



شركة التأمين العرب للتأمين م.ع.م.  
ARAB ASSURERS INSURANCE CO.

م.ع.م.  
٥/١٦  
م.ع.م.

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M/S: Jordan Securities Commission  
Amman Stock Exchange

Subject: Quarterly Report as of 31/03/2017

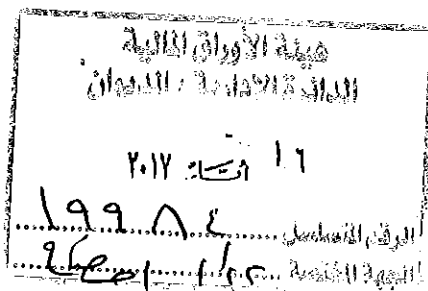
Dear Sir's

Please find enclosed herewith Attached, the Quarterly Report of The Arab Assurers  
Insurance Company for the period ended 31-03-2017

Kindly accept our high appreciation and respect

Board Member /General Manager

Haitham Al khatatneh



**ARAB ASSURERS INSURANCE COMPANY  
(PUBLIC SHAREHOLDING COMPANY)  
AMMAN - JORDAN**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS "UNAUDITED"  
TOGETHER WITH REVIEW REPORT  
FOR THE THREE MONTHS ENDED 31 MARCH 2017**

ARAB ASSURERS INSURANCE COMPANY  
(PUBLIC SHAREHOLDING COMPANY)  
AMMAN - JORDAN

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS "UNAUDITED"  
TOGETHER WITH REVIEW REPORT  
FOR THE THREE MONTHS ENDED 31 MARCH 2017

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## Review Report

To The Shareholders Of  
Arab Assurers Insurance Company  
(Public Shareholding Company)  
Amman - Jordan

### Introduction

We have reviewed the interim condensed consolidated financial position statement of **Arab Assurers Insurance Company (Public Shareholding Company)**, as at 31 March 2017 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the three months then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting, our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us believe that the interim condensed consolidated financial statements do not present fairly from all material respects the interim condensed financial position for Arab Assurers Insurance Company (Public Shareholding Company) as at 31 March 2017 and its interim condensed consolidated financial performance and its interim condensed consolidated cash flows for the period then ended, in accordance with IAS 34 Interim Financial Reporting.



Samman & Co

Rami Samman  
License 594

27 April 2017  
Amman - Jordan

**Arab Assurers Insurance Company**  
**(Public Shareholding Company)**  
**Amman - Jordan**

**Interim condensed consolidated statement of financial position**  
**As at 31 March 2017**

	Notes	31 March 2017 JD (Unaudited)	31 December 2016 JD (Audited)
<b><u>ASSETS</u></b>			
Deposits at banks	(4)	4,095,163	4,304,492
Financial assets at fair value through profit or loss		71,347	68,467
Financial assets at fair value through other comprehensive income		437,655	402,743
Investment property		2,569,840	2,572,630
<b>Total Investments</b>		<b>7,174,005</b>	<b>7,348,332</b>
Cash on hand and at banks		274,709	656,000
Cheques under collection		1,230,036	753,410
Accounts receivable- net	(5)	2,239,995	2,120,511
Reinsurance receivables- net	(6)	1,146,483	742,141
Deferred tax assets		817,641	817,641
Property and equipment - net		1,666,987	1,612,450
Intangible assets - net		8,313	9,176
Other assets		256,898	277,706
<b>TOTAL ASSETS</b>		<b>14,815,067</b>	<b>14,337,367</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b><u>LIABILITIES</u></b>			
Unearned premiums reserve - net		4,074,098	3,786,381
Outstanding claims reserve - net		2,985,040	3,150,616
<b>Total Insurance Contracts Liabilities</b>		<b>7,059,138</b>	<b>6,936,997</b>
Bank facilities		109,923	149,227
Accounts payable	(7)	854,952	900,428
Reinsurance payable	(8)	352,765	375,325
Other provisions		55,334	55,334
Other liabilities		1,619,246	1,457,431
<b>TOTAL LIABILITIES</b>		<b>10,051,358</b>	<b>9,874,742</b>
<b><u>SHAREHOLDER'S EQUITY</u></b>			
Authorized capital		9,653,409	9,653,409
Subscribed in capital		9,215,909	9,215,909
Statutory reserve		795,886	795,886
Voluntary reserve		194,619	194,619
Issuance discount		(3,330,636)	(3,330,636)
Accumulated change in fair value		(1,636,930)	(1,671,842)
Accumulated losses		(741,311)	(741,311)
Profit for the period		266,172	-
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>4,763,709</b>	<b>4,462,625</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<b>14,815,067</b>	<b>14,337,367</b>

