AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY
PUBLIC SHAREHOLDING COMPANY

FINANCIAL STATEMENTS

31 DECEMBER 2014

Ernst & Young Jordan
P.O.Box 1140
Amman 11118
Jordan

Tel : 00 962 6580 0777/00 962 6552 6111
Fax: 00 962 6553 8300
www.ey.com/me

Building a better working world

INDEPENDENT AUDITORS' REPORT
TO THE PARTNERS OF
AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY
AMMAN - JORDAN

We have audited the accompanying financial statements of **AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY**, which comprise the statement of financial position as at 31 December 2014, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 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.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of **AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY** as at 31 December 2014, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on the Legal Requirements
The company maintains proper books of accounts and the accompanying financial statements and financial information in the Board of Directors' report are in agreement therewith.

Amman – Jordan
3 March 2015

Ernst & Young

AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	2014	2013
ASSETS		JD	JD
Non-Current Assets -			
Property and equipment	6	79,152	92,359
Investment properties	7	144,106,121	147,061,864
Deferred tax assets	8	220,568	516,864
		144,405,841	147,671,087
Current Assets -			
Accounts receivable & cheques under collection	9	3,519,553	3,031,319
Other current assets	10	1,880,301	1,409,885
Cash on hand and at banks	11	1,748,960	2,061,007
Total current assets		7,148,814	6,502,211
Total Assets		151,554,655	154,173,298
EQUITY AND LIABILITIES			
Equity -			
Paid in capital	12	100,000,000	100,000,000
Share premium		200,714	200,714
Share discount		(7,000,000)	(7,000,000)
Statutory reserve		475,433	324,520
Accumulated losses		(3,612,481)	(4,674,395)
Total equity		90,063,666	88,850,839
Non-Current Liabilities -			
Long term loans	13	41,269,841	46,218,487
Lessees' refundable deposits		796,970	774,304
		42,066,811	46,992,791
Current liabilities -			
Loans due in one year	13	9,826,153	9,971,989
Notes payable	14	963,760	-
Post dated cheques due in one year		603,025	356,075
Other current liabilities	15	3,628,871	4,401,888
Unrealized revenues		4,306,542	3,576,944
Due to related parties	19	95,827	22,772
Total current liabilities		19,424,178	18,329,668
Total liabilities		61,490,989	65,322,459
Total equity and liabilities		151,554,655	154,173,298

The accompanying notes from 1 to 26 are an integral part of these financial statements

AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014	2013
		JD	JD
Revenue -			
Lease revenue		16,655,979	15,607,771
Cost of revenue	16	(5,516,025)	(5,356,351)
Investment properties depreciation	7	(3,276,333)	(3,231,037)
Gross profit		7,863,621	7,020,383
Administrative expenses	17	(821,350)	(679,990)
Finance costs		(5,226,702)	(6,026,972)
Property and equipment depreciation	6	(28,323)	(35,217)
Provision for doubtful debts	9	(431,177)	(378,865)
Provision for contingent liabilities		140,367	531,235
Interest income		10,135	117,066
Other revenues		2,552	29,442
Profit for the year before tax		1,509,123	577,082
Income tax for the year	8	(296,296)	516,864
Profit for the year after tax		1,212,827	1,093,946
Add: Other comprehensive income items		-	-
Profit and comprehensive income for the year		1,212,827	1,093,946
		Fils/ JD	Fils/ JD
Basic and diluted earnings per share	18	0.012	0.011

The accompanying notes from 1 to 26 are an integral part of these financial statements

AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Paid in Capital	Share Premium	Share Discount	Statutory Reserve	Accumulated Losses	Total
	JD	JD	JD	JD	JD	JD
Balance as at 1 January 2014	100,000,000	200,714	(7,000,000)	324,520	(4,674,395)	88,850,839
Transfer to statutory reserve	-	-	-	150,913	(150,913)	-
Profit and comprehensive income	-	-	-	-	1,212,827	1,212,827
Balance as at 31 December 2014	100,000,000	200,714	(7,000,000)	475,433	(3,612,481)	90,063,666
Balance as at 1 January 2013	100,000,000	200,714	(7,000,000)	266,812	(5,710,633)	87,756,893
Transfer to statutory reserve	-	-	-	57,708	(57,708)	-
Profit and comprehensive income	-	-	-	-	1,093,946	1,093,946
Balance as at 31 December 2013	100,000,000	200,714	(7,000,000)	324,520	(4,674,395)	88,850,839

The accompanying notes from 1 to 26 are an integral part of these financial statements

AL-TAJMOUAT FOR TOURISTIC PROJECTS COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED IN 31 DECEMBER 2014

	Notes	2014	2013
		JD	JD
Operating Activities:			
Profit for the year before tax		1,509,123	577,082
Adjustments -			
Property and equipment depreciation		28,323	35,217
Investment properties depreciation		3,276,333	3,231,037
Finance costs		5,226,702	6,026,972
Provision for contingent liabilities		(140,367)	(531,235)
Provision for doubtful debts		431,177	378,865
Interest income		(10,135)	(117,066)
Gain from sale of property and equipment		-	(3,259)
Changes in working capital-			
Restricted cash		363,023	3,981,160
Accounts receivable		(919,411)	(1,067,934)
Other current assets		(460,818)	(781,969)
Advances to suppliers		(9,598)	277,048
Post dated cheques		246,950	(569,440)
Lessees' refundable deposits		22,666	53,534
Other current liabilities		(632,650)	11,346
Unrealized revenues		729,598	(582,309)
Net cash flows from operating activities		9,660,916	10,919,049
Investing Activities:			
Purchase of propertyand equipment		(15,116)	(7,540)
Proceeds from sale of property and equipment		-	41,282
Proceeds from sale of investment property		-	16,998
Proceeds from returns of investment property		125,859	-
Investment properties		(446,449)	(952,657)
Interest received		10,135	117,066
Net cash flows used in investing activities		(325,571)	(784,851)
Financing Activities:			
Notes payable		963,760	-
Bank loans		(5,094,482)	(3,809,524)
Related parties, net		73,055	(35,000)
Interest paid		(5,226,702)	(6,026,972)
Net cash flows used in financing activities		(9,284,369)	(9,871,496)
Net increase in cash and cash equivalents		50,976	262,702
Cash and cash equivalents at 1 January	20	1,139,646	876,944
Cash and cash equivalents at 31 December	20	1,190,622	1,139,646

The accompanying notes from 1 to 26 are an integral part of these financial statements

(1) GENERAL

Al-Tajmouat for Touristic Projects Company was incorporated in 1983 as a public shareholding company. In 2010 the Company increased its capital by JD 15,829,141 to become JD 75,000,000. The Company's general assembly resolved in its extraordinary meeting held on 15 August 2011 to increase its capital by JD 25,000,000 through a special subscription of shares to reach JD 100,000,000 with an issued discount of JD 7,000,000.

The objective of the company is the construction and operation of a commercial complex in Abdoun area under the name of TAJ Life Style Center.

The financial statements were authorized for issuance by the Board of Directors in its meeting held on 3 March 2015. The financial statements requires the general assembly's approval.

(2) BASIS OF PREPARATION

The financial statements were prepared under the historical cost convention.

The financial statements were prepared in accordance with International Financial Reporting Standards.

The financial statements are presented in Jordanian Dinars "JD", which is the functional currency of the Company.

(3) CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2013 except for the following:

Investment entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
These amendments are effective for annual periods which started on or after 1 January 2014. The amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS10. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss.

The application of the new amendments and interpretations did not have any impact on the Company's, financial position or performance.

IAS 32 *Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32*
These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. Application of the new amendments did not have any impact on the Company's financial position or performance and became effective for annual periods which started on or after 1 January 2014.

IFRIC 21 Levies
The interpretation clarifies that an entity recognises a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, no liability is recognized before the specified minimum threshold is reached. Application of the interpretation did not have any impact on the Company's financial position or performance and became effective for annual periods which started on or after 1 January 2014.

Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36
These amendments remove the unintended consequences of IFRS 13 Fair Value Measurement on the disclosures required under IAS 36 Impairment of Assets. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which an impairment loss has been recognised or reversed during the period.

(4) USE OF ESTIMATES

The preparation of the financial statements requires Management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions and in particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions

(5) SIGNIFICANT ACCOUNTING POLICIES

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of comprehensive income.

Depreciation is computed on a straight-line basis (except land) using annual depreciation rates as follows:

	%
Computer softwares	25
Furniture, fixture and decorations	10
Vehicles	15

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use. The impairment loss is recorded in the statement of comprehensive income.

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Investment properties

Investment properties are properties (land or building) held to earn rentals or for capital appreciation rather than land or building use for production or supply of goods or service or for administrative purposes or sale in the ordinary course of business.

Investment properties are stated at cost less accumulated depreciation and/or accumulated impairment losses. Investment properties (except for land) are depreciated (when they are ready for use) on a straight-line basis over their estimated useful lives. Annual depreciation rates used range between 2% - 15%.

Accounts receivable

Accounts receivable are stated at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from leases are recognized when the rent period starts.

Other revenues are recognized on an accrual basis.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, bank balances and short term deposits with an original maturity of three months or less after deducting bank over drafts.

Accounts payable and accruals

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

Loans

All loans are initially recognized at fair value of the consideration received less directly attributable transaction costs. After initial recognition, loans are subsequently measured at amortized cost using the effective interest method.

Interest on long term loans is recognized in the period it occur in, whereas interest on long term loans obtained for financing projects under construction is capitalized as part of the project's expenditures.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) arising from a past event and the costs to settle the obligation are both probable and can be reliably measured.

Finance costs

Land and projects finance costs are recorded as part of the project under construction until work on them is completed or stopped.

Income tax

The income tax provisions are taken for the years ended 31 December 2013 and 2012 in accordance with the temporary Income Tax Law no. (28) of 2009. Deferred taxation is brought to account under the liability method in accordance with IAS 12.

Tax expenses represents accrued and deferred tax expenses.

Current tax is based on taxable profits, which may differ from accounting profits published in the financial statement. As the accounting profits include non-taxable profits or tax non-deductible expenses in the current year or accumulated losses that are acceptable as tax deductions or items that are non-taxable or not deductible for tax purpose.

Deferred tax are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the financial statements and the value of the taxable income. Moreover, deferred taxed (if any) are calculated according to the statement of financial position liability method and based on the tax rates expected to be applied at the tax settlement date or the realization of the deferred tax assets or liabilities.

Foreign currency transactions

Transactions in foreign currencies are initially recorded in the functional currency at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities in foreign currencies are translated into respective functional currencies at rates of exchange prevailing at the reporting date as issued by Central Bank of Jordan. Any gains or losses are taken to the statement of comprehensive income.

(6) PROPERTY AND EQUIPMENT

	Computer Softwares	Furniture, Fixture and Decorations	Vehicles	Total
2014-	JD	JD	JD	JD
Cost-				
Balance at 1 January 2014	73,204	108,077	60,628	241,909
Additions	12,921	2,195	-	15,116
Balance at 31 December 2014	86,125	110,272	60,628	257,025
Accumulated depreciation -				
Balance at 1 January 2014	43,818	62,368	43,364	149,550
Depreciation	16,835	7,077	4,411	28,323
Balance at 31 December 2014	60,653	69,445	47,775	177,873
Net book value as at 31 December 2014	25,472	40,827	12,853	79,152
2013-				
Cost-				
Balance at 1 January 2013	71,638	102,103	111,328	285,069
Additions	1,566	5,974	-	7,540
Disposal	-	-	(50,700)	(50,700)
Balance at 31 December 2013	73,204	108,077	60,628	241,909
Accumulated depreciation -				
Balance at 1 January 2013	26,711	50,950	49,349	127,010
Depreciation	17,107	11,418	6,692	35,217
Disposal	-	-	(12,677)	(12,677)
Balance at 31 December 2013	43,818	62,368	43,364	149,550
Net book value as at 31 December 2013	29,386	45,709	17,264	92,359

