

الرقم : ت خ ت / 026 / 2017

التاريخ: 2017 /05/15

السادة بورصة عمان المحترمين

تحية واحتراما وبعد ،،،


عملا بتعليمات الافصاح يرجى العمل على استلام القوائم المالية الموحدة لشركة التجمعات لخدمات
التغذية و الاسكان المترجمه للغة الانجليزية الربع الاول لعام 2017.

وتفضلوا بقبول فائق الاحترام ،،،

شركة التجمعات لخدمات التغذية و الاسكان

المدير المالي

فادي التلاوي

 **شركة التجمعات**
لخدمات التغذية والإسكان م.ع.م

بورصة عمان	
الدائرة الإدارية والمالية	
الدكتور	
١٥ أيار ٢٠١٧	
3083	الرقم التسلسلي
31076	رقم الملف
2111/64	الجهة المختصة

نسخة الى : هيئة الأوراق المالية

المرفق: قوائم المالية للربع الاول لعام 2017 (مترجمه باللغة الانجليزية)

**AL TAJAMOUAT FOR CATERING AND
HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)**

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

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(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
AL-Tatajamouat for catering and housing company.

Introduction

We have reviewed the accompanying Interim Consolidated Statement of Financial Position for AL-Tatajamouat for catering and housing company. As of March 31, 2017, and the related statements of Interim Consolidated Comprehensive income, Owners' equity and cash flows for the period then ended. The management is responsible for preparing and presenting the 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 to 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 this matter.

Qualification Basis

As disclosed in note (4) the company has not amortized the goodwill that amounts JD 1,694,857 due to the increase of the purchasing cost of investment in Al-Tajamouat for Support Services Company (Subsidiary company) for its fair value of assets on the purchasing date, due to the decline in its operational activities, which is an indication of impairment on its recoverable amount.

Conclusion

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

Ghosheh & Co.

Walid M. Taha
License No. (703)



Amman- Jordan
April 27, 2017

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

	Note	2017	2016
ASSETS			
Non-current assets			
Property and equipment		560,495	568,106
Rented real estate, Net		4,925,428	4,990,308
Goodwill	4	1,694,857	1,694,857
Financial assets designated at fair value through statement of other comprehensive income		7,043	7,482
Total non-current assets		7,187,823	7,260,753
Current assets			
Prepaid expenses and other accounts receivable		166,999	138,288
Inventory		48,971	33,742
Due from related party		9,372	9,372
Financial assets designated at fair value through statement of comprehensive income		830,795	835,729
Accounts receivable		495,266	480,297
Cash and cash equivalents		182,917	152,906
Total current assets		1,734,320	1,650,334
TOTAL ASSETS		8,922,143	8,911,087
LIABILITIES AND OWNERS' EQUITY			
Owners' equity			
Share capital	1	10,000,000	10,000,000
Statutory reserve		379,604	379,604
Fair value reserve		(34,578)	(34,139)
Accumulated Losses		(1,627,623)	(1,635,573)
Total owners' equity		8,717,403	8,709,892
Current liabilities			
Accrued expenses and other payables		110,086	95,790
Accounts payable and deferred cheques		75,268	94,553
Bank overdrafts		19,386	10,852
Total current liabilities		204,740	201,195
TOTAL LIABILITIES AND OWNERS' EQUITY		8,922,143	8,911,087

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

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

	For the three months ended March 31, 2017	For the three months ended March 31, 2016
Revenues	418,654	332,317
Cost of revenues	(377,856)	(243,953)
Gross profit	40,798	88,364
General and administrative expenses	(44,651)	(109,739)
Unrealized losses from financial assets designated at fair value through statement of comprehensive income	(4,934)	(4,687)
Financial charges	(446)	(449)
Other revenues and expenses	28,055	15,952
Net profit / (loss) before income tax	18,822	(10,559)
Income tax	(10,872)	(23,130)
Net profit / (loss)	7,950	(33,689)
Changes in fair value reserve	(439)	(400)
Total comprehensive income for the year	7,511	(34,089)
Earnings per share:		
Earnings per share-JD/Share	0.001	(0.003)
Weighted average of outstanding shares	10,000,000	10,000,000

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

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

	Share capital	Statutory reserve	Fair value reserve	Accumulated losses	Total
Balance at January 1, 2017	10,000,000	379,604	(34,139)	(1,635,573)	8,709,892
Comprehensive income of the period	-	-	(439)	7,950	7,511
Balance at March 31, 2017	10,000,000	379,604	(34,578)	(1,627,623)	8,717,403
Balance at January 1, 2016	10,000,000	379,604	(36,021)	(1,536,670)	8,806,913
Comprehensive income of the period	-	-	(400)	(33,689)	(34,089)
Balance at March 31, 2016	10,000,000	379,604	(36,421)	(1,570,359)	8,772,824