The financial statements on pages [1] to [16] were approved and authorized for issue by the Board of Directors on 27 april 2017 and were signed by:

**General Manager**

**Chairman**

Arab Assurers Insurance Company  
(Public Shareholding Company)  
Amman - Jordan

Interim condensed consolidated statement of income (Unaudited)  
for the three months ended 31 March 2017

	For the three months ended 31 March	
	2017	2016
	JD	JD
<b>Revenues</b>		
Gross written premiums	4,005,457	2,849,274
(Less): Reinsurance share	(1,280,010)	(255,353)
<b>Net Written Premiums</b>	<b>2,725,447</b>	<b>2,593,921</b>
Net change in unearned premiums provision	(287,717)	110,083
<b>Net Earned Premiums</b>	<b>2,437,730</b>	<b>2,704,004</b>
Commissions revenue	140,659	44,938
Insurance policy issuing fees	229,276	251,287
Revenues related to underwritings	133,065	34,412
Interest revenue	26,808	26,808
Net Gains of financial assets and investments	11,147	20,788
Other revenues	34,449	82,382
<b>Total Revenues</b>	<b>3,013,134</b>	<b>3,164,619</b>
<b>Claims, Losses and Expenses</b>		
Paid claims	(2,579,492)	(2,912,012)
(Less): Recoveries	342,254	257,829
Reinsurance share	55,183	176,400
<b>Net Paid Claims</b>	<b>(2,182,055)</b>	<b>(2,477,783)</b>
Net change in outstanding claims provision	165,576	57,663
Allocated employees' expenses	(198,225)	(177,483)
Allocated general and administrative expenses	(114,634)	(106,664)
Excess of loss premium	-	(53,537)
Policies acquisition costs	(193,767)	(212,872)
Other expenses related to underwritings	(129,603)	(71,022)
<b>Net Claims</b>	<b>(2,652,708)</b>	<b>(3,041,698)</b>
Unallocated employees' expenses	(49,556)	(47,571)
Depreciation and amortization	(16,039)	(15,711)
Unallocated general and administrative expenses	(28,659)	(26,666)
<b>Total Expenses</b>	<b>(2,746,962)</b>	<b>(3,131,646)</b>
<b>Profit for the period before tax</b>	<b>266,172</b>	<b>32,973</b>
Income tax expense	-	-
<b>Profit for the period after tax</b>	<b>266,172</b>	<b>32,973</b>
<b>Earning per share for the period</b>	<b>0.029</b>	<b>0.004</b>

Arab Assurers Insurance Company  
(Public Shareholding Company)  
Amman - Jordan

**Interim condensed consolidated statement of comprehensive income (Unaudited)  
for the three months ended 31 March 2017**

	For the three months ended 31 March	
	2017	2016
	JD	JD
Profit for the period	266,172	32,973
<b>Add: other comprehensive income</b>		
Change in fair value reserve	34,912	11,798
<b>Total Comprehensive income for the period</b>	<b>301,084</b>	<b>44,771</b>

Arab Assurers Insurance Company  
(Public Shareholding Company)  
Amman - Jordan

Interim condensed consolidated statement of changes in equity (Unaudited)  
for the three months ended 31 March 2017

	Subscribed capital	Statutory Reserve	Voluntary Reserve	Issuance Discount	accumulated change in fair value	accumulated losses	Total
<b>31 March 2017</b>							
Balance as at 1 January 2017	9,215,909	795,886	194,619	(3,330,636)	(1,671,842)	(741,311)	4,462,625
profit for the period	-	-	-	-	-	266,172	266,172
Net change of financial assets at fair value through other comprehensive income	-	-	-	-	34,912	-	34,912
<b>Balance as at 31 March 2017</b>	<b>9,215,909</b>	<b>795,886</b>	<b>194,619</b>	<b>(3,330,636)</b>	<b>(1,636,930)</b>	<b>(475,139)</b>	<b>4,763,709</b>
<b>31 March 2016</b>							
Balance as at 1 January 2016	9,215,909	742,663	194,619	(3,330,636)	(1,667,302)	(1,216,590)	3,938,663
profit for the period	-	-	-	-	-	32,973	32,973
Net change of financial assets at fair value through other comprehensive income	-	-	-	-	11,798	-	11,798
<b>Balance as at 31 March 2016</b>	<b>9,215,909</b>	<b>742,663</b>	<b>194,619</b>	<b>(3,330,636)</b>	<b>(1,655,504)</b>	<b>(1,183,617)</b>	<b>3,983,434</b>

The accumulated losses include deferred tax assets amounted to JD 817,641 as at 31 March 2017 (2016: JD 817,641).



