instructions of the countries where the Company operates.

3. Property, Plant and Equipment

	Lands	Buildings	Machines & Equipment	Water Station	Vehicles	Furniture & Fixtures	Total
Cost							
Balance at 1/1/2016	242,111	698,721	1,647,489	135,209	86,874	33,565	2,843,969
Additions	-	-	-	-	-	2,456	2,456
Disposals	-	-	-	-	(5,000)	-	(5,000)
Balance at 31/12/2016	242,111	698,721	1,647,489	135,209	81,874	36,021	2,841,425
Accumulated depreciation							
Balance at 1/1/2016	-	187,676	974,393	79,512	58,013	22,724	1,322,318
Depreciation	-	27,949	152,469	10,817	6,388	2,661	200,284
Disposals	-	-	-	-	(5,000)	-	(5,000)
Balance at 31/12/2016	-	215,625	1,126,862	90,329	59,401	25,385	1,517,602
Net book value at 31/12/2016	**242,111**	**483,096**	**520,627**	**44,880**	**22,473**	**10,636**	**1,323,823**
Cost							
Balance at 1/1/2015	242,111	698,721	1,647,489	135,209	72,881	41,069	2,837,480
Additions	-	-	-	-	22,093	4,736	26,829
Disposals	-	-	-	-	(8,100)	(12,240)	(20,340)
Balance at 31/12/2015	242,111	698,721	1,647,489	135,209	86,874	33,565	2,843,969
Accumulated depreciation							
Balance at 1/1/2015	-	159,727	822,978	68,695	47,539	26,568	1,125,507
Depreciation	-	27,949	151,415	10,817	10,474	4,815	205,470
Disposals	-	-	-	-	-	(8,659)	(8,659)
Balance at 31/12/2015	-	187,676	974,393	79,512	58,013	22,724	1,322,318
Net book value at 31/12/2015	**242,111**	**511,045**	**673,096**	**55,697**	**28,861**	**10,841**	**1,521,651**

4. Investment properties

2016	Investment in industrial lands	Investment in leased building	Merge revaluation surplus	Total
Cost				
Balance at 1/1/2016	16,289,642	7,497,890	20,488,236	44,275,768
Additions	-	1,532,639	-	1,532,639
Balance at 31/12/2016	16,289,642	9,030,529	20,488,236	45,808,407
Depreciation & Impairment				
Balance at 1/1/2016	-	766,262	4,527,690	5,293,952
Depreciation	-	186,084	-	186,084
Balance at 31/12/2016	-	952,346	4,527,690	5,480,036
Net book value at 31/12/2016	16,289,642	8,078,183	15,960,546	40,328,371

2015	Investment in industrial lands	Investment in leased building	Merge revaluation surplus	Total
Cost				
Balance at 1/1/2015	16,548,642	5,628,139	20,488,236	42,665,017
Additions	-	2,006,671	-	2,006,671
Disposals	(259,000)	(136,920)	-	(395,920)
Balance at 31/12/2015	16,289,642	7,497,890	20,488,236	44,275,768
Depreciation & Impairment				
Balance at 1/1/2015	-	644,477	-	644,477
Depreciation	-	121,785	-	121,785
Impairment of merge surplus	-	-	4,527,690	4,527,690
Balance at 31/12/2015	-	766,262	4,527,690	5,293,952
Net book value at 31/12/2015	16,289,642	6,731,628	15,960,546	38,981,816

Some of the company's lands and buildings are mortgaged against bank facilities.

5. Other Receivables

	2016	2015
Income tax withholdings	175,322	161,645
Refundable deposits	17,900	-
Refundable bank guarantees	10,750	17,040
Prepaid expenses	2,855	4,262
Advances to employees	579	3,750
	207,406	186,697

6. Accounts Receivable

	2016	2015
Accounts receivable	553,281	859,365
Provision for doubtful accounts	(206,969)	(209,969)
	346,312	649,396

The age of receivables past due but not impaired is as follows:

	2016	2015
Less than one year	139,343	439,427
More than one year	206,969	209,969
	346,312	649,396

Management believes that all the receivables not included in the provision are collectable.