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

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

	For the three months ended March 31, 2017	For the three months ended March 31, 2016
OPERATING ACTIVITIES		
Net profit / (loss) of the period before income tax	18,822	(10,559)
Adjustments on net profit / (loss) for the period before income tax:		
Deprecation	79,851	86,812
Financial charges	446	449
Unrealized losses from financial assets designated at fair value through statement of comprehensive income	4,934	4,687
Changes in operating assets and liabilities:		
Accounts receivables	(14,969)	(24,045)
Inventory	(15,229)	7,066
Prepaid expenses and other accounts receivables	(28,711)	(36,945)
Accounts payable and deferred cheques	(19,285)	(61,331)
Accrued expenses and other payable	3,424	9,792
Cash available from / (used in) operating activities	29,283	(24,074)
Financial charges paid	(446)	(449)
Net cash available from / (used in) operating activities	28,837	(24,523)
INVESTING ACTIVITIES		
Changes in of property and equipment	(7,360)	(8,671)
Net cash used in investing activities	(7,360)	(8,671)
FINANCING ACTIVITIES		
Bank overdrafts	8,534	25,060
Net cash available from financing activities	8,534	25,060
Net change in cash and cash equivalents	30,011	(8,134)
Cash and cash equivalents, January 1	152,906	392,906
Cash and cash equivalent, March 31	182,917	384,772

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

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

1. ORGANIZATION AND ACTIVITIES

Al Tajamouat for catering and housing Company ("the Company") is a Jordanian public shareholding company registered on November 13, 1994 the declared and paid up capital JD10,000,000 divided into 10,000,000 shares each for JD 1.

The principal activity of the Company includes construction, purchasing and managing all kinds of catering and restaurants utilities to present catering service for companies and individuals as well as construction and purchases all kinds of housing building and performing housing services.

The company's head quander is located in Amman.

The interim consolidated financial statement as of March 31, 2017 and December 31, 2016 contains the financial statements subsidiary company as following:

Subsidiary company name	Registration place	Registration year	Vote and equity percentage	Principal activity
AL-Tajamouat for Support Services Co.(Ltd)	The Hashemite kingdom of Jordan	2003	100 %	constructing, purchasing and managing catering and housing facilities
AL-Tajamouat For University Facilities	The Hashemite kingdom of Jordan	2006	100 %	purchasing and managing of kinds of catering and restaurants utilities and purchase all kinds of housing and performing housing services

According to net equity method, the Company's share in subsidiaries net operation outcomes as of March 31, 2017 amounting JD 34,635 and December 31, 2016 JD 147,204 based on net equity method are as follows:

	2017	2016
AL-Tajamouat for Support Services Company	54,362	141,757
AL-Tajamouat For University Facilities Company	(19,727)	5,447
	34,635	147,204

According to Net Equity Method, book value of investment in subsidiaries as of March 31, 2017 JD 8,885,772 and December 31, 2016 JD 8,851,137 is as follows:

	2017	2016
Book value of investment in AL-Tajamouat for Support Services Company*	8,304,724	8,250,362
Book value of investment in AL-Tajamouat For University Facilities Company**	581,048	600,775
	8,885,772	8,851,137

* The investment in Al-Tajamouat for Support Services Company include Goodwill which amount to JD 1,694,857.

** The investment in Al-Tajamouat For University Facilities Company include an investment in Aqaba Branch

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

The subsidiaries' assets, liabilities, revenues, profits and major item of assets and liabilities as of March 31, 2017 and December 31, 2016 are as follows:

A- Al-Tajamouat for Support Services Company (Ltd)

	2017	2016
Total assets	7,084,890	7,100,666
Total liabilities	503,262	573,180
Total owners' equity	6,581,628	6,527,486
Gross profit	61,821	249,668
Income of the year	54,362	141,757
Accounts receivable	224,711	223,049
Due from related parties	2,334,386	2,327,212
Due to related parties	389,228	479,118
Rented real estate, Net	3,346,560	3,385,576
Property and equipment's	467,159	476,817
Accrued expenses and other payables	34,775	7,145

B- AL-Tajamouat for University Facilities Company (Ltd)

	2017	2016
Total assets	1,084,459	1,107,562
Total liabilities	503,411	506,787
Total owners' equity	581,048	600,775
Accounts receivable	270,420	247,476
Property and equipment	93,336	91,289
Gross(loss) / profit	(4,840)	15,896
(Loss)/ Income for the period	(19,727)	5,447

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 is expecting that the application of these standards and interpretations will not have a substantial impact on the Company's financial statements.

