

**COMPREHENSIVE LAND DEVELOPMENT  
AND INVESTMENT  
(PUBLIC SHAREHOLDING COMPANY)**

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

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT**  
**(PUBLIC SHAREHOLDING COMPANY)**

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

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## **REPORT ON REVIEWING THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

To the President and Members of the Board of Directors

### **COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT**

#### **Introduction**

We have reviewed the accompanying Interim Consolidated Statement of Financial Position of Comprehensive Land Development and Investment as of March 31, 2017, and the related statements of Comprehensive income, Owners' equity and cash flows for the period then ended. The Management is responsible for 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 reasonable 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 of financial data. The range of our review is narrower than the broad range of audit procedures applied according to International Auditing Standards. Accordingly, obtaining assurances and confirmations about other significant aspects checked through an audit procedure was not achievable, Hence, We do not express an opinion regarding the matter.

#### **Conclusion**

Based on our review, nothing has come to our attention that leads us to believe that the accompanying interim financial statements do not express a true and fair view in accordance with International Accounting Standard No. 34.

Ghosheh & Co.

Abdul Kareem Qunais  
License No.(496)

Amman-Jordan  
April 26, 2017



**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT**  
(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
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		1,094	1,536
Projects in progress		9,785,913	9,630,958
Deferred tax assets		516,917	516,917
Financial assets designated at fair value through statement of other comprehensive income		287,800	303,535
<b>Total non-current assets</b>		<b>10,591,724</b>	<b>10,452,946</b>
<b>Current assets</b>			
Prepaid expenses and other receivables		9,774	1,630
Lands held for sale		675,329	675,329
Apartments held for sale		340,356	340,356
Account receivables		59,390	60,947
Cash and Cash Equivalent		145,765	230,170
<b>Total current assets</b>		<b>1,230,614</b>	<b>1,308,432</b>
<b>TOTAL ASSETS</b>		<b>11,822,338</b>	<b>11,761,378</b>
<b>LIABILITIES AND OWNERS' EQUITY</b>			
<b>Owners' equity</b>			
Shares Capital	1	10,000,000	10,000,000
Issuance premium		1,512,389	1,512,389
Statutory Reserve		414,309	414,309
Voluntary reserve		259,642	259,642
Fair value reserve		(2,402,924)	(2,387,189)
Accumulated Losses		(481,649)	(416,732)
<b>Total owners' equity</b>		<b>9,301,767</b>	<b>9,382,419</b>
<b>Current liabilities</b>			
Accrued Expenses and Other Payables		523,206	385,830
Account Payables		13,766	9,530
Banks Overdrafts		1,983,599	1,983,599
<b>Total current liabilities</b>		<b>2,520,571</b>	<b>2,378,959</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>11,822,338</b>	<b>11,761,378</b>

Chairman of Board of Directors

General Director

Chief Financial Officer

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT**  
(PUBLIC SHAREHOLDING COMPANY)

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

	<b>For the three months ended March 31, 2017</b>	<b>For the three months ended March 31, 2016</b>
Sale of apartments	-	-
Cost of apartments	-	-
<b>Gross Profit</b>	-	-
General and administrative expenses	(51,292)	(35,245)
Financial charges	(14,675)	(91,559)
Depreciation expenses	(442)	(1,229)
Other revenues and expenses	1,492	-
<b>Loss of the year before income tax</b>	<b>(64,917)</b>	<b>(128,033)</b>
<b>Loss of the year</b>		
<b>Other Comprehensive Income</b>		
Change in Fair Value provision	(15,735)	(63)
<b>Total Other Comprehensive Income</b>	<b>(80,652)</b>	<b>(128,096)</b>
<b>Loss per share:</b>		
<b>Loss per share-JD/Share</b>	<b>(0,006)</b>	<b>(0,011)</b>
<b>Weighted average of outstanding shares</b>	<b>10,666,667</b>	<b>12,000,000</b>

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT**  
(PUBLIC SHAREHOLDING COMPANY)

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

	Share capital	Issuance premium	Statutory reserve	Voluntary reserve	Fair value reserve	Accumulated Losses	Total
Balance at January 1, 2017	10,000,000	1,512,389	414,309	259,642	(2,387,189)	(416,732)	9,382,419
Comprehensive income for the year	-	-	-	-	(15,735)	(64,917)	(80,652)
Balance at March 31, 2017	10,000,000	1,512,389	414,309	259,642	(2,402,924)	(481,649)	9,301,767
Balance at January 1, 2017	12,000,000	1,512,389	414,309	259,642	(2,390,384)	(4,783,300)	7,012,656
Comprehensive income for the year	-	-	-	-	(63)	(128,033)	(128,096)
Balance at March 31, 2016	12,000,000	1,512,389	414,309	259,642	(2,390,447)	(4,911,333)	6,884,560

