

**Rasheed for Integrity and Transparency
Non-Profit-Limited Liability Company
Amman-The Hashemite Kingdom of Jordan**

**Financial Statements and
Independent Auditor's Report
For The Year Ended December 31, 2023**

Rasheed for Integrity and Transparency
Non-Profit-Limited Liability Company
Amman-The Hashemite Kingdom of Jordan

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Independent Auditor's Report

To Messrs. Shareholders
Rasheed for Integrity and Transparency
Non-Profit-Limited Liability Company
Amman-The Hashemite Kingdom of Jordan

Opinion

We have audited the financial statements of Rasheed for Integrity and Transparency (Non Profit Limited Liability Company), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenses, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Material uncertainty about going concern

We would like to refer to the note (9) where the Company's accumulated deficit amounted to JD 36.506 which represents %1.605 of the company's capital as at December 31, 2023. According to Article (75) of Jordanian Companies Law No. 22 for year 1997 [Should the losses of the limited liability company amount to three quarters of its capital, the Company shall be liquidated unless the General Assembly decides in an extraordinary meeting to increase the Company's capital to deal with the losses or quench it in accordance with the accredited International Accounting and Auditing Standards, provided that the total of the remaining losses do not exceed half of the Company's capital in both cases]. Such a meeting was not held until the date of financial statement.

Responsibilities of Management and Those Charged with 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, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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



Independent Auditor's Report for the year ended December 31, 2023

Auditor's 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 International Standards on Auditing, 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, 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 Company 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.

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.

Report on Other Legal and Regulatory Requirements

The Company has proper accounting records which are, in all material respects, consistent with the accompanying financial statements, accordingly, we recommend to approve these financial statements by the general assembly.

Talal Abu-Ghazaleh & Co. International

Mohammad Al-Azraq
(License # 1000)

Amman May 19, 2024

**Rasheed for Integrity and Transparency
Non-Profit-Limited Liability Company
Amman-The Hashemite Kingdom of Jordan**

Statement of financial position as at December 31, 2023

	Note	2023	2022
		JD	JD
ASSETS			
Current Assets			
Current accounts at bank		344,295	40,652
Other debit balances	3	22,646	24,563
Total Current Assets		366,941	65,215
Non-current Assets			
Property and equipment	4	3,197	1,527
Total Assets		370,138	66,742
LIABILITIES AND EQUITY			
Current Liabilities			
Other credit balances	5	73,518	47,169
Deferred revenues	6	328,926	25,686
Total Current Liabilities		402,444	72,855
Equity			
Capital	7	2,275	1,925
Statutory reserves	8	1,925	1,925
Accumulated deficit	9	(36,506)	(9,963)
Deficit in Equity		(32,306)	(6,113)
Total Liabilities and Equity		370,138	66,742

The attached notes form part of these financial statements

**Rasheed for Integrity and Transparency
Non-Profit-Limited Liability Company
Amman-The Hashemite Kingdom of Jordan**

Statement of revenues and expenses for the year ended December 31, 2023

	Notes	2023	2022
		JD	JD
Revenues			
Grants	10	209,027	301,755
Other		507	507
Total Revenues		209,534	302,262
Expenses			
Direct expenses - projects	11	126,483	206,939
Indirect expenses - administrative	12	109,594	100,881
Total Expenses		236,077	307,820
Deficit		(26,543)	(5,558)

The attached notes form part of these financial statements

Statement of changes in equity for the year ended December 31, 2023

	Capital		Statutory reserve		Accumulated deficit		Deficit	
	JD		JD		JD		JD	
Balance as at January 1, 2022	1,925		1,925		(4,405)		(555)	
Deficit	-		-		(5,558)		(5,558)	
Balance as at December 31, 2022	1,925		1,925		(9,963)		(6,113)	
Deficit	-		-		(26,543)		(26,543)	
Increase of capital	350		-		-		350	
Balance as at December 31, 2023	2,275		1,925		(36,506)		(32,306)	

The attached notes form part of these financial statements

**Rasheed for Integrity and Transparency
Non-Profit-Limited Liability Company
Amman-The Hashemite Kingdom of Jordan**

Statement of cash flows for the year ended December 31, 2023

	2023	2022
	JD	JD
Cash flows from operating activities		
Deficit	(26,543)	(5,558)
Adjustments for :		
Depreciation	1,300	1,004
Changes in operating assets and liabilities:		
Other debit balances	1,917	(14,916)
Other credit balances	26,349	33,331
Deferred revenues	303,240	18,809
Net cash from operating activities	306,263	32,670
Cash flows from investing activities		
Purchase of property and equipment	(2,970)	-
Net cash flows form investing activities	(2,970)	-
Cash flows from financing activities		
Increase of capital	350	-
Net cash flows form financing activities	350	-
Net change in cash and cash equivalents	303,643	32,670
Cash and cash equivalents - beginning of year	40,652	7,982
Cash and cash equivalents - end of year	344,295	40,652