7. Cash and Cash Equivalents

	2016	2015
Cash and checks on hand	574,835	171,082
Current bank accounts	96	1,897
	574,931	172,979

8. Equity

Paid-in capital

The Company's authorized, subscribed and paid up capital is JOD (21) Millions divided equally into (21) Million shares with par value of JOD (1) for each share as at 31 December 2016 and 2015.

Additional paid in capital

Additional paid in capital is JOD (2,052,252) as at 31 December 2016 and 2015 resulted from the issuing some of the company's shares with price above the par value amounted to JOD (1).

Statutory Reserve

The accumulated amounts in this account represent 10% of the Company's net income before income tax according to the Companies Law. The statutory reserve is not available for distribution to shareholders.

Voluntary Reserve

The accumulated amounts in this account represent 20% of the Company's net income before income tax according to the Companies Law. The voluntary reserve is available for distribution to shareholders

Non – Controlling Interest

This presents the non - controlling interest of the Company from the subsidiaries shareholders equity, and the non - controlling interest is presented as a separate account into the consolidated statements of financial position, profit and loss and other comprehensive income.

9. Deferred revenue

This item represents the prepaid lease amount received from the lessee, payment recognized either as cash, checks under collection or receivables

10. Bank Facilities

Credit Type	Interest rate	Maturity date	Credit Limit	Outstanding Balance
Over draft	9%	2017	350,000	277,865
Loans	9%-12.5%	2017-2022	3,171,000	2,563,597
				2,841,462

Some of the company's lands and buildings are mortgaged against bank facilities.

11. Other Liabilities

	2016	2015
Contingent liabilities provision	273,750	287,721
Amounts due to shareholders	99,921	99,921
Accrued expenses	6,739	6,872
Income tax withholding	3,818	3,571
Social security's withholdings	2,215	4,347
Amounts due to Sales Tax Department	-	5,825
	386,443	408,257

12. Accounts Payable and Postdated Checks

	2016	2015
Accounts payable	245,980	497,900
Postdated checks	92,923	206,252
Brokerage payable	-	170,311
	338,903	874,463

13. Net Revenue from Services & Others

	2016	2015
Services revenue	98,397	86,332
Water distribution revenue	42,454	63,127
Net laundry revenue (Note 14)	7,444	1,242
	148,295	150,701

14. Net Laundry Revenue

	2016	2015
Rent revenue	42,750	42,750
Laundry depreciation	(32,986)	(34,554)
Other expenses	(2,320)	(6,954)
	7,444	1,242

15. Operating Expenses

	2016	2015
Depreciation	154,017	156,388
Security expenses	4,565	4,415
Utilities	403	873
	158,985	161,676

16. Administrative Expenses

	2016	2015
Wages and salaries & other benefits	226,856	363,588
Industrial park expenses	66,166	41,620
Fees and license	55,544	34,650
Professional fees	23,713	16,887
Depreciation	13,281	14,528
Maintenance	11,311	-
Rents	8,670	25,000
Post and telecommunication	7,254	14,187
Health insurance	6,025	13,376
Vehicles expenses	5,456	20,989
Utilities & fuel	3,010	4,486
Hospitality	1,631	5,931
Marketing and advertisement	1,145	2,306
Bad debts	-	6,849
Miscellaneous	35,835	6,645
	465,897	571,042

17. Basic and Diluted Earnings (Losses) per Share

	2016	2015
Profit (loss) for the year attributed to shareholders	803,931	(317,273)
Weighted average number of shares	21,000,000	21,000,000
	0.038	(0.015)

18. Related Party Transactions

The Company had the following transactions with related party during the year:

Party	Relation	Nature	Balance
Al Diyar for Ready Buildings Company	Partner in subsidiary co.	Financing	43,214

Executive Management Salaries and Remunerations

The remuneration of executive management during the years 2016 and 2015 amounted to JOD (124,467) and JOD (203,785) respectively.

19. Income Tax

- The Company has settled its tax liabilities with the Income Tax Department up to 2010.
- The income tax returns for the years (2011 to 2015) have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- No income tax provision was calculated for the year 2016 as the Company's profits are exempted from income taxes from the Jordanian Investment Commission.

20. Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets of the Company include cash and cash equivalents, checks under collection, other receivables, securities and notes receivable. Financial liabilities of the Company include bank facilities, deferred revenue, postdated checks and accounts payable.

Fair Value

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, 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 or indirectly.
- Level 3: unobservable inputs for the asset or liability.

2016	Level 1	Level 2	Level 3	Total
Financial assets at fair value through statement of profit or loss	400,704	-	-	400,704

2015	Level 1	Level 2	Level 3	Total
Financial assets at fair value through statement of profit or loss	323,292	-	-	323,292
Financial assets at fair value through other comprehensive income	62,310	-	-	62,310
	385,602	-	-	385,602

Financial assets included in level 3 are stated at cost less impairment charges, as the fair value of these assets cannot be measured reliably due to the lack of available active markets for identical assets.

Credit Risk

Credit risks are those risks resulting from the default of counterparties to the financial instrument to repay their commitment to the Company. The Company limits its credit risk by only dealing with reputable banks and by setting credit limits for individual customers and monitoring outstanding receivables. The maximum exposure to credit risk is represented by the carrying value of each financial asset.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its net financial obligation. In this respect, the Company's management diversified its funding sources, and managed assets and liabilities taking into consideration liquidity and keeping adequate balances of cash, and cash equivalents and securities.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position to the contractual maturity date.

2016	Less Than One Year	More Than One Year	Total
Deferred revenues	1,781,412	4,284,874	6,066,286
Bank loans	662,847	1,900,750	2,563,597
Other liabilities	386,443	-	386,443
Accounts payable and deferred checks	338,903	-	338,903
Bank facilities	277,865	-	277,865
Amounts due to related parties	43,214	-	43,214
	3,490,684	6,185,624	9,676,308

2015	Less Than One Year	More Than One Year	Total
Deferred revenues	1,106,822	2,190,327	3,297,149
Bank loans	673,602	1,162,395	1,835,997
Other liabilities	408,257	-	408,257
Accounts payable and deferred checks	874,463	-	874,463
Bank facilities	327,386	-	327,386
	3,390,530	3,352,722	6,743,252

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments. As most of the Company's financial instruments have fixed interest rate and carried at amortized cost, the sensitivity of the Company's results or equity to movements in interest rates is not considered significant.

Currency Risk

The management considers that the Company is not exposed to significant currency risk. The majority of their transactions and balances are in either Jordanian Dinar or US Dollar. As the Jordanian Dinar is pegged to the US Dollar, balances in US Dollar are not considered to represent significant currency risk and the Company's results or equity to movements in exchange rates is not considered significant.

Equity Price Risk

Equity price risk results from the change in the fair value of equity securities. The Company manages these risks through the diversification of investments in several geographical areas and economic sectors. If the quoted market price of listed equity securities had increased or decreased by 10%, the comprehensive income for the year 2016 would have been reduced / increased by JOD (40,070) (2015: JOD 38,560).

21. Segment Information

The Company's main activity is to build and operate the industrial park areas in the Hashemite Kingdom of Jordan, as well as selling and leasing these industrial park areas to others, managing the factories and services institutions by providing food meal services and housing, establish industry activity supporting the garment sector, also working on creating free zones and providing the necessary services to operate these areas. Construct and manage projects relating to housing, tourism, and complex areas as well as selling, leasing and investing in any possible forms.

The company works on a single geographic area which is the Hashemite kingdom of Jordan.

22. Capital Management

The Board of Directors manages its capital structure with the objective of safeguarding the entity's ability to continue as a going concern and providing an adequate return to shareholders by pricing products and services commensurately with the level of risk.

	2016	2015
Total Debt	2,841,462	2,163,383
Total Equity	37,476,949	36,747,563
Debt to Equity ratio	8%	6%

23. Comparative figures

Some comparative figures for the year 2015 have been reclassified to match the classification figures for the year 2016. The reclassification had no effect on the Company's earnings or equity for the year 2015.