

شركة المعاصرون للمشاريع الاسكانية م.ع.م
Contempro For Housing Projects p.l.c.

الرقم: م.هـ. ٢٠١٧/٥/٩٢٩

التاريخ: ٢٠١٧/٥/١٣

السادة/ هيئة الأوراق المالية المحترمين
دائرة الإفصاح المحترمين

تحية طيبة وبعد ،،،

عملاً بتعليمات الإفصاح الصادرة عن هيئتك الموقرة نرفق لكم طيه الميزانية العمومية
والحسابات الختامية وتقرير مراقبي الحسابات عن الفترة المالية المنتهية في ٣١ كانون أول
٢٠١٦ باللغة الانجليزية لشركة المعاصرون للمشاريع الإسكانية المساهمة العامة المحدودة.

وتفضلوا بقبول فائق الاحترام ،،،

شركة المعاصرون للمشاريع الاسكانية

المدير العام

أبو محمد محمد العبد

شركة المعاصرون للمشاريع الاسكانية
Contempro For Housing Projects p.l.c.

بورصة عمان
الدائرة الإدارية والمالية
الديوان
١٤ - ٢٠١٧
الرقم المتسلسل: 3054
رقم الملف: 31241
الجهة المختصة: 2111/61

نسخة برصم عمان لترسيم

Contempro for housing projects

Limited public shareholding Co.

Amman – The Hashemite Kingdom of Jordan

The final financial statement and auditor's report for the year ended
at 31 december 2016

Contempro for housing projects

Limited public shareholding Co.

Amman – The Hashemite Kingdom of Jordan

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Ref. : 120/2017/60002

Independent auditor's report

M/S: General Assembly of
Contempro for housing projects
Limited public shareholding Co.
Amman – The Hashemite Kingdom of Jordan

Opinion

We have audited the financial statements of Contempro for Housing Projects Limited public shareholding Co. consisting of the financial position statement as at 31 December 2016, the comprehensive income statement, the statement of changes in shareholders' equity, cash flows statement for the then ended year, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2016, its financial performance and cash flows for the then ended year in conformity with the international financial reporting standards (IFRS).

Basic of the Opinion

We conducted the auditing in accordance with the international auditing standards (IAS)3. Our responsibility in accordance with the standards is shown in our report under "The Auditor's responsibility for the financial statements auditing."

We believe that the auditing evidences we obtained were sufficient and proper to provide basic for our opinion on the auditing.

Independency

We are independent of the company in accordance with the requirements of the International ethics standards board of accountants (IESBA) " handbook of the code of ethics for professional accountants" and the ethical requirements related to our auditing of the financial statements. We fulfilled our other ethical responsibility in accordance with such requirements.

Key auditing matters

In our professional judgment, the key auditing matters are paid the highest attention in our audit of the current year financial statements. Such issues were taken into consideration in our audit of the financial statements as whole and to express opinion on the financial statements, and not to express a separated opinion on such issues. they include:

Payments for in-process projects:

Referring to note no. (2) "Payments for in-process projects" stated in the Company's financial statements, the balance of payments for in-process projects totaled JD. 1,955,286 at the end of 2016 compared to JD. 2,430,578 at the end of 2015. The amount accumulated in this account represents the Company's expenses for the purposes of launching housing projects where such projects are still in-process.

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Actions carried by us

During our auditing of "Payments for in-process projects" item, we performed the following:

- We verified, for test purposes, the purchase invoices, contracts, and other costs charged to this item.
- We verified any liens or mortgages which the company cannot dispose of.
- We evaluated the completeness and disclosures of "Payments for in-process projects" item and the compliance with the disclosure requirements of the International Financial Reporting Standards (IFRS).

Other information

The Management is responsible for the other information. The other information consists of the information contained in the annual report of the Company for 2016 other than the financial statements and the auditor's report. We have not been provided with the other information as of the date of our report. We expect to be provided with such information on a date after our report.

Our opinion about the financial statements doesn't include the other information and we don't give any affirmative conclusion about them.

Regarding the auditing of the financial statements, our responsibility is to read the other information and to determine whether the other information materially nonconforming with the financial statements or with the information we obtained during the auditing or it contains material errors.