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

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT**  
(PUBLIC SHAREHOLDING COMPANY)

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

	<b>For the three months ended March 31, 2017</b>	<b>For the three months ended March 31, 2016</b>
<b>OPERATING ACTIVITIES</b>		
Loss of the year before income tax	(64,917)	(128,033)
Adjustments on Loss of the year before income tax:		
Depreciation	442	1,229
Financial charges	14,675	91,559
Changes in operating assets and liabilities:		
Account receivables	1,557	-
Prepaid expenses and other receivables	(8,144)	(1,080)
Account Payables	4,236	30,192
Accrued Expenses and Other payables	137,376	1,762
<b>Cash available from/(used in) operating activities</b>	<b>85,225</b>	<b>(4,371)</b>
Paid financial charges	(14,675)	(91,559)
<b>Net available from/(used in) operating activities</b>	<b>70,550</b>	<b>(95,930)</b>
<b>INVESTING ACTIVITIES</b>		
Projects in progress	(154,955)	-
<b>Net cash used in investing activities</b>	<b>(154,955)</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>		
Bank overdrafts	-	(39,317)
Loans	-	75,176
<b>Net cash available from financing activities</b>	<b>-</b>	<b>35,859</b>
<b>Net change in cash and cash equivalents</b>	<b>(84,405)</b>	<b>(60,071)</b>
Cash and cash equivalents, January 1	230,170	73,692
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<b>145,765</b>	<b>13,621</b>

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

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
(PUBLIC SHAREHOLDING COMPANY)**

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

**1. ORGANIZATION AND ACTIVITIES**

Comprehensive Land Development and Investment is a Public Shareholding Company ("The Company") registered on November 3, 1990 under commercial registration no. (210). the declared and paid up capital is 12,000,000 shares each for JD 1.

The General Assembly, in its unusual meeting held on April 27, 2016, decided to restructure the capital as follows:

- A) Decreasing the capital from 12,000,000 to 7,216,700 through amortizing an amount of JD 4,783,300 of the accumulated losses at the end of 2015.
- B) Increasing the capital to JD 10,000,000 through the following shareholders by JD 2,783,300

Nichola George Abu Khader  
George Abu Khader  
The trading Vehicles Co.  
Jordan Investment and General Consultancy Company  
Total

JD/share 600,000
JD/share 1,300,000
JD/share 283,300
JD/share 600,000
<b>JD/share 2,783,300</b>

The above-mentioned procedures have been completed at the company controller on July 10, 2016.

On June 21, 2016, the Minister of Trading and Industry agreed on the restructuring of capital.

On July 26, 2016, decreasing the capital has been completed at Jordan Security Commission, and on August 1, 2016 increasing the capital has been completed at Jordan Security Commission.

The Company's Principal Activity is purchasing lands and real-estates and developing it to establish housing commercial, industrial, and agricultural and lease and mortgage it. The Company's Headquarter is in Amman.

The Subsidiary Companies as of March 31, 2017 December 31, 2016 are as follows:

Subsidiary Company	Percentage of Equity and votes	Registration year	Place of registration	Principal activity
Comprehensive Real-estates Co.	100%	2007	Hashemite Kingdom of Jordan	Sale and purchase of real estate, developing real-estate as well as brokerage, agency and leasing.
Ain Al Rebbat Real-estates Co.	100%	2010	Hashemite Kingdom of Jordan	Purchase and ownership of lands and establish housing projects on them.

**According to Owners' Equity:**

	2017	2016
Book value of the Investment in Comprehensive Real-estates Co.	1,363	1,363
Book value of the Investment in Ain Al Rebbat Real-estates Co.	407,387	407,933
The Company's share from Comprehensive Real-estates' outcomes	-	(528)
The Company's share from Ain Al Rebbat Real-estates' outcomes	(546)	5,600

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE PERIOD ENDED MARCH 31, 2017  
(EXPRESSED IN JORDANIAN DINAR)**

As of March 31, 2016 and December 31, 2017 a summary of total assets, liabilities, revenues and income of the Company's direct subsidiaries and the significant assets and liabilities are as follows:

**A- Comprehensive Real-Estates Co.**

	2017	2016
Total assets	1,363	1,363
Total owners' equity	1,363	1,363
Share Capital	30,000	30,000
Loss of the year	-	(528)