(7) INVESTMENT PROPERTIES

	Land*	Construction Works	Electro-Mechanical Works	Outdoor Works	Furniture and Fixtures	Total
	JD	JD	JD	JD	JD	JD
2014-						
Cost -						
Balance at 1 January 2014	35,830,360	79,017,332	35,718,298	2,074,880	597,728	153,238,598
Additions	-	376,533	63,083	6,833	-	446,449
Adjustments***	-	-	(125,859)	-	-	(125,859)
Balance at 31 December 2014	35,830,360	79,393,865	35,655,522	2,081,713	597,728	153,559,188
Accumulated depreciation -						
Balance at 1 January 2014	-	3,023,690	2,749,153	254,960	148,931	6,176,734
Depreciation	-	1,583,532	1,457,595	145,549	89,657	3,276,333
Balance at 31 December 2014	-	4,607,222	4,206,748	400,509	238,588	9,453,067
Net book value at 31 December 2014	35,830,360	74,786,643	31,448,774	1,681,204	359,140	144,106,121

* This item represents properties owned by AL-Tajmouat for Touristic Projects Company which includes the commercial complex's land site (Taj Life Style) in addition to the residential land located opposite to Taj Life Style. The land located opposite to Taj Life Style is designated for housing purposes and was appraised by real estate experts at a fair market value of JD 10,688,379. The book value of the land amounted to JD 5,519,545.

** The fair value of the investment properties (excluding the land located opposite to Taj Life Style) amounts to JD 139 Million as at 31 December 2013 which is approximately equal to its book value. The fair value was estimated by the management through discounting the forecasted cash flows from Taj Life Style operations.

*** This item represents returns from the Electro-Mechanical Works during the year.

	Land	Construction Works	Electro-Mechanical Works	Outdoor Works	Furniture and Fixtures	Total
	JD	JD	JD	JD	JD	JD
2013-						
Cost -						
Balance at 1 January 2013	35,830,360	78,726,168	35,188,748	2,055,195	505,210	152,305,681
Additions	-	291,164	529,550	19,685	112,258	952,657
Disposal	-	-	-	-	(19,740)	(19,740)
Balance at 31 December 2013	35,830,360	79,017,332	35,718,298	2,074,880	597,728	153,238,598
Accumulated depreciation -						
Balance at 1 January 2013	-	1,446,248	1,325,916	110,519	65,756	2,948,439
Depreciation	-	1,577,442	1,423,237	144,441	85,917	3,231,037
Disposal	-	-	-	-	(2,742)	(2,742)
Balance at 31 December 2013	-	3,023,690	2,749,153	254,960	148,931	6,176,734
Net book value at 31 December 2013	35,830,360	75,993,642	32,969,145	1,819,920	448,797	147,061,864

(8) Income Tax

The movement on income tax provision is as follows:

	2014	2013
	JD	JD
Balances at 1 January 2014	516,864	-
Deferred tax assets	-	446,004
Prior years capital expenditures	-	181,160
Income tax payable	(296,296)	(110,300)
Balances at 31 December 2014	220,568	516,864

Provision for income tax was recorded for the year ended 31 December 2014, in accordance with the Jordanian tax law. In the opinion of the management and tax consultants of the Company, there will be no additional liabilities as at 31 December 2014.

The Company obtained tax clearance from the Income Tax Department up to 31 December 2012. Accumulated losses of JD 4,479,742 were accepted to be carried forward for tax purposes.

The Company obtained tax clearance from the Sales Tax Department up to 30 September 2013.