The attached notes form part of these financial statements

Notes to the financial statements

1. General

- The company was established and registered on September 22, 2013 as a Non-Profit-Limited Liability Company under number (449).
- The main activities of the Company are:
 - Provide training in the field of good governance and promoting the principles of integrity, transparency, justice and tolerance without certificate issuance.
 - Ownership of movable and immovable property to serve the interest of the company.
 - Accepting internal and external donations and grants within the applicable laws and regulations.
 - Conduct necessary studies to implement the Company's objectives according to the applicable legislations.

2. Basis for preparation of financial statements and significant accountant policies

2-1 Basis for financial statement preparation

- Financial statements preparation framework

The financial statements have been prepared in accordance with International Financial Reporting Standards issued by International Accounting Standard Board.

- Measurement bases used in preparing the financial statements

The financial statements have been prepared on the historical cost.

- Functional and presentation currency

The financial statements have been presented in Jordanian Dinar (JD) which is the functional currency of the entity.

2-2 Using of estimates

- When preparing of financial statements, management uses judgments, assessments and assumptions that affect applying the accounting policies and currying amounts of assets, liabilities, revenue and expenses. Actual result may differ from these estimates.
- Change in estimates are reviewed on a constant basis and shall be recognized in the period of the change, and future periods if the change affects them.
- For example, estimates may be required for expected credit losses, useful lives of depreciable assets, provisions and any legal cases against the entity.

Notes to the financial statements for the year ended December 31, 2023

2-3 Standards and Interpretations issued that became effective

Standard number or interpretation	Description	Effective date
IFRS (17) Insurance Contracts	IFRS (17) was issued in May 2017 as replacement for IFRS (4) Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of: <ul style="list-style-type: none"> • discounted probability-weighted cash flows • an explicit risk adjustment, and • A contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period. 	January 1,2023 (deferred from January 1,2021)
Amendments to IAS (1) and IFRS Practice Statement 2	The amendments to IAS (1) require entities to disclose their material rather than their significant accounting policies.	January 1, 2023.
Amendments to IAS (8)	The amendment to IAS (8) Accounting Policies, Changes in Accounting Estimates and Errors The distinction between accounting policies and changes in accounting estimates is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	January 1, 2023.
Amendments to IAS (12)	The amendments introduce an exception to the requirements in the standard that an entity does not recognize and does not disclose information about deferred tax assets and liabilities, an entity applies the exception and the requirement to disclose that it has applied the exception immediately upon issuance of the amendments	January 1,2023

Notes to the financial statements for the year ended December 31, 2023

Standards and Interpretations issued but not yet effective

Standard number or interpretation	Description	Effective date
IFRS (16) Leases	The amendment clarifies how a seller - lessee subsequently measures sale and lease back transaction.	January 1,2024
Amendments to IAS (1)	The amendments to Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date.	January 1, 2024 (Deferred from January 1, 2022).
Amendments to IAS 7 and IFRS7 regarding supplier finance arrangements	Amendments require entities to provide qualitative and quantitative information about supplier finance arrangements.	January 1,2024

2-4 Summary of significant accounting policies

- Financial instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

- Financial assets

- A financial asset is any asset that is:
 - (a) Cash;
 - (b) An equity instrument of another entity;
 - (c) A contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity.
 - (d) A contract that will or may be settled in the entity's own equity instruments.
- Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset, but for financial assets at fair value through profit or loss, transaction costs are recognized in profit or loss.
- Financial assets are classified to three categories as follows:
 - Amortized cost.
 - Fair value through other comprehensive income.
 - Fair value through profit or loss.
- A financial asset is measured at amortized cost if both of the following conditions are met:
 - (a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
 - (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met:
 - The financial assets is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
 - The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interests on that principal amount outstanding.
- All other financial assets (excluding financial assets at amortized cost or at fair value through other comprehensive income) are subsequently measured at fair value in profit or losses.
- On initial recognition of an equity investment that is not held for trading, the entity may irrevocably elect to present subsequent changes in the investments fair value in other comprehensive income.

Derecognition of financial assets

Derecognition of financial assets (or a part of a group of similar financial assets) when:

- The contractual rights to the cash flow from the financial assets expire, or
- It transfers the contractual rights to receive the cash flows of the financial assets or assume a contractual obligation to pay the cash flows entirely to a third party.

