AL - ROU'YA FOR INVESTMENTS (PLC) شركة الرؤية للإستثمار المساهمه العامة

REF: 862/ROU/2018
DATE: 29/3/2018

الرقم: 862/رؤية/2018
التاريخ: 2018/3/29

To: Jordan Securities Commission Amman Stock Exchange Securities Depository center Subject: Audited Financial Statements for the fiscal year ended 31/12/2017	السادة هيئة الاوراق المالية السادة بورصة عمان السادة مركز إيداع الاوراق المالية الموضوع : البيانات المالية السنوية المدققة للسنة المنتهية في 2017/12/31 باللغة الإنكليزية
Attached the Audited Financial Statements of (Al-Rou'ya For Investment (plc) for the fiscal year ended 31/12/2017.	مرفق طيه نسخة من البيانات المالية المدققة لشركة (الرؤية للإستثمار المساهمة العامة المحدودة) عن السنة المالية المنتهية في 2017/12/31.
Kindly accept our high appreciation and respect Al-Rouya For Investment (plc)	وتفضلوا بقبول فائق الاحترام،،،،، شركة الرؤية للإستثمار المساهمة العامة المحدودة

هيئة الأوراق المالية
الدائرة الادارية / الديوان
٢٩ آذار ٢٠١٨
الرقم المتسلسل: ٥٥٠٨٩
الجهة المختصة: ١/٢ ... ١

AL ROU'YA

JORDAN- AMMAN -UMAUTHAINA FAX: +06/5516799 TEL: +06/5516778

عمان - أم أذينة - مبنى الأردنية للطيران - شارع الملك فيصل بن عبد العزيز - عمارة رقم 53 - بجانب وزارة البيئة

AL-ROUYA FOR INVESTMENTS Co.
"Public Shareholding Company"
Amman -The Hashemite Kingdom of Jordan

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Independent auditors' report

To the Shareholders of

Al Rouya For InvestmentsCompany

Report on the Audit of the financial statements

Qualified Opinion:

We have audited the financial statements of Al Rouyafor Investments Company(Public Shareholding Company), which comprise the statement of financial position as at 31 December 2017, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statement cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, with the exception of the effect of what has been mentioned in the basis of the opinion expressed in our report,the accompanying financial statements present fairly, in all material respects, the financial position of Al Rouya For Investments Companyas at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for qualified Opinion:

- Referral to financial assets through other comprehensive income, it represents 5.41% of capital of Jordan Aviation Company (Private Shareholding) by 2,400,000 shares, and we were unable to determine the fair value of these financial assets at the date of preparation of these financial statements.We didn't received the financial statements for Jordan Aviation Company for the fiscal year 2017 up to the date of issue of this report.
- The company suffers from liquidity weakness as its current liabilities exceed its current assets by JD (2,221) as at December 31, 2017.
- The company did not achieve revenues during the fiscal year 2017.

We conducted our audit in accordance with International Standards on Auditing. Our responsibility in accordance with these standards is further detailed in the Auditors' Responsibility section on the audit of the financial statements of our report.

We are independent of the Company in accordance with the professional standards of professional accountants issued by the International Council for Standards of Professional Conduct for Accountants in addition to the requirements of other professional conduct to audit the financial statements in Jordan, where these requirements are complied with the professional conduct and requirements of the International Council for Standards of Professional Conduct, We obtained sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Other Information:

Management is responsible for the other information. The other information comprises the information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work that we have performed, we conclude that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements:

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless.

Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe

these matters in our auditors' report unless law or regulation precludes public

disclosure about the matter or when, in extremely rare circumstances, we determine

that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and Regularity requirement

The Company maintains accounting records as required, and it is compatible with the accompanying financial statements and we recommend approving it.

