



شركة إتحاد المستثمرون العرب للتطوير العقاري م.ع.م
ARAB INVESTORS UNION CO.FOR REAL ESTATES DEVELOPMENT

To: Jordan Securities Commission Amman Stock Exchange Date:30/07/2018 Subject: Quarterly Report as of <u>30/06/2018</u>	الرقم: ٢٠١٨/أ.هـ/١٠١٣ السادة هيئة الأوراق المالية المحترمين السادة بورصة عمان المحترمين التاريخ: ٢٠١٨/٠٧/٣٠ الموضوع: التقرير ربع السنوي كما هي في ٢٠١٨/٠٦/٣٠
Attached the Quarterly Report of ARAB INVESTORS UNION CO. FOR REAL ESTATE DEVELOPMENT as of 30/06/2018	مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة اتحاد المستثمرون العرب للتطوير العقاري كما هي بتاريخ ٢٠١٨/٠٦/٣٠
Kindly accept our highly appreciation and respect ARAB INVESTORS UNION CO. FOR REAL ESTATE General Manager's Signature 	وتفضلوا بقبول فائق الاحترام،،، شركة اتحاد المستثمرون العرب للتطوير العقاري توقيع المدير العام 



/ نسخة الى

السادة مركز ايداع الاوراق المالية المحترمين

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الدائرة الإدارية والمالية
الديوان
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Company

Arab Investors Union For Real Estates Developing

(Public Shareholding Company)

Amman - Jordan

Interim Financial Statements for the six months ended 30 June 2018

Review Report of Interim Financial Statements

Company

Arab Investors Union For Real Estates Developing

(Public Shareholding Company)

Amman - Jordan

Table of Contents	
Description	Page
Review Report of Interim Financial Statements	3
Statement of financial position interim as at 30 June 2018	4
Statement of income interim for the six months ended 30 June 2018 (Un Audited)	5
Statement of other comprehensive income interim for the six months ended 30 June 2018 (Un Audited)	6
Statement of changes in equity interim for the six months ended 30 June 2018 (Un Audited)	7
Statement of Cash Flows interim for the six months ended 30 June 2018 (Un Audited)	8
Notes to the Financial Statements interim	9 -17

Review Report of Interim Financial Statements

To Arab Investors Union For Real Estates Developing Company

(Public shoreholding company)

(Amman - The Hashemit Kingdom of Jordan)

Introduction

We have audited the accompanying financial statements of Arab Investors Union For Real Estates Developing Company the interim financial position as at 30 June 2018 the interim statement of income, statement of comprehensive income, the interim statement of changes in equity and the interim cash flow statement for the six months then ended and a summary of significant accounting policies and explanatory notes Other.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for the preparation of an internal control system that the management considers necessary for the purpose of preparing the financial statements free of material misstatement, whether due to fraud or error.

Accountant's responsibility

Our responsibility is to arrive at a conclusion on these interim financial statements based on our review. We conducted our review in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

The scope of the audit work is significantly lower than the scope of the audit conducted in accordance with International Standards on Auditing. Accordingly, the audit work does not enable us to obtain assurance about all significant matters that may be identified in the course of the audit. Therefore, we do not express an audit opinion.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit findings.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements have not been prepared in all material respects in accordance with International Accounting Standard (IAS) 34.

The Hashemit Kingdom of Jordan -

Amman

July 18, 2018

Morison KSI - Jordan

Modernity International certified
auditors

Mohammad Harb

License No. 852



Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan

Statement of financial position interim as at 30 June 2018

	<u>Notes</u>	(Un Audited)	(Audited)
	No	30 June 2018	2017
		JD	JD
<u>Assets</u>			
<u>Current assets</u>			
Cash and cash equivalents	3	3,217	5,875
Other debit balances	4	3,636	4,714
Total current assets		6,853	10,589
<u>Non-current assets</u>			
Net Property and equipment	5	2,235	2,526
Investments in land		2,531,859	2,531,859
Total Non-current assets		2,534,094	2,534,385
Total assets		2,540,947	2,544,974
<u>Liabilities And Equity</u>			
<u>Current liabilities</u>			
Accounts payable		75,503	70,503
Other Credit balances	6	17,263	12,447
Total current liabilities		92,766	82,950
Total liabilities		92,766	82,950
<u>Equity</u>			
Capital		3,000,000	3,000,000
Accumlated losses		(551,819)	(537,976)
Total Equity		2,448,181	2,462,024
Total liabilities and Equity		2,540,947	2,544,974