**Arab Assurers Insurance Company**  
**(Public Shareholding Company)**  
**Amman - Jordan**

**Interim condensed consolidated statement of cash flows (Unaudited)**  
**for the three months ended 31 March 2017**

	<b>For the three months ended 31 March</b>	
	<b>2017</b>	<b>2016</b>
	<b>JD</b>	<b>JD</b>
<b>Cash flows from operating activities</b>		
Profit for the period before tax	266,172	32,973
<b>Adjustments for:</b>		
Depreciation and amortization	16,039	15,711
Gain (Loss) on sale of property and equipment	(20,883)	1,233
Net change in unearned premiums reserve	287,717	(109,839)
Net change in outstanding claims reserve	(165,576)	(57,663)
Net change of financial assets at fair value through profit or loss	(2,880)	12,622
<b>Cash flows from operating activities before change in working capital</b>	<b>380,589</b>	<b>(104,963)</b>
Checks under collection	(476,626)	52,265
Accounts receivable	(119,484)	23,268
Reinsurance receivable -net	(404,342)	(182,399)
Other assets	20,808	(49,203)
Accounts payable	(45,476)	62,410
Reinsurance payable	(22,560)	106,309
Other provisions	-	4,220
Other liabilities	161,815	(36,284)
<b>Net cash flows used in operating activities before paid income tax</b>	<b>(505,276)</b>	<b>(124,377)</b>
Paid income tax	-	-
<b>Net cash flows used in operating activities</b>	<b>(505,276)</b>	<b>(124,377)</b>
<b>Cash flows from investing activities</b>		
Deposits at banks	209,329	88,814
Purchase of property, equipment and intangible assets	(71,040)	(5,987)
Proceeds from sale of property, equipment	25,000	-
<b>Net cash flows generated from investing activities</b>	<b>163,289</b>	<b>82,827</b>
<b>Cash flows from financing activities</b>		
Bank facilities	(39,304)	(108,132)
<b>Net cash flows used in financing activities</b>	<b>(39,304)</b>	<b>(108,132)</b>
Net decrease in cash and cash equivalents	(381,291)	(149,682)
Cash and cash equivalents - beginning of the period	656,000	867,047
<b>Cash and cash equivalents - end of the period</b>	<b>274,709</b>	<b>717,365</b>

**Arab Assurers Insurance Company**  
**(Public Shareholding Company)**  
**Amman - Jordan**

**Consolidated Statement of underwriting revenues for life insurance (Unaudited)**  
**for the three months ended 31 March 2017**

	For the three months ended 31 March	
	2017	2016
	JD	JD
<b>Written premiums:</b>		
Direct business	-	-
facultative inward reinsurance	-	-
<b>Gross premiums</b>	<u>-</u>	<u>-</u>
<b>Less:</b>		
local reinsurance premiums	-	-
international reinsurance premiums	-	-
<b>net premiums</b>	<u>-</u>	<u>-</u>
<b>Add:</b>		
Mathematical provision-Beginning of the period	-	-
Less: reinsurance share -Beginning of the period	-	-
<b>Net Mathematical provision-Beginning of the period</b>	<u>-</u>	<u>-</u>
<b>Less:</b>		
Mathematical provision-End of the period	-	-
Less: reinsurance End of the period	-	-
<b>Net Mathematical provision-End of the period</b>	<u>-</u>	<u>-</u>
Change in continuous risks provision	-	-
<b>Net revenues from underwritten Premiums</b>	<u><u>-</u></u>	<u><u>-</u></u>