On behalf of
IPB Member of Kreston Int'l
Dr.Reem AL-Araj
License No. (820)

Amman - Jordan
19 March 2018

Al Rouya for Investments CO.
"Public Shareholding Company"
Amman -The Hashemite Kingdom of Jordan
Statement of Financial Position (JOD)

	Notes	As at 31December 2017	2016
Assets			
Cash and cash equivalent	8	-	833
Other debit balances	9	-	190
Total current assets		-	**1,023**
Non – current assets			
Property, plants and equipments (net)	10	1	1
Financial assets available for sale	11	2,616,000	2,616,000
Total non-current assets		2,616,001	**2,616,001**
Total assets		**2,616,001**	**2,617,024**
Liabilities and Equity			
Current liabilities			
Trade accounts payable		2,221	3,440
Other credit balances	12	-	45,273
Total current liabilities		**2,221**	**48,713**
Non-Current liabilities			
Due to related parties	13	101,334	72,968
Total non-Current liabilities		**101,334**	**72,968**
Total liabilities		**103,555**	**121,681**
Equity			
Paid in capital		10,000,000	10,000,000
Statutory reserve		200,884	200,884
Voluntary reserve		28,429	28,429
Other comprehensive income		(8,378,456)	(8,378,456)
Retained earnings		661,589	644,486
Total Equity		**2,512,446**	**2,495,343**
Total Liabilities & Equity		**2,616,001**	**2,617,023**

The notes from page 11 to 27 are an integral part of these financial statements

Al Rouya For Investments CO.
"Public Shareholding Company"
Amman -The Hashemite Kingdom of Jordan
Statement of Profit or Loss and Comprehensive Income(JOD)

	Note	For the year ended 31 December 2017	2016
Revenues		-	-
Cost of Revenues		-	-
Gross profit		-	-
Administrative and general expenses	15	(27,550)	(34,260)
(Loss) from continuing operations		**(27,550)**	**(34,260)**
Comprehensive income		**(27,550)**	**(34,260)**
Weighted average of shares		10,000,000	10,000,000
Earnings per share		**(0.0027)**	**(0.0034)**

The notes from page 11 to 27 are an integral part of these financial statements

Al Rouya For Investments CO.
"Public Shareholding Company"
Amman -The Hashemite Kingdom of Jordan
Statement of Changes in Equity(JOD)

For the year ended 31, December2017	Capital	Statutory reserve	Voluntary reserve	Other comprehensive income	Retained earnings	Total
Balance as at 1 January 2017	**10,000,000**	**200,884**	**28,429**	**(8,378,456)**	**644,486**	**2,495,343**
Previous years adjustments	-	-	-	-	44,653	**44,653**
Adjusted balance as at 1 January 2017	**10,000,000**	**200,884**	**28,429**	**(8,378,456)**	**689,139**	**2,539,996**
Comprehensive income (loss)of the year	-	-	-	-	(27,550)	**(27,550)**
Total comprehensive income	-	-	-	-	**(27,550)**	**(27,550)**
Balance as at 31, December 2017	**10,000,000**	**200,884**	**28,429**	**(8,378,456)**	**661,589**	**2,512,446**

The notes from page 11 to 27 are an integral part of these financial statements

Al Rouya For Investments CO.
"Public Shareholding Company"
Amman -The Hashemite Kingdom of Jordan
Statement of Changes in Equity(JOD)

For the year ended 31, December2016	Capital	Statutory reserve	Voluntary reserve	Other comprehensive income	Retained earnings	Total
Balance as at 1 January 2016	10,000,000	200,884	28,429	(8,378,456)	678,746	2,529,603
Comprehensive income (loss)of the year	-	-	-	-	(34,260)	(34,260)
Total comprehensive income	-	-	-	-	(34,260)	(34,260)
Balance as at 31, December 2016	10,000,000	200,884	28,429	(8,378,456)	644,486	2,495,343

The notes from page 11 to 27 are an integral part of these financial statements

Al Rouya For Investments CO.
"Public Shareholding Company"
Amman -The Hashemite Kingdom of Jordan
Statementof Cash Flows(JOD)

	For the year ended 31 December	
Cash Flows from Operating Activities	**2017**	**2016**
(loss) of the year	(27,550)	(34,260)
Adjustments		
Depreciation	-	937
Previous years adjustments	44,653	
Changes in:		
Accounts receivable	-	67
Other debit balances	190	-
Trade accounts payable	(1,219)	3,440
Other credit balances	(45,273)	(1,880)
Net cash from operating activities	**(29,199)**	**(31,696)**
Cash flows from investment activities		
Due to related parties	28,366	31,696
Net cash flows from investment activities	**28,366**	**31,696**
Net (decrease) in cash	(833)	-
Cash opening balance	833	833
Cash and cash equivalent at ending of the year	**-**	**833**

The notes from page 11 to 27 are an integral part of these financial statements

1- Reporting Entity

Al Rouya for Investments Company was established and registered as a Public Company on 23, November2005, under the number (374), with paid capital (10,000,000) JOD.The main purposes of the company are investment in private and public companies, investment in shares, bonds and investment projects, in addition to the other purposes stated in the company's commercial register.