The accompanying notes are an integral part of these financial statements

Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan

Statement of income interim for the six months ended 30 June 2018 (Un Audited)

	Notes	(Un Audited) for the six months ended 30 June 2018	(Un Audited) for the six months ended 30 June 2017
	No	JD	JD
<u>Revenue</u>			
Land sales		-	-
The cost of land		-	-
Gross Profit (loss)		-	-
Deffered revenue property		300	-
Total Revenue		300	-
<u>Expenses</u>			
Salaries, Wages and Accessories		(3,300)	(3,300)
General and administrative expenses	7	(10,552)	(10,534)
Depreciation		(291)	(329)
Total Expenses		(14,143)	(14,163)
Loss for the period		(13,843)	(14,163)

The accompanying notes are an integral part of these financial statements

Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan

Statement of other comprehensive income interim for the six months ended 30 June
2018 (Un Audited)

	Notes	(Un Audited) for the six months ended 30 June 2018	(Un Audited) for the six months ended 30 June 2017
	No	JD	JD
<u>Expenses</u>			
Loss for the period		(13,843)	(14,163)
Loss for the period after other comprehensive income		(13,843)	(14,163)

The accompanying notes are an integral part of these financial statements

**Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan**

Statement of changes in equity interim for the six months ended 30 June 2018 (Un Audited)

	<u>Capital</u>	<u>Accumulated</u> <u>losses</u>	<u>Total</u>
	JD	JD	JD
<u>2017</u>			
Beginning Balance of Jan 1, 2017	3,000,000	(513,668)	2,486,332
Loss for the period	-	(14,163)	(14,163)
Balance as of June 30, 2017	<u>3,000,000</u>	<u>(527,831)</u>	<u>2,472,169</u>
<u>2018</u>			
Beginning Balance of Jan 1, 2018	3,000,000	(537,976)	2,462,024
Loss for the period	-	(13,843)	(13,843)
Balance as of June 30, 2018	<u>3,000,000</u>	<u>(551,819)</u>	<u>2,448,181</u>

The accompanying notes are an integral part of these financial statements

Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan

Statement of Cash Flows interim for the six months ended 30 June 2018 (Un Audited)

	(Un Audited) for the six months ended 30 June 2018 JD	(Un Audited) for the six months ended 30 June 2017 JD
<u>Cash Flows from Operating Activities</u>		
Loss for the period	(13,843)	(14,163)
Depreciation	291	329
<u>operational loss before Change in the working capital</u>	(13,552)	(13,834)
Other debit balances	1,078	(2,832)
Accounts payables	5,000	20,558
Other Credit balances	4,816	3,945
<u>Net cash flows (used in) the operational activities</u>	(2,658)	7,837
<u>Cash Flows from Investing Activities</u>		
Additions in property, plant and equipment	-	(490)
Investments in land	-	(8,075)
<u>Net cash flows (used in) investing activities</u>	-	(8,565)
<u>Net Change in cash</u>	(2,658)	(728)
Cash at the beginning of the period	5,875	728
<u>Cash at the end of the period</u>	3,217	-

The accompanying notes are an integral part of these financial statements

**Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan**

Notes to the Financial Statements

1) General information

a. Establishment of the Company

- Arab Investors Union For Real Estates Developing Company has been established and registered as public shareholding under number (398) on 10 april 2006 and the Capital 3,000,000 JD.

Capital when registering	3,000,000
Authorized Capital	3,000,000
Subscribed capital	3,000,000
Number of shares / shares	3,000,000
Value of share / share	1

b. The principal activities of the Company are described below:

- Buy and sell land, after the development, organization and improvement and divided, sort and deliver all necessary services mainly on the laws in force.
- Import and export.
- It owns movable and immovable property.
- Investment company funds in real estate fields.
- Borrow money for it from banks.