In reviewing the other information not provided to us, in case of finding material errors, we report the same to those responsible for the governance.

Responsibility of the Management and the persons in-charge of governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards. This responsibility includes developing internal control system the Management deems necessary to prepare financial statements free from material misstatement, whether due to fraud or error.

The Management is also responsible for evaluating the company's ability to continue, disclose issues, as the case may be, related to the continuity, use of continuity accounting basis, except in case the Management intends to liquidate or stop the activities of the company, or if the company does not have a logic alternate for that.

Auditor's Responsibility for auditing the financial statements

We aim to obtain reasonable assurance whether the financial statements are free of material errors, whether due to fraud or error, and to issue our report including our opinion about the financial statements.

The reasonable assurance is high level of assurance but it doesn't guarantee that the audit conducted in accordance with the International Auditing Standards will always discover material errors, if any.

Errors may result from fraud or error. They are considered material if they could individually or together reasonably affect the economic decisions of the users based on these financial statements.

As part of auditing in accordance with the International Auditing Standards, we practice the professional discretion and apply the professional doubt principle in our auditing. In addition:

- Defining and evaluating the risks of material errors in the financial statements, whether due to fraud or error, designing and implementing audit procedures responsive to such risks, and obtaining sufficient and appropriate evidence to provide a basis for our opinion. The risk of not discovering material errors due to fraud is higher than the risk due to error since the fraud may contain collusion, forgery, intentional deletion, misrepresentation, or noncompliance with the internal control systems.
- Understanding the audit-related internal control systems for the purpose of designing audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control systems.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related notes made by management.
- Concluding the management's appropriate use of the continuity accounting basis based on the obtained audit evidence whether there is material uncertainty about events or circumstances that may cause material uncertainty about the company's ability to continue. If we conclude that there is a material uncertainty, we refer in the auditing report to the related notes in the financial statements. If disclosing such information is inappropriate, we amend our opinion. Our conclusions are based on the auditing evidences obtained up to the date of the auditing report. However, future events or circumstances may limit the company's ability to continue.
- Evaluating the general representation, form, and content of the financial statements including the disclosures and whether the financial statements fairly represent the transactions and events.
- Obtaining sufficient and appropriate evidences on the financial information of the entities or business activities within the group to give opinion about the financial statements. We are responsible for directing, supervising, and performing the audit for the group. We remain responsible in full for the auditor's report.
- We provided the persons in-charge of governance with declaration about our compliance with the professional behavior requirements related to independency and informed them of all other relations and issues that may affect our independency as well as the preventive procedures, if any.
- Among the issues we provided to the persons in-charge of governance, we defined the most important issues in auditing the financial statements of the current year where we describe such issues in the auditing report unless there is a law or regulation prohibiting such disclosure, or in very rare cases where we decide not to disclose such issue in our report due to negative effects more than the general benefit of such disclosures.

Report on the Legal Requirements:

The Company maintains proper accounting records and the financial statements are in agreement therewith in all material aspects. We recommend approving them.

Amman – The Hashemite Kingdom of Jordan
26/1/2017

Scientific Office for Auditing
Accounting & Consulting
Lamial Mohammad Falah
License No. (285)

(5/18)

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Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Financial Position as at 31 December 2016

	<u>Note</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
<u>Assets</u>			
<u>Non-Current assets</u>			
Payments for in-process projects	2	1,955,286	2,430,578
Net property and equipment	3	11,511	20,889
Total non-current assets		1,966,797	2,451,467
<u>Current assets</u>			
Cash on hand and at banks	4	2,473,668	2,464,669
Accounts receivable	5	2,612,025	1,689,450
Ready apartments for sale		1,309,945	1,946,868
Financial assets at fair value in the comprehensive income statement	6	86,940	57,260
Other current assets	7	18,033	22,252
Total current assets		6,500,611	6,180,499
Total assets		8,467,408	8,631,966
<u>Liabilities and shareholders' equity</u>			
<u>Shareholders' equity</u>			
Capital		6,000,000	6,000,000
Compulsory reserve		653,372	615,945
Voluntary reserve		1,060,453	1,069,064
Dividends - cash		300,000	300,000
Retained earnings		-	156,382
Shareholders' equity, net	8	8,013,825	8,141,391
<u>Current liabilities</u>			
Accounts payable		65,083	54,777
Dividends		173,266	152,040
Other current liabilities	9	215,234	283,758
Total current liabilities		453,583	490,575
Total liabilities and shareholders' equity		8,467,408	8,631,966

The accompanying notes constitute an integral part of this statement

Contempro for Housing Projects

Limited public shareholding Co.