2- Standards issued but not yet effective

A. Revenue from Contracts with Customers (IFRS 15)

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS (18) Revenue and, IAS (11) constructioncontracts. IFRS (15) is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted.

- **Sales of goods**

For the sale of products, revenue is currently recognized when the goods are delivered to the customers' premises, which is taken to be the point in time at which the customer accepts the goods and the related risks and rewards of ownership transfer. Revenue is recognized at this point provided that the revenue and costs can be measured reliably, the recovery of the consideration is probable and there is no continuing management involvement with the goods.

- **Rendering of services**

If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis between the different services. Revenue is currently recognized using the stage-of-completion method Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone selling prices. The stand-alone selling prices will be determined based on the list prices at which the company sells the services in separate transactions.

- **Construction contracts**

Contract revenue currently includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When a claim or variation is recognized, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date. Under IFRS 15, claims and variations will be included in the contract accounting when they are approved.

D- Financial InstrumentsIFRS (9)

IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets and their cash flow are managed. IFRS 9 contains three principal classification categories for financial assets which are measured at amortized cost, fair value through other comprehensive income and fair value throughprofit or loss. The standard eliminates the existing IAS 39 categories of held to maturity, loans and receivables and available for sale. IFRS 9 will require extensive new disclosures, in particular about hedge accounting, credit risk and expected credit losses.IFRS (9) is effective for the annual periods beginning on or after 1 January 2018 with earlier adoption permitted.

E- LeasesIFRS (16)

IFRS 16 introduces a single, one-balance lease sheet accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance including IAS (17), and IFRIC (4) which determining whether an arrangement contains a lease. The standard is effective for the annual periods beginning on or after 1 January 2019with earlier adoption permitted.

3- Basis of preparation

a. These financial statements have been prepared in accordance with International Financial Reporting Standards. It was authorized for issue by the company'smanagement.

b. These financial statements have been prepared based on going concern assumption and under the historical cost basis (except those financial assets and other items that measured by fair value as at the date of financial statement in compliance with International Standards).

c. These financial statements have been prepared under the accrual basis of accounting, under this basis the effects of transactions and other events are recognized when they occur and not as cash is received or paid and they are recorded in accounting records and reported in the financial statements of the period to which they related.

4- Functional and presentation currency

These financial statements are presented in JODwhich is the company's functional currency.All amounts have been rounded to nearest Jordanian Dinar, unless otherwise indicated.

5- Use of judgments and estimates

- ✓ In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
- ✓ Estimates and underlying assumptions are reviewed on an ongoing basis revisions to estimates are recognized prospectively.

6- Accounting policies

The company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

A-Foreign currency

Foreign currency transactions

- ✓ Transactions in foreign currencies are translated into the respective functional currencies of company at the exchange rates at the dates of the transactions.
- ✓ Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss. However, foreign currency differences arising from the translation of available-for-sale equity investments,a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective, and qualifying cash flow hedges to the extent that the hedges are effective are recognized in other comprehensive income.

Foreign operations

- ✓ The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into functional currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into functional currency at the exchange rates at the dates of the transactions.
- ✓ Foreign currency differences are recognized in other compressive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to net compressive income.

- ✓ When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the company disposes off part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to net compressive income. When the company disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

B- Discontinued operation

A discontinued operation is a component of the company's business, the operations and cash flows of which can be clearly distinguished from the rest of the company's and which:

- ✓ Represents a separate major line of business or geographic area of operations.
- ✓ Is part of a single co-ordinate plan to dispose off a separate major line of business or geographic area of operations
- ✓ is a subsidiary acquired exclusively with a view to re-sale.
- ✓ Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

C- Revenue

- **Sale of goods**

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates.

- **Rendering of services**

If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis between the different services.

The company recognizes revenue from rendering of services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on surveys of work performed.