**B- Ain Al Rebbat Real-estates Co.**

	2017	2016
Total assets	402,488	403,034
Total liabilities	7,992	7,992
Total owners' equity	394,496	395,042
Cash and Cash Equivalent	127	7,815
Apartments held for sale	327,465	327,465
Share Capital	1,000	1,000
Profit of the year	(546)	5,600

**2. NEW AND REVISED STANDARDS AND AMENDMENTS TO IFRSs ISSUED BUT NOT YET EFFECTIVE:-**

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

<u>New Standards</u>	<u>Effective Date</u>
(IFRS) No.9 – Financial Instruments	January 1, 2018
(IFRS) No.15 – Contract Revenues	January 1, 2018
(IFRS) No.16 – Leases	January 1, 2019

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**The preparation of financial statements**

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

The interim 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 statements 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.

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
(PUBLIC SHAREHOLDING COMPANY)**

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

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**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 financial statements consolidation**

The consolidated financial statements incorporate the financial statements of Comprehensive Land Development and Investment 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 is 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 has, 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.

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE PERIOD ENDED MARCH 31, 2017  
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**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**

Revenues, from the selling of lands, apartments and projects, are recognized on the date of sale contract with the buyer.

**Expenses**

Marketing and selling expenses mainly include the costs spent on marketing and selling the lands and other expenses are classified as general and administrative 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**

Account receivables are stated at invoice amount less any provision for doubtful debts. 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.

**Accounts receivable impairment provision**

The management estimated possibility of collection from the receivables and the allowance for doubtful debts provision has been estimated according to the previous experience and the prevailing economic environment.

**Investments in Lands held for sale**

Investments in land and real estate are stated at cost. International Accounting Standard N.O (40) States that investments in lands should be stated at their cost or at fair value whichever more clearly determinable. The Company chose recording it's their investments in lands at their cost in accordance with the Accounting principles and Standards.

**Projects in progress**

Projects under construction are stated at cost, and borrowing costs are capitalized on withdrawals from loans to finance these projects.

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
(PUBLIC SHAREHOLDING COMPANY)**

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

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**The Decline in value of the financial assets**

On date of each interim consolidated 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, were 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.

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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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 had 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 provisions,

The changes in the listed value for the provisions account recognized in the interim consolidated statement of comprehensive income,

As for the ownership equity tools which are available for sale, decline losses are not closed in the recognized value in the interim consolidated comprehensive income statement, However any increase in the fair value become after decline loss has recognized directly in interim consolidated owner'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, and substantially all the risks and benefits of the ownership to another firm. In the case of the company doesn't transfer or retain substantially risks or benefits of the ownership and continue in control of the transferred assets, the company in this case recognize it's retained share in the transferred assets and the related liabilities in the limits of the amounts expected to be paid. In the other case, when the company retained substantially all risks and benefits of ownership of the transferred assets, the company will continue to recognize the financial assets.

**Property and equipment**

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

	<u>Annual depreciation rate</u>
Surveying equipments	%20
Electronic devices and air-conditioners	%20
Furniture and decors	%15
Computers and communication equipments	%20
Programs and websites	%25
Promotional signs	%15
Customer Service administration system	%25
Vehicles	%25

The review of the useful life and depreciation method is done on a regular basis to ensure that the depreciation method and period match with the expected economic benefits of property and equipment.

Impairment test is performed for property and equipment in the consolidated statement of financial position when any events or changes occur in circumstances that show that this value may not be recoverable. In case of any indication of impairment, impairment losses are calculated depending on the policy of the low value of the assets.

When any subsequent disposal of property and equipment, the value of the gains or losses arising are recognized, which represents the difference between the net disposal proceeds and the value that appears out of property and equipment in the consolidated balance sheet, gross profit and loss.

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE PERIOD ENDED MARCH 31, 2017  
(EXPRESSED IN JORDANIAN DINAR)**

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**The decline in value of the non-current assets**

The decline in value of the non-current assets in the date of each the financial position statement 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 (or the unit producing of cash) distribute lower than the listed value, reduce the listed value for asset (or unit producing of cash) to the recovery value. Losses of the decline recognize directly in the comprehensive income statement except the asset that is reevaluation then record losses of the decline as reduction from re-evaluation provision.

In case , recovery losses for decline of the value , Increase the listed value of asset ( or unit producing of cash ) to the fair value of recovery as not to increase the adjusted listed value of asset (on unit producing of cash ) as if it had not been calculating the losses of the value decline in the previous years. Record recovery of losses in value decline directly either in the profit or the loss except the asset had been recording in the re-evaluation value. In this case, record recovery of losses in value decline as increase in the re-evaluation provision.