Amman- The Hashemite Kingdom of Jordan

Comprehensive Income Statement of the financial year ended at 31 December 2016

<u>Description</u>	<u>Note</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
Sales of apartments		3,406,073	3,685,202
Cost of sales		(2,936,246)	(3,085,018)
Gross profit		469,827	600,184
Administrative and general expenses	10	(239,626)	(229,901)
Credit bank interest		64,114	57,902
Provisions no longer required		70,000	-
Realized profits of financial assets at the fair value from the income statement		9,955	4,496
Unrealized profits (losses) of financial assets at the fair value from the income statement		4,560	(2,576)
Year profit before tax		378,830	430,105
Income tax	11	(59,796)	(103,935)
Year profit after tax		319,034	326,170
Rewards the board of directors members		(26,600)	(35,000)
Profit for the year		292,434	291,170
<u>Other comprehensive income</u>			
Other comprehensive income		-	-
Total comprehensive income		292,434	291,170
		<u>Dinar/share</u>	<u>Dinar/share</u>
Earnings per share (basic and diluted)	12	0,0487	0,0485

The accompanying notes constitute an integral part of this statement

Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Statement of changes in shareholders' equity

<u>Description</u>	<u>Capital</u>	<u>Compulsory reserve</u>	<u>Voluntary reserve</u>	<u>Profits for distribution</u>	<u>Retained earnings</u>			<u>Total</u>
					<u>Realized profits (losses)</u>	<u>Unrealized profits (losses)</u>	<u>Total profits</u>	
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Balance at 31 December 2014	6,000,000	572,934	1,069,064	420,000	208,433	(210)	208,223	8,270,221
Year profit before tax	-	-	-	-	432,681	(2,576)	430,105	430,105
Transfer to compulsory reserve	-	43,011	-	-	(43,011)	-	(43,011)	-
Transfer to shareholders accounts payable (profits distribution)	-	-	-	(420,000)	-	-	-	(420,000)
Transfer to the rewards board of directors members	-	-	-	-	(35,000)	-	(35,000)	(35,000)
Transfer to the income tax provision	-	-	-	-	(103,935)	-	(103,935)	(103,935)
Transfer to distribution profits	-	-	-	300,000	(300,000)	-	(300,000)	-
Balance at 31 December 2015	6,000,000	615,945	1,069,064	300,000	159,168	(2,786)	156,382	8,141,391
Transfer to profits to be distributed - General Assembly decision	-	-	-	120,000	(120,000)	-	(120,000)	-
Balance at 31 December 2015	6,000,000	615,945	1,069,064	420,000	39,168	(2,786)	36,382	8,141,391
Year profit before tax	-	-	-	-	374,270	4,560	378,830	378,830
Transfer to compulsory reserve	-	37,427	-	-	(37,427)	-	(37,427)	-
Transfer to shareholders accounts deposit (profits distribution)	-	-	-	(420,000)	-	-	-	(420,000)
Transfer to the rewards board of directors members	-	-	-	-	(26,600)	-	(26,600)	(26,600)
Transfer to distribution profits	-	-	(8,611)	300,000	(300,000)	-	(291,389)	-
Transfer to the income tax provision	-	-	-	-	(59,796)	-	(59,796)	(59,796)
Balance at 31 December 2016	6,000,000	653,372	1,060,453	300,000	(10,385)	1,774	-	8,013,825

The accompanying notes constitute an integral part of this statement

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Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Cash flows Statement for the financial year ended at 31 December 2016