- **Commissions**

If the company acts in the capacity of an agent rather than as the principal in a transaction, then the revenue recognized is the net amount of commission made by the company.

- **Construction contracts**

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably.

If the outcome of a construction contract can be estimated reliably, then contract revenue is recognized in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed with reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

Contract expenses are recognized as incurred unless they create an asset related to future contract activity an expected loss on a contract is recognized immediately in profit or loss.

D-Investment property rental income

Rental income from investment property is recognized as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognized as other income.

E- Employee benefits

Employee benefits are expensed as the related services are provided. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated.

F- Government grants

Government grants including non-monetary grants at fair value shall not be recognized until there is reasonable assurance that:

a- The entity will comply with a conditions attaching to them.

b- The grants will be received.

Government grants shall be recognized in profit or loss on systematic basis over the periods in which the entity recognizes as expenses the related cost for which the grants are intended to compensate.

G- Income tax

Income tax for the period is based on the taxable income for the year. Taxable income differs from profit as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods tax expense is recognize in compliance with regulation.

H- Inventories

- ✓ Inventories are measured at the lower of cost and net realizable value.
- ✓ The cost of inventory includes the purchase prices and other cost incurred to bring it in use.

I-Property, plant and equipment

- ✓ Items of property, plant and equipment are measured at cost, which includes cost incurred to bring the asset to operation, in addition to capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.
- ✓ If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- ✓ Any gain or loss on disposal of an item of property plant and equipment is recognized in profit or loss.
- ✓ Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.
- ✓ Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Land is not depreciated.

- ✓ Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.
- ✓ When the use of a property changes from owner-occupied to investment property, the property is recognized at cost as using fair value is prohibited by local legislation.

K- Intangible assets

- ✓ Expenditure on research activities is recognized in profit or loss as incurred.
- ✓ Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company's intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred.
- ✓ Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.
- ✓ Other intangible assets, including customer relationships, patents and trademarks that are acquired by the company's and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.
- ✓ Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.
- ✓ Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Goodwill is not amortized.
- ✓ Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

L-Investments property

- ✓ Investment property comprises non-owner occupied buildings held to earn rentals and for capital appreciation.
- ✓ Investments property is initially recognized at cost plus any expenses attributable directly to it.

- ✓ After initial recognition when using the cost model and in the case of lower recoverable amount of investments than its book value it should be reduced to the recoverable amount and the impairment is recognized through profit and loss.

M- Noncurrent assets held for sale

- ✓ Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.
- ✓ Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on measurement are recognized in profit or loss.
- ✓ Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

N-FinancialInstruments

- ✓ Financial assets are classified into financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.
- ✓ Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.
- ✓ The company initially recognizes loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognized on the trade date when the entity becomes a party to the contractual provisions of the instrument.
- ✓ The company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.
- ✓ The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.
- ✓ Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

- ✓ A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognized in profit or loss.
- ✓ Held-to-maturity financial assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.
- ✓ Available-for-sale financial assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognized in other compressive income and accumulated in the fair value reserve. When these assets are derecognized, the gain or loss accumulated in equity is reclassified to profit or loss.

O-Impairment

- **Financial assets**

  - ✓ Financial assets not classified as at fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is an objective evidence of impairment such as indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security because of financial difficulties.

- **Non-financial assets**

- ✓ At each reporting date, the company reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.
- ✓ The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

- ✓ An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.
- ✓ An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

P-Leases

- ✓ Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- ✓ Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.
- ✓ Assets held under finance leases are recognized as assets of the company at the fair value at the inception of the lease or if lower, at the present value of the minimum lease payments. The related liability to the lessor is included in the statement of financial position as a finance lease obligation.
- ✓ Lease payments are apportioned between interest expenses and capital redemption of the liability, Interest is recognized immediately in profit or loss, unless attributable to qualifying assets.

Q- Provisions

- ✓ Provisions are recognized when the company has a presented obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
- ✓ The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

R- Operating profit

- ✓ Operating profit is the result generated from the continuing principal revenue producing activities of the company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity accounted investees and income taxes.

S- Fair value measurement

- ✓ Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability reflects its non-performance risk.
- ✓ A number of the company accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
- ✓ When one is available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- ✓ If there is no quoted price in an active market, then the company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.
- ✓ If an asset or a liability measured at fair value has a bid price and an ask price, then the company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

T- Borrowing costs

- ✓ Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.
- ✓ Other borrowing costs are expensed in the period in which they are incurred.