	Statement of financial position		Statement of comprehensive income	
	2014	2013	2014	2013
	JD	JD	JD	JD
Deferred tax assets	220,568	516,864	(296,296)	516,864

(9) Accounts Receivable and Cheques Under Collection

	2014	2013
	JD	JD
Accounts receivable*	3,400,930	2,909,144
Cheques under collection	1,084,206	681,557
Provision for doubtful debts	(965,583)	(559,382)
	3,519,553	3,031,319

* This item includes receivables relating to the company that was acquired at JD 224,672. This amount was provided for in full.

The movement of the provision for doubtful debts is as follows:

	2014	2013
	JD	JD
Balance at 1 of January	559,382	274,178
Additions	431,177	378,865
Bab debts written off	(24,976)	(93,661)
Balances at 31 December	965,583	559,382

The following is the unimpaired receivables aging schedule at 31 December:

	Unimpaired					
	1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total
	JD	*JD*	*JD*	*JD*	*JD*	*JD*
2014	379,721	480,671	511,892	420,923	1,726,346	3,519,553
2013	238,766	431,706	366,040	556,439	1,438,368	3,031,319

(10) Other Current Assets

	2014	2013
	JD	JD
Advances paid to Income and Sales Tax Department	1,411,764	1,094,523
Prepaid expenses	18,659	14,667
Refundable deposits	247,403	125,295
Staff receivables	7,681	2,504
Advances to consultants and suppliers	176,434	166,836
Others	18,360	6,060
	1,880,301	1,409,885

(11) Cash on Hand and at Banks

	2014	2013
	JD	JD
Cash on hand and at banks	235,902	99,827
Cheques under collection with three months maturity	954,720	1,039,819
Restricted cash * (Note 20)	558,338	921,361
	1,748,960	2,061,007

* This amount consists of cash receipts from the lessees of Taj Life Style in addition to amounts received for capital increase which were deposited in a guarantees account for the benefit of the syndicated loan and the related operating activities expenses of the project, complying with the syndicated loan agreement.

(12) Equity

Paid in capital -
The company resolved in its extraordinary meeting held on 15 August 2011 to increase its capital by JD 25,000,000 through a private subscription to reach JD 100,000,000 with a discount of JD 7,000,000.

Statutory reserve -
As required by the Jordanian Companies Law, 10% of the profit before tax is to be transferred to statutory reserve. This reserve is not available for distribution to the shareholders.

(13) Long Term Loans

	2014	2013
	JD	JD
Housing Bank for Trade and Finance- long term	41,269,841	46,218,487
Housing Bank for Trade and Finance- payable within one year	9,826,153	9,971,989
	51,095,994	56,190,476

Long term bank financing

Housing Bank for Trade and Finance

On 18 January 2010, the Company signed a JD 40,000,000 syndicated loan agreement managed by the Housing Bank for Trade and Finance. During September 2011, the amount of the syndicated loan was increased by JD 20,000,000 to become JD 60,000,000. The land of the project, located in Abdoun area is held as collateral for the loan.

The interest rate of the syndicated loan equals to the prime prevailing lending rate of the Jordanian Dinar, plus an annual margin of 1% as of November 2013. The margin rate was reduced to 0.25% in February 2014.

The utilized loan balance is payable in equal quarterly installments. The first installment that is related to the initial value of the loan of JD 40,000,000 is due after thirteen months from the date of the final delivery of the project by the technical consultant in accordance with the terms set in the loan agreement. The final installment is due after eight years and six months from the date of the syndicated loan bank agreement (18 January 2010).

The first installment related to the JD 20,000,000 portion of the loan is due after 26 months from the date of final delivery of the project by the technical consultant.

The final payment date for the loan balance was amended to be on 18 January 2021.

The annual payments of long terms loans are as follows:

Year	JD
2016	7,860,922
2017	7,860,922
2018	7,860,922
2019	7,860,922
2020	7,860,922
2021	1,965,231

14) NOTES PAYABLE

The following represents the utilized part of Etihad Bank notes payable in return of cheques under collection with an annual interest of the 19%. Notes are due on 5 May 2015.