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

3.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

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

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

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

The interim 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.

Significant accounting policies

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

Basis of consolidating interim financial statements

Control is achieved where the Company:

- Ability to exert power over the investee.
- Exposure, or rights, to variable returns from its involvement with the investee.
- Ability to exert power over the investee to affect the amount of the investor's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries above.

When the Company has less than a majority of the voting, The Company shall have control over the investee when the voting rights sufficient to give it the ability to direct relevant activities of the investee individually.

When The Company reassesses whether or not it controls an investee, it consider all the relevant facts and circumstances which includes:

- Size of the holding relative to the size and dispersion of other vote holders
- Potential voting rights, others vote-holders, and Other parties
- Other contractual rights
- Any additional facts and circumstances may indicate that the company has, or does not have, the current ability to direct the activities related to the time needed to make decisions, including how to vote at previous shareholders meetings.

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
(PUBLIC SHAREHOLDING COMPANY)

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

The consolidation process begins when the company's achieve control on the investee enterprise (subsidiary), while that process stops when the company's loses control of the investee (subsidiary), In particular Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement, and the consolidated comprehensive income statement from the effective date of acquisition and up to the effective date of which it loses control of a subsidiary Company.

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

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

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

Financial assets designated at fair value through statement of comprehensive income

Financial assets are classified as at fair value through statement of income when the financial asset is either held for trading or it is designated as at fair value through statement of income .A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through statement of income upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at fair value through statement of income.

Financial assets at fair value through statement of income are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the consolidated income statement.

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(PUBLIC SHAREHOLDING COMPANY)

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

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.

Revenues

- Revenue from the sale of land and apartments is recognized when the sales agreement is signed with the buyer and the contract of sale promise is signed.
- Revenue from commissions and real estate brokerage is recognized when the invoice is issued and service is provided to customers.

Expenses

Selling and marketing expenses principally comprise of costs incurred in the distribution and sale of the Company's products, all 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 receivable are stated at invoice amount less any provision for doubtful and a provision for doubtful debts is taken when there is an indication that the receivable may not be collected, and are written off in the same period when there is impossible recovery of them.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for services received, whether or not claimed by the supplier

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE PERIOD ENDED MARCH 31, 2017
(EXPRESSED IN JORDANIAN DINAR)

The use of estimation

The preparation of the consolidated financial statements and the application of accounting policies require management to make estimates and judgments that affect the amounts of financial assets and liabilities and disclose contingent liabilities. These estimates and judgments also affect the income, expenses and provisions, as well as changes in fair value that appear in the consolidated statement of comprehensive income. In particular, the Company's management requires judgments to estimate the amounts and timing of future cash flows. These estimates are necessarily based on assumptions and multiple factors that have varying degrees of estimation and non- And that actual results may differ from estimates as a result of changes resulting from the conditions and circumstances of those estimates in the future.

We believe that our estimates in the financial statements are reasonable and detailed as follows:

- Impairment provision: The provision for impairment is reviewed on the basis of the principles laid down by the management and IFRS and the provision is calculated on a more stringent basis.
- The management reviews periodically financial assets that are stated at cost to assess any impairment in value and are taken to the consolidated statement of comprehensive income for the year.
- The estimated useful lives of tangible assets are periodically determined by the management for the purpose of calculating the estimated depreciation and future estimated useful lives of the asset and the impairment loss (if any) is taken to the statement of comprehensive income.
- Provision for contingent liabilities where provisions are made to meet any legal liabilities based on the opinion of the Company's legal counsel.

Property and equipment

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

	<u>Annual Depreciation Rate</u>
Catering Building	4%
Tools and equipment's	15%
Furniture	15%
Electrical Devices	10%
Computers	25%
Vehicles	15%
Decoration	12%
Billboards	15%

Useful lives and the depreciation method are reviewed periodically to make sure that the method and amortization period appropriate with the expected economic benefits of property and equipment. Impairment test is performed to the value of the property and equipment that appears in the Statement of Financial Position When any events or changes in circumstances shows that this value is non-recoverable.