**Provisions**

Provision are recognized when the company has an obligation at the date of the financial statements as a result of past events, and the cost to settle the obligation are both probable and measured reliably. The amount recognized as a provision is the best estimate of the consideration required to settle the preset obligation at the financial statements date, taking into consideration the risks and uncertainties surrounding the obligation where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flow.

When it is expected to recover some or all amounts due from other parties, the due amount will be recognized within the assets if the value can be measured reliably.

**Use of estimates**

Preparation of the financial statements and application of the accounting policies require the Company's management to perform estimates and judgments that affect the amounts of the financial assets and liabilities, and disclosures relating to contingent liabilities. These estimates and judgments also affect revenues, expenses, provisions and changes in the fair value shown within comprehensive income. In particular, management is required to issue significant judgments to assess future cash flows and their timing. The above –mentioned estimates are based on several assumptions and factors with varying degrees of estimation and uncertainty.

Moreover, the actual results may differ from the estimates due to changes resulting from the circumstances and situations of those estimates in the future.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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We believe that the estimates within the financial statements are reasonable, and the details are as follows:

The Company allocates provision for the cases upload against it depending on the estimate of the Company's lawyer.

The Company allocates provision for doubtful debt after studying the ability of debt collection.

impairment loss of investments in land are recognized, if found, depending on the modern real estate assessments supported by the estimator and / or dependent estimators for the purposes of proving impairment loss and the impairment reconsidered on a regular basis.

The management regularly reviews financial assets stated at cost to estimate any impairment in value and are taking this decline in the income statement for the year.

Management periodically evaluates the productive lives of tangible assets for the purpose of calculating annual depreciation based on the general condition of those assets and the estimates of their expected productive lives in the future. Any impairment loss is taken to the statement of comprehensive income.

**The sector report**

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

Geographical segment is engaged in providing products subject to the risks and rewards of a particular economic environment different from those of segments operating in other economic environments.

**Offsetting**

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

**Income Tax**

The Company is subject to Income Tax Law for the year 2009 and its subsequent amendments and the regulations issued by the Income Tax Department in the Hashemite Kingdom of Jordan and provided on accrual basis, Income Tax is computed based on adjusted net income, According to International Accounting Standard number (12), the company may have deferred taxable assets resulting from the differences between the accounting value and tax value of the assets and liabilities related to the provisions, these assets are not shown in the periodic financial statements since it's immaterial.

**Deferred Tax**

Deferred taxes are the taxes expected to be paid or refunded resulting from temporary time differences between assets and liabilities and so the tax is calculated based on it.

**Foreign currency translation**

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

**Leasing Contracts**

Leasing contracts are classified as Capital contracts if any risks and rewards of ownership are transferred to the lease, otherwise it is classified as operational contracts.

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE PERIOD ENDED MARCH 31, 2017  
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**4. FINANCIAL INSTRUMENTS**

**Capital Management Risks**

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

Structuring of Company's capital includes debts, which includes the disclosed borrowings in Note No. (15,18). And the shareholders equity in the Company which includes Common stock, additional paid in capital, reserves, Accumulated change in fair value, proposed dividends and retained earnings as it listed in the changes in owner's equity statement.

**Financial Risks Management**

**Market risks**

The Company's activities might be exposing mainly to the followed financial risks:

**Foreign currencies Risks Management**

The company doesn't expose to significant risks related with the foreign currencies changing, so there is no need to effective management for this exposed.

**Interest Price Risks Management**

Risk related to interest rate result mainly from borrowing money at varying interest rates and short term deposits at fixed interest rates.

Sensitivity of the statement of comprehensive income is the impact of the assumed changes possible prices of interest on the profit of the Company for one year and it is calculated based on the financial liabilities which carry variable interest rates at the end of the year.

**COMPREHENSIVE LAND DEVELOPMENT AND INVESTMENT  
(PUBLIC SHAREHOLDING COMPANY)**

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

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**Other prices risks**

The Company exposes to price risks resulting from its investments in owners' equity to other companies. The Company keeps investments in other company's owner's equity for strategic purposes and not for trading purposes.

The Company has no trading activity in those investments.

**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.15. 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.

**Liquidity Risks Management**

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.

The following table represents the contractual eligibilities to non-derivative financial liabilities.

The table has prepared on the non-deducted cash flows to the financial liabilities basis according to the early due dates that may required from the Company to pay or receive.

**5-APPROVAL OF FINANCIAL STATEMENTS**

The consolidated financial statements were approved by the Directors and authorized for issuance on April 26, 2017.