**Arab Assurers Insurance Company**  
**(Public Shareholding Company)**  
**Amman - Jordan**

**Consolidated Statement of claims cost for life insurance (Unaudited)**  
**for the three months ended 31 March 2017**

	For the three months ended 31 March	
	2017	2016
	JD	JD
Paid claims	-	82,903
(Less): Recoveries	-	-
Reinsurance share	-	(66,322)
<b>Net Paid Claims</b>	<b>-</b>	<b>16,581</b>
Reported claims provision - Ending of the period	48,904	48,904
Not reported claims provision - Ending of the period	-	-
Less:		
Reinsurance share	-	-
Recoveries	-	-
<b>Net claims provision - End of the period</b>	<b>48,904</b>	<b>48,904</b>
Not reported claims provision - End of the period	-	-
Reported claims provision - beginning of the period	48,904	49,244
Not reported claims provision - beginning of the period	-	-
Less:		
reinsurance shares End of the period	-	-
Recoveries	-	-
<b>Net claims provision - Beginning of the period</b>	<b>48,904</b>	<b>49,244</b>
<b>Net Claims Cost</b>	<b>-</b>	<b>16,241</b>

Arab Assurers Insurance Company  
(Public Shareholding Company)  
Amman - Jordan

**Consolidated Statement of life insurance losses (Unaudited)  
for the three months ended 31 March 2017**

	For the three months ended 31 March	
	2017	2016
	JD	JD
Net revenues from underwritten Premiums	-	-
Net claims cost	-	(16,241)
received Commissions	-	-
Policy issuance fees	-	-
<b>Total Revenues</b>	<b>-</b>	<b>(16,241)</b>
paid Commissions	-	-
Excess of loss premiums	-	-
General and administrative expenses related to underwritings	-	-
Other expenses	-	-
<b>Net underwriting Loss</b>	<b>-</b>	<b>(16,241)</b>

**Consolidated statement of under writing revenues for the general insurance for the three months ended 31 March 2017**

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**Consolidated Statement of Claims Cost for the General Insurance (Unaudited)  
for the three months ended 31 March 2017**

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**Arab Assurers Insurance Company**  
**(Public Shareholding Company)**  
**Amman - Jordan**

**Consolidated Statement of underwriting profits (losses) for the general insurance (Unaudited)**  
**for the three months ended 31 March 2017**

	Motor		Marine and		Fire and Other		Responsibility		Credit and guarantee		Medical		Personal accidents		Total	
	31 march		31 march		31 march		31 march		31 march		31 march		31 march		31 march	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Net revenue from the underwritten premiums	2,083,299	2,023,300	14,648	16,381	17,372	15,046	11,799	13,020	10,821	1,208	288,204	619,891	11,637	15,158	2,437,730	2,704,004
Less: net paid claims (cost) surplus	(1,707,249)	(2,061,011)	(21,087)	(3,386)	18,642	(2,319)	765	6,746	15,125	(409)	(324,902)	(338,875)	2,227	(1,026)	(2,016,479)	(2,403,880)
Add: received commissions	90,000	-	6,471	6,210	43,250	38,369	-	-	-	-	-	-	938	359	140,659	44,938
Policy issuance fees	169,025	194,881	11,231	9,272	34,072	59,330	4,670	2,084	697	-	8,197	19,642	1,384	490	229,276	285,699
Other revenue related to underwritings	118,135	69,135	-	-	11,386	-	-	-	-	-	3,544	-	-	-	133,065	69,135
<b>Total revenues (losses)</b>	<b>753,210</b>	<b>226,305</b>	<b>11,263</b>	<b>28,477</b>	<b>124,672</b>	<b>110,426</b>	<b>17,234</b>	<b>21,850</b>	<b>26,643</b>	<b>(2,801)</b>	<b>(24,957)</b>	<b>300,658</b>	<b>16,186</b>	<b>14,981</b>	<b>924,251</b>	<b>699,896</b>
Less: paid commissions	(152,844)	(168,458)	(3,805)	(2,682)	(31,156)	(27,568)	(2,168)	(581)	-	-	(3,432)	(13,556)	(361)	(27)	(193,766)	(212,872)
Excess of loss premiums	-	(47,180)	-	(1,100)	-	(5,257)	-	-	-	-	-	-	-	-	-	(53,537)
Allocated Employee expenditure and general and administrative expenses	(260,438)	(227,827)	(3,147)	(3,078)	(24,689)	(19,490)	(1,106)	(796)	(715)	-	(20,240)	(29,853)	(2,524)	(3,103)	(312,859)	(284,147)
Other expenses related to underwritings	(50,828)	(58,769)	(670)	(4,845)	(8,677)	(4,418)	(133)	(14)	(82)	-	(68,955)	(2,911)	(258)	(65)	(129,603)	(71,022)
<b>Total Expenses</b>	<b>(464,110)</b>	<b>(502,234)</b>	<b>(7,622)</b>	<b>(11,705)</b>	<b>(64,522)</b>	<b>(56,733)</b>	<b>(3,407)</b>	<b>(1,391)</b>	<b>(797)</b>	<b>-</b>	<b>(92,627)</b>	<b>(46,320)</b>	<b>(3,143)</b>	<b>(3,195)</b>	<b>(636,228)</b>	<b>(621,578)</b>
<b>Net underwriting profit (loss)</b>	<b>289,100</b>	<b>(275,929)</b>	<b>3,641</b>	<b>16,772</b>	<b>60,150</b>	<b>53,693</b>	<b>13,827</b>	<b>20,459</b>	<b>25,846</b>	<b>(2,801)</b>	<b>(117,584)</b>	<b>254,338</b>	<b>13,043</b>	<b>11,786</b>	<b>288,023</b>	<b>78,318</b>