In case of any indication to the low value, Impairment losses are calculated according to the policy of the low value of the assets. At the exclusion of any subsequent property and equipment, recognize the value of gains or losses resulting, Which represents the difference between the net proceeds of exclusion and the value of the property and equipment that appears in the Statement of Financial Position, Gross Profit and loss.

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE PERIOD ENDED MARCH 31, 2017
(EXPRESSED IN JORDANIAN DINAR)

Sectorial Reports

Section is a group of elements that is subjected to risks, and is ventured to provide products and services which is called the operational section or in specific economical environments the company's principal objectives is the establishing and purchasing nourishing facilities and restaurants to provide nourishing Services to companies and individuals, and purchasing buildings and providing housing services, And it only operates inside the Hashemite Kingdom of Jordan.

Rented real estate, Net

Real estate investments of leased buildings are stated at cost less accumulated depreciation and provision for impairment. Buildings are depreciated on a straight-line basis with an annual depreciation of 4%.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is reflected in the consolidated statement of financial position only when there are legal rights to offset the recognized amounts, the Bank intends to settle them on a net basis, or assets are realized and liabilities settled simultaneously.

Goodwill

Goodwill represents the excess of the cost of acquisition of investment in subsidiaries over the fair value of its net assets at the date of acquisition. In accordance with IAS 38, goodwill is not amortized and if there is indication of impairment the estimated recoverable amount is reduced to its estimated value.

Income tax

The company is subject to Income Tax Law 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 financial statements since it's immaterial.

Inventory

The cost of the goods is determined by the weighted average method, which includes the cost of materials, labor, direct industrial expenses and a certain proportion of indirect industrial expenses, while the raw materials and other materials are stated at cost and the cost is determined based on the moving average cost.

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 balance sheet date are translated at the exchange rates prevailing at the date. Gains and losses from settlement and translation of foreign currency transactions are included in the consolidated statement of comprehensive income.

AL TAJAMOUAT FOR CATERING AND HOUSING COMPANY
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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE PERIOD ENDED MARCH 31, 2017
(EXPRESSED IN JORDANIAN DINAR)

4. GOODWILL

This item represents the resulted goodwill amounting to JD 1,694,857 due to the increase in the cost of purchasing investment in Al-Tajamouat Support Services Limited (the subsidiary) for the fair value of its assets at the date of purchase. Due to the decrease in the operating activity of the subsidiary, it will be considered an indication of Impairment of goodwill.

The Company has not provided us with an assessment of goodwill as of December 31, 2016 and therefore has been retained in the Company's consolidated financial statements.

5. FINANCIAL INSTRUMENTS

Share Capital Risks Management

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 owners' equity balances the Company overall strategy did not change from 2016.

Structuring of Company's capital includes debt which includes borrowing, and the owners' equity in the Company which includes share capital, statutory reserve, and accumulated losses and partner's current account as it listed in the changes in owners' equity statement.

The debt rate

The General Assembly is reviewing the share capital structure periodically, As a part of this reviewing, the general assembly consider the cost of share capital and the risks that is related in each faction from capital and debt factions, The Company capital structure includes debts from the borrowing, The Company's doesn't determine the highest limit of the debt rate.

Financial risks management

Company activities could mainly be exposed to financial risks that arising from the following:

Foreign currencies risks management

The company is not exposed to significant risks related to foreign currency price changes, so there is no need to effective management for this exposure.

Interest rate risk

The Company is exposed to interest rate risk on its interest bearing assets and liabilities (bank deposits, interest bearing loans and borrowings).

The sensitivity of the income statement is the effect of the assumed changes in interest rates on the Company's profit for one year, based on the floating rate financial assets and financial liabilities held.

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

Sensitivity analysis of the owner investments prices

Sensitivity analysis followed based on that the Company exposed to investments prices risks in owner's equity of other companies at the date of the financial statements.

The Company's sensitivity to investments prices in owners' equity of others companies have changed substantially compared with the previous year are resulting to the disposal of important part from the investments portfolio during the year in addition to the decline in fair value of these investments.

Credit risk

Credit risk is defined as the risk that one party of a financial instrument will cause a financial loss for the other party by failing to discharge an obligation, the Company maintains cash at financial institutions with suitable credit rating, the Company looks forward to reduce the credit risk by maintaining a proper control over the customer's credit limits and collection process and take provisions for doubtful accounts.

Liquidity risk

Are the risks of inability to pay the financial obligations that were settled by receiving cash or another financial asset. Liquidity risk management by control on cash flows and comparing them with maturities of assets and financial liabilities.

6. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors and authorized for issuance April 27, 2017.