<u>Description</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
<u>Cash flows from operational activities</u>		
Year profit	378,830	427,529
<u>Add: items not requiring cash expenses</u>		
Property and equipment depreciation	6,560	8,114
Unrealized (losses) of financial assets at the fair value from the income statement	(4,560)	2,576
Provisions no longer required	(70,000)	-
Operational cash profit	310,830	438,219
<u>Change in the working capital items</u>		
Accounts payable	(922,575)	(4,631)
Ready apartments for sale	636,923	216,348
Other current assets	4,219	11,807
Financial assets at the fair value from the income statement	(25,119)	27,411
Other current liabilities	(84,920)	(87,800)
Accounts payable	10,306	(39,916)
Shareholders' accounts deposit (distribution profits)	21,226	18,295
Net cash flow from operational activities	(49,110)	579,733
<u>Cash flow from investment activities</u>		
Payments for in-process projects	475,292	(119,005)
Property and equipment	(483)	(1,590)
Exclude of property and equipment	3,300	-
Net cash flow from investment activities	478,109	(120,595)
<u>Cash flows from financing activities</u>		
Distribution profits	(420,000)	(420,000)
Net cash flow from financing activities	(420,000)	(420,000)
Net cash from activities	8,999	39,138
Beginning cash	2,464,669	2,425,531
Ending cash	2,473,668	2,464,669

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The accompanying notes constitute an integral part of this statement
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Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Significant accounting policies

The statements were prepared in accordance with the International Financial Reporting Standards, the laws and regulations and the historical cost principle except the financial assets at the fair value in the other comprehensive income statement. Below are the applied significant policies:

- The Jordanian Dinar is the currency of the financial statements.
- Applying estimates:
Preparing financial statements and applying accounting policies require the Company's Management to make some estimates and assumptions that may affect the financial statements and the accompanying notes. Such estimates are based on assumptions of different accuracy and certainty. Therefore, the actual results in the future may differ from the Management's estimates due to variations in the assumptions conditions and circumstances on which such estimates based on. Below are the most important estimates applied in the preparation of the financial statements:
 - The Management estimates the productive life of the tangible assets on a periodic basis for the purposes of calculating the annual depreciations based on the general condition of such assets and the estimates of the productive life expected in future. The impairment loss (if any) is stated in the income statement.
 - The Management reviews the financial statements on a periodic basis and reflects them at cost to estimate any impairment in their value, and such impairment is stated in the income statement.
 - The Company's Management estimates the value of the provision for bad debts (if any) taking in consideration the possibility of collecting such liabilities.
- Cash on hand and at banks
This item represents the cash on hand and at banks. It includes the risks of value change.
- Accounts receivable
The accounts receivable are reflected at the original amount of the invoice after deducting the provision for bad debts. The provision for bad debts is established when there is subjective evidence on the possibility of not collecting the liabilities. The debts are written off when realized.
- Accounts payable
The accounts payable are recognized for the value of received services or goods whether claimed by the supplier or not.
- Financial assets at the fair value in the comprehensive income statement
They are the financial assets purchased by the company to be sold in the near future and generate profits from the short-term market prices fluctuations or the trading profit margin.
The financial assets are reflected at the fair value upon purchasing (the acquisition expenses are stated in the income statement upon purchasing)³, They are reevaluated at the fair value. The change in the fair value is reflected in the income statement including the change in the fair value resulting from the differences of converting non-cash assets items in foreign currencies. In case of selling such assets or portion thereof, the profits or losses resulting from that will be reflected in the income statement.

The distributed profits or realized interests are recorded in the income statement.

The accompanying notes constitute an integral part of this statement.

Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Significant accounting policies

- Fair value

The fair value of the financial assets traded in active markets is defined by referring to the closing prices at the date of the financial statements.

The financial assets which their fair value could not be reliably defined are reflected at cost and any impairment in their value is stated in the income statement.

- Property and equipment

Properties and equipment are appears at cost after deducting the cost of sales and equipment and accumulated depreciation, or they are disposed of and any profits or losses are reflected in the income statement.

Depreciation of property and equipment is calculated using the straight line method and the estimated productive life of such property and equipment with percentages ranging from 2% to 20%.

- Recognition of revenues

The revenues are recognized from sales upon signing the selling contract with the client and receiving the advance payment.

- Income Tax

The income tax is calculated in accordance with the laws and regulations in the Hashemite Kingdom of Jordan at a rate of 2.5% of the value of the sold apartments.