**Arab Assurers Insurance Company**  
**(Public Shareholding Company)**  
**Amman - Jordan**

**Notes forming part of the Interim condensed consolidated financial statements**  
**For the three months ended 31 March 2017**

**1) General**

The Arab Assurers insurance company was established in Amman-Jordan and registered as public shareholding company in the Jordanian Ministry of Industry and Trade under number (300) on 6 December 1995 with a paid in capital 8 million JD/share. the subscribed capital has been adjusted through the past to become 9,215,909 JOD/share.

The Company is engaged in insurance business against fire, vehicle, marine, aviation and medical insurance through its main branch located in Queen Rania Street-Amman and other branches at Jabil al Hussein-Amman, al saru and Irbid.

**2) Accounting policies**

**Basis of preparation**

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and in accordance with local standard and regulations cited by the insurance commission.

The interim condensed consolidated financial statements have been prepared on a historical cost basis except for the financial assets and liability which have been measured at fair value.

The interim condensed consolidated financial statements are presented in Jordanian Dinar which is the functional currency of the company and its subsidiary.

They do not include all the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2016.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2016.

**Basis of consolidation**

The consolidated financial statements present the results of the company and its subsidiary After the transactions and balances between them are eliminated.

Company name	Paid in capital	% of Acquisition	Nature of business	Company location	Date of acquisition
assurers for property investments	250,000	100%	property investment	Amman	20 October 2004

The following represents the financial statements for the subsidiary:

	31 March 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Assets	1,801,093	1,801,092
Liabilities	(1,043,318)	(1,042,516)
Net shareholders equity	<u>757,775</u>	<u>758,576</u>

Control is achieved when the Company has the power to govern the financial and operating policies of its subsidiaries so as to obtain benefits from its activities. Transactions, balances, income and expenses are eliminated during the period between the Company and the subsidiary



Notes forming part of the Interim condensed consolidated financial statements  
For the three months ended 31 March 2017 (Continued)

Subsidiaries 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 financial statement of the subsidiaries are prepared for the same reporting year as the company using consistent accounting policies.

**3) Use of estimates and judgments**

There have been no material revisions to the nature and amount of changes in estimates of amounts reported in the annual consolidated financial statements 2016.

**4) Deposits at Banks**

Below is the distribution of the Company's deposits on banks:

	31 March 2017 "Unaudited"			31 December 2016 "Audited"
	Deposits matured during one month	Deposits matured more than one month to three months	Deposits matured after more than three months	Total
	JD	JD	JD	JD
Inside Jordan	4,095,163	-	-	4,095,163
	<u>4,095,163</u>	<u>-</u>	<u>-</u>	<u>4,095,163</u>

Interest rate for deposits at banks in Jordan Dinar ranges from 2.75 % to 3.4 % during three months ended 31 March 2017 (2016: 2% to 3.25%)

Deposits pledged to the favor of the General Manager of the Insurance Regulatory Commission deposited in Jordan Commercial Bank amounted to JD 325,000 as of 31 March 2017 (2016: 325,000).

Restricted balances amounted to JD 504,408 against facilities and guarantees during three months ended 31 March 2017 (2016: JD 837,476).