(15) OTHER CURRENT LIABILITIES

	2014	2013
	JD	JD
Trade payables	1,280,307	1,380,150
Accrued expenses	27,508	273,705
Accrued interest	778,177	983,892
Shareholders payables	67,106	67,221
Provision for contingent liabilities	1,453,283	1,642,295
Others	22,490	54,625
	3,628,871	4,401,888

(16) COST OF REVENUE

	2014	2013
	JD	JD
Salaries, wages and other benefits	454,335	591,895
Social security	50,298	56,030
Overtime	43,152	61,921
Bonuses	-	575
End of service indemnity expenses	1,650	6,265
Medical insurance	15,106	12,047
Property taxes	1,532,221	1,313,541
Maintenance and repairs	512,018	237,017
Security services	372,607	358,212
Cleaning	441,984	439,753
Services and benefits	1,376,909	1,380,390
Marketing expenses	601,961	774,546
Property insurance	107,584	124,159
Others	6,200	-
	5,516,025	5,356,351

(17) Administrative Expenses

	2014	2013
	JD	JD
Salaries, wages and other benefits	446,783	387,779
Social security expense	45,948	37,071
Overtime	4,374	5,352
End of service indemnity expenses	-	5,618
Medical insurance	7,793	6,893
Professional, legal and management consulting fees	68,364	107,332
Vehicles expenses	6,757	8,609
Post and telephone	15,923	16,960
Stationary and printing	12,262	15,791
Advertising	6,230	7,778
Hospitality	17,315	15,060
Government fees	31,754	35,149
Travel and accommodation	92,424	3,825
Others	65,423	26,773
	821,350	679,990

(18) Basic and Diluted Earnings Profit Per Share

	2014	2013
Profit for the year attributable to shareholders (JD)	1,212,827	1,093,946
Weighted average number of shares (share)	100,000,000	100,000,000
Basic and diluted earnings per share for the year (JD/ share)	0.012	0.011

(19) RELATED PARTY TRANSACTIONS

Related party transactions represent transactions with shareholders, companies of which they are principal owners, members of the board of directors, directors and key management personnel. Pricing policies and terms of these transactions are approved by the Company's management.

Statement of Financial Position items:

Due to related parties	2014 JD	2013 JD
Al-Khair Bank	87,128	22,772
Specialized Investment Compounds Co. Plc	8,699	-
	95,827	22,772

Senior management salaries and benefits

	2014 JD	2013 JD
Salaries and bonuses	132,000	120,000

(20) CASH AND CASH EQUIVALENTS

The cash and cash equivalents presented in the cash flow statement represent the following items presented in statement of financial position:

	2014 JD	2013 JD
Cash on hand and at banks	1,748,960	2,061,007
Less: restricted cash (note 11)	(558,338)	(921,361)
	1,190,622	1,139,646

(21) CONTINGENT LIABILITIES

The Company has contingent liabilities as of the date of the financial statements in the form of bank guarantees of JD 285,500 for the benefit of governmental entities with a cash margin of JD 4,560 as of 31 December 2013 and 2014.

(22) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash on hand and at banks, accounts receivable and other current assets. Financial liabilities consist of bank loans, accounts payable and other current liabilities.

The fair values of financial instruments are not materially different from their carrying values.

(23) RISK MANAGEMENT

Interest rate risk

The Company is exposed to interest rate risk on its interest bearing assets and liabilities such as bank overdrafts and loans.

The sensitivity of the income statement of comprehensive income is the effect of the assumed changes in interest rates on the Company's loss for one year, based on the floating interest rate on financial assets and financial liabilities held at 31 December 2014.

The following table demonstrates the sensitivity of the statement of comprehensive income to reasonably possible changes in interest rates, with all other variables held constant as of 31 December 2014 and 2013.

	Change in interest rate	*Effect on profit*
	(Point)	*JD*
2014 -		
Currency		
JD	50	(255,480)
JD	(50)	255,480
2013 -		
Currency		
JD	50	(280,952)
JD	(50)	280,952

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company is not significantly exposed to credit risks as it seeks to limit its credit risk with respect to customers by setting credit limits for customers and continuously monitoring outstanding receivables and with respect to banks by only dealing with reputable banks.