- Foreign currencies

Transactions in foreign currency during the year are recorded at the exchange rate prevailing at the date of such transactions. The assets and liabilities registered in the foreign currency are retranslated at the exchange rates prevailing at the date of the financial statement position announced by the Central Bank of Jordan. The profits and losses resulting from the conversion of the balance in the foreign currencies are reflected in the income statement.

The accompanying notes constitute an integral part of this statement
(11/18)

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Contempro for Housing Projects
Limited public shareholding Co.
Amman-- The Hashemite Kingdom of Jordan
Notes about the final financial statement

1. General

Contempro for Housing Projects PLC Company was established on 19/05/2002 under the registration number (7285) and transformed to a public shareholding company on 31/1/2006 with the companies controller under the registration number (381).

- The purposes of the Company

- Land acquisition and construction of housing apartments and selling the same without interests.
- Invest the Company's funds in real estates.
- Acquisition of lands to achieve the purposes of the Company.

- The authorized signatories

The chairman and the vice-chairman of the board of directors or whom they authorize in writing shall be authorized to solely or jointly sign on behalf of the Company the financial, administrative, and legal matters, represent the Company before third parties, and any other issues.

- The accompanying financial statements were approved by the Board of Directors in its session held on 14/02/2017. They need to be approved by the General Assembly.

2. Payments for in-process projects

The amounts reflected in these accounts represent the expenses made by the Company to construct housing projects when such projects are still in process. They are as follow:

<u>Description</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
Abdoun villas project (2)	552,399	253,626
Al Snoubar Palace project	614,855	589,733
North Abdoun project, Basin 28	788,032	-
Kherbit Abdoun project	-	316,843
Abdoun villas project	-	1,270,376
Total	1,955,286	2,430,578

Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Notes about the final financial statement

3. Property and Equipment :

Description	<u>Vehicles</u>	<u>Tools and machines</u>	<u>Office supplies</u>	<u>Furnishings and furniture</u>	<u>Total</u>
Cost	JD	JD	JD	JD	JD
<u>Balance at 31/12/2015</u>	66,182	4,737	14,801	4,760	90,480
Additions during	-	483	-	-	483
Exclude during the year	(13,300)	-	-	-	(13,300)
<u>Balance at 31/12/2016</u>	<u>52,882</u>	<u>5,220</u>	<u>14,801</u>	<u>4,760</u>	<u>77,663</u>
<u>Provision for accumulated depreciation</u>					
<u>Balance at 31/12/2015</u>	50,699	3,626	10,831	4,435	69,591
Depreciation	5,126	479	802	153	6,560
Exclude of the year	(9,999)	-	-	-	(9,999)
<u>Balance at 31/12/2016</u>	<u>45,826</u>	<u>4,105</u>	<u>11,633</u>	<u>4,588</u>	<u>66,152</u>
<u>Net book value at 31/12/2016</u>	<u>7,056</u>	<u>1,115</u>	<u>3,168</u>	<u>172</u>	<u>11,511</u>
<u>Net book value at 31/12/2015</u>	<u>15,483</u>	<u>1,111</u>	<u>3,970</u>	<u>325</u>	<u>20,889</u>

- The Company applies the straight line method in depreciating the property and equipment with percentages ranging from 10% to 20%.

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Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Notes about the final financial statement

4. Cash on hand and at banks

<u>Description</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
Cash at banks	2,368,245	2,098,063
Cash and checks on hand	105,423	366,606
Total	2,473,668	2,464,669

5. Accounts receivable

<u>Description</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
Accounts receivable	2,600,490	1,659,690
Other accounts receivable	11,535	29,760
Total	2,612,025	1,689,450

6. Financial assets at the fair value in the income statement

<u>Description</u>	<u>No. of</u> <u>Shares</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
United Financial Investments Co.	4,500	4,770	6,200
Arabia Aviation Investment Company	9,000	35,370	14,900
Century Investment Group	15,000	46,800	36,160
Total		86,940	57,260

7. Other current assets

<u>Description</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
Prepaid expenses	4,515	6,460
Refunded deposits	4,710	2,510
deposit for income tax	3,206	2,895
Advance payments to suppliers	4,465	8,952
Other Deposit	1,137	1,435
Total	18,033	22,252

Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Notes about the final financial statement

8. Shareholders' Equity

The Capital:

The authorized and paid up capital of the Company amounts to JD 6 million Dinar, with 1 JD nominal value each.