**5) Accounts receivable - Net**

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Policy holders	2,729,398	2,763,887
Agents receivables	523,583	435,594
Brokers receivables	263,305	194,486
other receivables	96,244	95,804
Employees' saving fund loan	72,263	80,679
Employees receivables	40,653	35,512
	<u>3,725,446</u>	<u>3,605,962</u>
Less: allowance for doubtful accounts	(1,485,451)	(1,485,451)
	<u>2,239,995</u>	<u>2,120,511</u>

Notes forming part of the Interim condensed consolidated financial statements  
For the three months ended 31 March 2017 (Continued)

Movements in the allowance for doubtful accounts as the following:

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	1,485,451	1,485,451
Impairment loss for the period / year	-	-
Balance at period / year end	<u>1,485,451</u>	<u>1,485,451</u>

6) Reinsurance Receivables-Net

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Local insurance companies	1,047,702	715,191
international reinsurance companies	268,781	196,950
	<u>1,316,483</u>	<u>912,141</u>
Less: allowance for doubtful accounts for reinsurance receivables	(170,000)	(170,000)
	<u>1,146,483</u>	<u>742,141</u>

Movements in the allowance for doubtful accounts consists of the following:

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	170,000	170,000
Provision transferred	-	-
Balance at period / year end	<u>170,000</u>	<u>170,000</u>

Notes forming part of the Interim condensed consolidated financial statements  
For the three months ended 31 March 2017 (Continued)

7) Accounts Payable

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Policy holders payabels	747,095	849,973
Agents payable	85,862	41,145
Brokers payable	21,911	8,796
Employees payables	84	514
	<u>854,952</u>	<u>900,428</u>

8) Reinsurers Payable

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Local insurance companies	161,183	228,112
International reinsurance companies	191,582	147,213
	<u>352,765</u>	<u>375,325</u>

9) Related Party Transactions

During the year, the Company entered into transactions with the parent company, major shareholders, board of directors and top management members in the Company within the normal activities of the company using insurance prices and commercial commission.

The following is a summary for related party transactions during the period:

	For the three months ended 31 March	
	2017	2016
	JD	JD
	(Unaudited)	(Unaudited)
Interim condensed statement of income Items:		
Written premiums	5,430	3,083
Borad of dirctors travel and transportations	11,200	9,600
Rewards	-	10,100
Other expenses (consultant)	7,333	15,128

Notes forming part of the Interim condensed consolidated financial statements  
For the three months ended 31 March 2017 (Continued)

Top Executive management (salaries, bonuses, and other benefits) are as follows:

	For the three months ended 31 March	
	2017	2016
	JD	JD
	(Unaudited)	(Unaudited)
Salaries and bonuses	103,182	83,121
Travel expenditures	2,450	2,575
	<u>105,632</u>	<u>85,696</u>

**10) Capital Disclosers**

The capital requirements are regulated and regulated by the Insurance Authority. These requirements have been established to ensure that there is adequate margin of margin. Additional objectives have been set by the Company to maintain strong credit ratings and high capital ratio to support its business and increase the maximum shareholder value.

The following table shows the amount contributed to capital by the Company and the net solvency as at 31 March 2017 and 31 December 2016:

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
<b>Core Capital</b>		
Paid in Capital	9,215,909	9,215,909
Statutory and voluntary reserve	990,505	990,505
issuance discount	(3,330,636)	(3,330,636)
Accumulated losses	(475,139)	(741,311)
<b>Total Primary Capital</b>	<u>6,400,639</u>	<u>6,134,467</u>
<b>Supplementary capital:</b>		
property investments	728,734	728,734
fair value reserve	(1,636,930)	(1,671,842)
<b>Total Supplementary Capital</b>	<u>(908,196)</u>	<u>(943,108)</u>
<b>Total regulatory capital (a)</b>	<u>5,492,443</u>	<u>5,191,359</u>
<b>Total required capital (b)</b>	<u>3,660,550</u>	<u>3,607,611</u>
<b>Solvency margin (a) / (b)</b>	<u>150%</u>	<u>144%</u>

**11) Lawsuits against the company**

There are law suits filed against the Company claiming compensation for a total amount of JD 5,373,021 as at 31 March 2017 in addition to lawsuits with no determined amounts due to the incompleteness and insufficiency of information and reports by specialized personnel. In the opinion of the Company's management and its lawyer, no obligations shall arise that exceeds the allocated amounts within the net claims reserve.