U-Related parties

- ✓ A related party is a person or entity that is related to the entity that is preparing its financial statements.
- ✓ A person is a related party if that person has control or significant influence over the reporting entity; or is a member of the key management personnel.an entity is a related party if this entity and the reporting entity are members of the same group or one entity is an associate or joint venture of the other entity or the entity is controlled by a related person.

- ✓ A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.
- ✓ Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity.

V- Events after the reporting period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue and there are to kind of events after the reporting period:.

1- Those that provide evidence of conditions that existed at the end of the reporting period and an entity shall adjust the amounts recognized in its financial statements

2- Those that are indicative of conditions that arose after the reporting period, an entity shall not adjust the amounts recognized in its financial statements.

W- Contingent Liabilities

Contingent liabilities are obligations that could result from a past event and will confirm their presence only by the occurrence or non-occurrence of a future uncertain and not within the control of the company and are not recognized in the records because it is not likely to flow release of economic benefits for the payment of the obligation cannot be measured amount of the obligation reliably.

X- Capital management

- ✓ The company policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.
- ✓ Management monitors the return on capital, as well as the level of dividends to ordinary shareholder
- ✓ The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

- ✓ The company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserve.

Y- Financial risk management

The company has exposure to the following risks arising from financial instruments:

1-credit risk

2-liquidity risk

3-market risk

Risk management framework

- ✓ The company's board of directors has overall responsibility for the establishment and oversight of the company risk management framework. The company risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company activities.

Credit risk

- ✓ Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company receivables from customers and investments in debt securities.
- ✓ **Market risk**

  Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the company income or the value of its holdings of financial instruments

1-Currency risk

The company is exposed to currency risk to the extent that there is a miss matching between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of company companies.

2-Interest rate risk

Interest rate risk arises from the effects of fluctuations in the levels of markets interest rates on the fair value of financial assets and liabilities and future cash flows.

8- Cash and cash equivalents

	2017 JOD	2016 JOD
Capital Bank - JOD	-	833
Total	**-**	**833**

9- Other debit balances

	2017 JOD	2016 JOD
Social security	-	77
Others	-	113
Total	**-**	**190**

10-Property and equipments

	2017 JOD	2016 JOD
Cost	1,599	1,599
Accumulated depreciation	(1,598)	(1,598)
Total	**1**	**1**

11- Financial assets available for sale

	2015 Shares	2014 Shares	2017 JOD	2016 JOD
Jordan Aviation Company	2,400,000	2,400,000	10,994,456	10,994,456
Change in fair value			(8,378,456)	(8,378,456)
Total	**2,400,000**	**2,400,000**	**2,616,000**	**2,616,000**

12- Other credit balances

	2017 JOD	2016 JOD
Accrued expenses	44,653	45,273
Total	**44,653**	**45,273**

13-Due to related parties

	2017 JOD	2016 JOD
Jordan Aviation Company	101,333	72,968
Total	**101,333**	**72,968**

14- Equity

- **Capital**

  Al Rouya Investment Company was established on 23/11/2005 and registered as a public shareholding company under the number (374) with a capital of JD (10,000,000).

- **Statutory reserve**

  This balance represents 10% of this year and previous years' profit carried forward incompliance with Jordanian Company's Law article (186)and this balance is not distributable.

- **Voluntary Reserve**

  The voluntary reserve represents 20% of the annual profit before tax in previous years under Article (187) of the Jordanian Companies Law and it is distributable.

- **Other comprehensive income items:**

  This item represents the changes in the fair value of financial assets through other comprehensive income.

- **Retained earnings**

  This balance represents the (loss) profit carried forward from this year and previous years after provisions.

15- Administrative and general expenses

	2017 JOD	2016 JOD
Salaries and wages	3,600	2,937
Social security	513	561
Professional fees	5,220	8,220
Governmental fees	11,347	10,880
General Assembly Meetings	2,972	-
Penalties	-	7,773
Hospitality and cleaning	20	20
Miscellaneous	955	20
Stationery	154	64
Water, electricity	-	341
Mail and phone	915	323
Depreciation	-	937
Transportation	1,854	2,184
Total	**27,550**	**34,260**