Liquidity risk

The table below summarises the maturities of the Company's (undiscounted) financial liabilities as at 31 December, based on contractual payment dates and current market interest rates.

	Less than 3 months	3 to 12 months	*1 to 5 years*	*More than 5 years*	*Total*
	JD	JD	JD	JD	JD
2014 -					
Bank loans	5,058,443	8,900,991	49,176,552	2,015,326	65,151,312
Notes payable	648,878	314,882	-	-	963,760
Post dated cheques	431,649	171,376	-	-	603,025
Accounts payable	-	1,280,307	-	-	1,280,307
Total	6,138,970	10,667,556	49,176,552	2,015,326	67,998,404
2013 -					
Bank loans	3,309,524	11,966,386	55,453,184	-	70,729,094
Post dated cheques	110,400	245,675	-	-	356,075
Accounts payable	-	1,380,150	-	-	1,380,150
Total	3,419,924	13,592,211	55,453,184	-	72,465,319

(24) CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the year ended 31 December 2014 and 2013.

Capital comprises paid in capital, share premium, share discount, statutory reserve and accumulated losses amounting to JD 90,063,666 as at 31 December 2014 (2013: JD 88,850,839).

(25) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 specifies the accounting treatment for all revenue arising from contracts with customers. It applies to all entities that enter into contracts to provide goods or services to their customers, unless the contracts are in the scope of other IFRSs, such as IAS 17 Leases. IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers; and SIC-31 Revenue—Barter Transactions Involving Advertising Services. The standard is effective for annual periods beginning on or after 1 January 2017, and early adoption is permitted.

IFRS 9 Financial Instruments

During July 2014, the IASB issued IFRS 9 " Financial Instruments" with all the three phases. IFRS 9 sets out the requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. IFRS 9 replaces IAS 39 "Financial Instruments: Recognition and Measurement". The Company has implemented the first phase of IFRS 9 as issued during 2009. The date of initial implementation of the first phase of IFRS 9 was 1 January 2011. The new version of IFRS 9 will be implemented at the mandatory date on 1 January 2018, which will have an impact on the recognition and measurement of financial assets.

Equity Method in Separate Financial Statements (Amendments to IAS 27 and IFRS 1)

In August 2014, the IASB amended IAS 27 Separate Financial Statements which restore the option for entities, in the separate financial statements, to account for investments in subsidiaries, associates and joint ventures using the equity method as described in IAS 28 Investments in Associates and Joint Ventures. A consequential amendment was also made to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment to IFRS 1 allows a first-time adopter accounting for investments in the separate financial statements using the equity method, to apply the IFRS 1 exemption for past business combinations to the acquisition of the investment.

The amendments are effective for annual periods beginning on or after 1 January 2016, must be applied retrospectively and earlier adoption is permitted.

IAS 1 *Presentation of Financial Statements – Amendments to IAS 1*

The amendments to IAS 1 include narrow-focus improvements related to :

- Materiality
- Disaggregation and subtotals
- Notes structure
- Disclosure of accounting policies
- Presentation of items of other comprehensive income (OCI) arising from equity accounted investments

These amendments are not expected to impact the Company's financial position or performance. The application of the amendments are not expected to have a significant impact on the Company's disclosures.

The amendments are applicable for annual periods beginning on or after 1 January 2016. Earlier application is permitted.

Investment entities (Amendments to IFRS 10 and IAS 28)

The amendments address the issues arising in practice in the application of the investment entities consolidation exception and clarify that:

- The exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

- Subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

- Application of the equity method by a non-investment entity that has an interest in an associate or joint venture that is an investment entity: The amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2016. Earlier application is permitted.

(26) COMPARATIVE FIGURES

Some of 2013 balances were reclassified to correspond to 2014 presentation with no effect on equity or profit for the year 2013.