Compulsory reserve:

The amounts accumulated in this account represent the amounts transferred from the net annual profits before income tax and fees at a rate of 10% during the years in accordance with the Jordanian Companies Law. This reserve not distributable to the shareholders.

Voluntary reserve:

The amounts accumulated in this account represent the amounts transferred from the net annual profits before income tax and fees at a rate of not exceeding 20% during the years and it is distributable to the shareholders.

Profits for distribution:

The board of directors recommended on 14/2/2017 to the General Assembly to approve distributing 5% of the Company's capital as profits to the shareholders, i.e., 300,000 Dinar covering the retained profits totaling 290,408 Dinars and 9,592 Dinars from the voluntary reserve.


9. Other current liabilities

<u>Description</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
Postdated checks	51,563	33,151
Government accounts provisions	2,933	2,744
Provision for income tax	80,379	184,027
Provision for leaves	20,315	18,749
Provision for board of directors reward	35,000	35,000
Provision for the general manager reward	9,806	10,087
Provision for projects – estimated expenses	15,238	-
Total	<u>215,234</u>	<u>283,758</u>

Contempro for Housing Projects
Limited public shareholding Co.
Amman- The Hashemite Kingdom of Jordan
Notes about the final financial statement

10. Administrative and general expenses

<u>Description</u>	<u>2016</u>	<u>2015</u>
	<u>JD</u>	<u>JD</u>
Salaries and wages	145,146	141,943
Social security exp	15,692	14,779
Rent expenses	9,726	8,584
Vehicles expenses	9,916	12,904
Board of directors members transportation	8,400	-
Professional fees	7,260	5,260
Licenses, and subscriptions fees	4,491	3,932
Telephone and post expenses	4,190	3,596
Shares subscription commission	3,600	3,600
Entertainment and cleaning	3,225	3,171
Membership subscriptions with the Securities	3,000	3,000
Depository Center		
Publicity and advertising expenses	2,377	2,331
Electricity and water	1,461	1,451
Healthcare insurance	1,287	1,033
Incentives and reward	10,788	10,087
Stationery and publications	949	1,442
Maintenance exp	716	558
Bank interests and commissions	528	354
Miscellaneous expenses	314	3,762
Property and equipment depreciation	6,560	8,114
Total	239,626	229,901

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11. Income Tax

<u>Description</u>	<u>2016</u> <u>JD</u>
Account profit of the year	378,830
Less: Provisions no longer required	(70,000)
Less: 75% for realized profits of financial assets at the fair value	(5,291)
Less: Unrealized profits of financial assets at the fair value	(4,560)
The year adjusted tax profit	298,979
Income tax of the year (20%)	59,796

- The Company's tax status

- The Income Tax Department discussed the Company's files up to 2014.
- The Company provided the statement for 2015 within the legal period and the Income Tax Department has not finalized the file till the date.
- The provision for the income tax for 2016 was calculated at 59,796 Dinars from the adjusted profits of the year.

12. Earnings per share from the profits of the year

<u>Description</u>	<u>2016</u> <u>JD</u>	<u>2015</u> <u>JD</u>
Profit of the year	292,434	291,170
	<u>Share</u>	<u>Share</u>
Weighted average number of shares	6,000,000	6,000,000
	<u>Dinar/Share</u>	<u>Dinar/Share</u>
Earnings per share (basic and diluted)	0,0487	0,0485

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13. Fair instruments

A. Fair value

Through its practice of its normal activities, the Company applies many financial instruments. The book value of such instruments is close to its fair value at the date of the budget in accordance with the Accounting Standard No. (32).

B. Rate exchange fluctuations risk

1. Currency exchange rate fluctuations


The majority of the Company's transactions are in Jordanian Dinar and the US Dollars. The JD exchange rate is pegged to the US dollar (0,71) Dollar for each JD).

2. Interest rates risks

The majority of the financial instruments in the balance sheet are free of interest rate risks.

C. Credit and liquidity risks

The Company deals with trustworthy banking institutions and keeps the cash balance with such institutions. The accounts receivable were stated at the fair value.

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