Board of Directors and authorized signatories

Board of Directors	Adjective
Fayyad Ahmed Abdul Karim Nabulsi	Member of the Board of Directors
Ali Mohammed Al Mari	Member of the Board of Directors
Aoun Bashir Abdel Karim Nabulsi	Chairman of the Board of Directors
Fouz Ahmed Abdel Karim Nabulsi	Member of the Board of Directors
Abdul Karim Ahmed Abdul Karim Nabulsi	Vice Chairman of the Board of Directors

- The delegation of two members of the Board of Directors Mr. Aoun Bashir Abdul Karim Nabulsi and Vice Chairman of the Board of Directors Mr. Abdul Karim Ahmed Abdul Karim Nabulsi and Board Member Mr. Fawaz Ahmed Abdul Karim Nabulsi signed all financial transactions amounting to (50,000) fifty thousand dinars or less .
- Chairman of the Board of Directors Mr. Aoun Bashir Abdul Karim Nabulsi and Vice Chairman of the Board of Directors Mr. Abdul Karim Ahmed Abdul Karim Nabulsi and Board Member Mr. Ali Mohammed Shaher Al Marai together to sign all financial transactions and more than (50,000) fifty thousand dinars.
- Mr. Aoun Bashir Abdul Karim Nabulsi and Board Member Mr. Ali Mohammed Shaher Al Mari and Board Member Mr. Fawaz Ahmed Abdulkarim Al Nabulsi are authorized to sign all administrative, legal and non-financial matters pertaining to the Company.

Notes to the Financial Statements

2) Summary of significant accounting policies

- The financial statements have been prepared in accordance with International Financial Reporting Standards. Financial statements preparation framework.
- a. Measurement bases used in preparing the financial statements**
 - The financial statements have been prepared on the historical cost basis except for
- b. Accounting Estimates**
 - The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised Accounting adjustments has no retrospective effects.
- c. Cash and cash equivalents**
 - cash comprises cash on hand, current accounts and demand deposits with banks.
 - cash equivalents are short-term, highly liquid investments that are readily convertible
- d- Non-financial assets**
 - The listed value is reviewed for enterprise assets at the end of each financial year to determine whether a pointer about the decline in case there is an indicator on the lower recoverable amount is estimated from those assets.
 - If the listed value of the assets recoverable amount of that asset is recording impairment of such assets.
 - All low losses are recorded in the income statement
- e. Inventory**
 - Inventories are priced at cost using the average cost or net realizable value method, whichever is less.
- f. Accounts receivable**
 - Accounts receivable are carried at fair value and recoverable after making allowance for doubtful debts.

**Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan**

Notes to the Financial Statements

g. Property and equipment

- All property and equipment at historical cost appears, Historical cost includes all direct costs eligible for capitalization which is borne by the company and associated with the acquisition of the asset.
- Depreciation is computed using the straight-line method over the useful life of the asset.

h. Provisions

- Provisions are recognized when the Company has a legal obligation or the actual result of a past event, and that the payment of a potential liabilities can be reliably measured it.

i. Accounts payable and accruals

- It is recognized as accounts payable and the amounts payable upon receipt of the goods or take advantage of the service by the company either has claim by the supplier or did not take place.

j. Installments due and returned checks and notes receivable

- Installments due and returned checks and notes receivable at fair value of the show and recover after provision for doubtful debts is debt taken in the event of sufficient objective evidence that the availability of the company will be unable to collect the amounts owed to it according to the original agreement with the debtors.

k. Income tax

- Taxes are calculated under the tax rates prescribed under the law, regulations and instructions.

l. Foreign currency transactions

- The translation Transactions in foreign currencies during the year at prices prevailing on the date of the transaction.
- The translation of monetary monetary assets and liabilities denominated in foreign currencies in Jordanian dinars on the financial statements the exchange rates prevailing at that date.
- It represents the gain (loss) on foreign currency monetary items in the difference between the amortized cost in Jordanian dinars at the beginning of the year and adjusted using the effective interest rate and payments during the year and the amortized cost in foreign currency translated into the Jordanian dinar exchange rates prevailing at the end of the year.
- The translation of assets and non-monetary liabilities denominated in foreign currencies and the phenomenon at fair value to the Jordanian dinar exchange rates prevailing at the date of the determination of fair value.
- Are registered differences arising from the translation of foreign currencies to the Jordanian dinar in the income statement.

Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan

Notes to the Financial Statements

m. Lease contracts

- Are classified as capital leases such as contracts Rent If you arrange the lease transfer substantially all the benefits and risks of ownership of the asset to the lessee, it is classified as other leases as operating leases.
- It is loaded rents payable under operating leases on the list of business during the period of operating lease, using the straight line method.

n. Investments in land

- This item represents the value of land of a (2,531,859) JD it was registered under name of the company under the land ownership document of (1,270,738) JD Under non agencies to isolate the sale of land of (1,261,121) JD.

	(Un Audited) 30 June 2018	(Audited) 2017
	JD	JD
3) Cash and cash equivalents		
Cash on hand	3,121	-
Cash in bank	96	5,875
Total	3,217	5,875
	(Un Audited) 30 June 2018	(Audited) 2017
	JD	JD
4) Other debit balances		
Prepaid expenses	2,710	-
Receivables staff	826	4,614
Insurance Refundable	100	100
Total	3,636	4,714

Notes to the Financial Statements

5) Property, plant and equipment	Furniture		Computer hardware and software		Electric Equipment and Supplies		Equipment and Tools		Plates land schemes		Total	
	JD		JD		JD		JD		JD		JD	
<u>Cost</u>												
Beginning Balance of Jan 1, 2018	10,856		9,059		3,715		2,106		150		25,886	
Balance as of June 30, 2018	10,856		9,059		3,715		2,106		150		25,886	
<u>Accumulated depreciation</u>												
Beginning Balance of Jan 1, 2018	10,450		8,116		3,265		1,380		149		23,360	
Depreciation	-		198		24		69		-		291	
Balance as of June 30, 2018	10,450		8,314		3,289		1,449		149		23,651	
<u>Net book value</u>												
As of June 30, 2018	406		745		426		657		1		2,235	
As of December 31, 2017	406		943		450		726		1		2,526	

Arab Investors Union For Real Estates Developing
(Public Shareholding Company)
Amman - Jordan

Notes to the Financial Statements

	(Un Audited) 30 June 2018	(Audited) 2017
	JD	JD
6) Other Credit balances		
Accured Expenses	10,735	5,785
Underwriting shareholders and other	6,528	6,662
Total	17,263	12,447
	(Un Audited)	(Un Audited)
	for the six months ended 30 June 2018	for the six months ended 30 June 2017
	JD	JD
7) General and administrative expenses		
Rent	2,500	2,500
Professional and consulting fees	1,775	1,915
Fees and subscriptions	2,801	3,301
Water and Electricity	716	129
Post and Telegraph and Telephone	836	718
Advertising	275	483
Transportation	1,200	358
Stationery	220	656
Hospitality and cleanliness	175	218
Maintenance	-	210
Other	54	46
Total	10,552	10,534

Notes to the Financial Statements

8) Financial instruments

a- Fair value

- The carrying amounts of financial assets and liabilities is equal to roughly fair value.

b- Market risks

- Know the market risk as volatility risk fair value or future cash flows of a financial instrument due to changes in market prices and includes the following risks:-

c- Currency risk

- You know it's a risk, currency risk, volatility in the fair value or future cash flows of a financial instrument due to changes in foreign exchange rates.
- The financial instruments shown in the balance sheet is subject to currency risk.

d- Equity price risk

- Know the risk of price volatility risk it dictated that the fair value or future cash flows of a financial instrument due to changes in the rates of profit value in the market.
- The financial instruments shown in the balance sheet are not subject to price risk equity.

e- Other price risk

- Other price risk defines as fair value fluctuation risk or future cash flows of a financial instrument due to changes in market prices (other than those arising from interest rate risk or currency risk) whether special factors changes the financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
- The financial instruments shown in the balance sheet are not subject to other price risk.

f- Credit risk

- You know it's a risk, credit risk, the failure of one party to a financial instrument in fulfilling its obligations, causing financial loss to the other party.
- The institution maintains financial institutions monetary credit.

Notes to the Financial Statements

I- Liquidity risk

- Board adopts framework for liquidity risk management to the Board of Directors is responsible for managing liquidity risk.
- Monitors cash flow organization and with due dates of financial assets and liabilities.
- The following table shows the due dates of financial assets and liabilities of the Foundation.

9) Repeat ranking

- Repeat the last year value ranking to be suitable with this year value.

10) Approval of the financial statements

- The approval of the financial statements by the bard of management company on July 21, 2018