Financial liabilities

- A financial liability is any liability that is:
 - (a) A contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
 - (b) A contract that will or may be settled in the entity's own equity instruments.
- Financial liabilities are initially recognized at fair value less transaction costs, directly attributable to the acquisition or issue of those liabilities, except for the financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.
- After initial recognition, the entity measures all financial liabilities at amortized cost using the effective interest method, except for financial liabilities at fair value through profit or loss which are measured at fair value and other determined financial liabilities which are not measured under amortized cost method.
- Financial liabilities at fair value through profit or loss are stated at fair value, with any resulting gain or loss from change in fair value is recognized through profit or loss.

Cash and cash equivalents

Cash comprises cash on hand, current accounts and short term deposits at banks with a maturity date of three months or less, which are subject to an insignificant risk of changes in value.

Trade receivables

- Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- Trade receivables are stated at invoices (claims) amount net of allowance expected credit losses which represents the collective impairment of receivables.

Impairment of financial assets

- At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVTOCI are credit - impaired. A financial assets is "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
- The entity recognizes loss allowance for expected credit loss (ECL) on:
 - Financial assets measured at amortized cost.
 - Debt investments measured at FVOCI.
 - Contract assets.
- The entity measures loss allowances at an amount equal to lifetime ECLs.
- Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.
- When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Entity considers reasonable and supportable information that is relevant and available without undue cost or effort based in the entity's historical experience and forward looking information.
- The entity considers a financial asset to be in default when:
 - The client is unlikely to pay its credit obligations to the entity in full, without recourse by the entity to actions such as realizing security (if any); or
 - The financial asset is more than 360 days past due.
- Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

- A financial assets is written of when there is no reasonable expectation of recovering the contractual cash flows. The entity write of the gross carrying amount of the financial asset is in case of, liquidation, bankruptcy or issuance of a court ruling to reject the claim for financial asset.

Trade payables and accruals

Trade payables and accruals are liabilities to pay for goods or services that have been received or supplied and have been either invoiced or formally agreed with the suppliers or not.

Offsetting financial instruments

A financial asset and a financial liability are offset and the net amount presented in the statement of financial position when, and only when, an entity currently has a legally enforceable right to set off amounts and intends either to settle in a net basis, or through realize the asset and settle the liability simultaneously.

- Property and equipment

- Property and equipment are initially recognized at their cost being their purchase price plus any other costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.
- After initial recognition, the property and equipment are carried, in the statement of financial position, at their cost less any accumulated depreciation and any accumulated impairment. Land is not depreciated.
- The depreciation charge for each period is recognized as expense. Depreciation is calculated on a straight line basis, which reflects the pattern in which the asset's future economic benefits are expected to be consumed over the estimated useful life of the assets using the following rates:

<u>Category</u>	<u>Depreciation rate</u>
Furniture and decorations	%
Computers	15
Devices and equipment	25
	20-25

- The estimated useful lives are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.
 - The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
 - On the subsequent derecognition (sale or retirement) of the property and equipment, the resulting gain or loss, being the difference between the net disposal proceed, if any, and the carrying amount, is included in profit or loss.
 - Amount paid to build up property and equipment are initially carried to projects under construction account. When the project becomes ready for use, it will be transferred to property and equipment caption.
- #### - Revenue recognition
- The entity recognize revenue from sale of good and rendering of service when control is transferred to the customer.
 - Revenues are recognized based on consideration specified in contract with customer that expected to be received excluding amounts collected on behalf of third parties.

Leases contract

- A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. As for other types of lease contract, they are classified as operating lease contracts. The contracts are classified upon the start of the lease contract.
- Lease income from operating lease is recognized in income on a straight-line basis over the term of the relevant lease. Initial direct costs incurred by the entity in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognized as an expense over the lease term on the same basis as the lease income. Assets leased under operating leases are depreciated based on the same depreciation policy adopted by the entity for similar assets.

- **Income tax**

Income tax is calculated in accordance with Jordanian laws and regulations.

- **Revenue recognition**

Revenues are recognized based on consideration specified in contract with customer that expected to be received excluding amounts collected on behalf of third parties.

- **Foreign currencies**

- In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement date (closing rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.
- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise.

3. Other debit balances

	<u>2023</u>	<u>2022</u>
	JD	JD
Accrued revenue	20,606	20,848
Petty cash	1,729	3,715
Employees receivables	311	-
Total	<u>22,646</u>	<u>24,563</u>

Notes to the financial statements for the year ended December 31, 2023

4. Property and equipment

	Furniture	Computers	Office equipment	Total
	JD	JD	JD	JD
2023				
Cost				
Beginning of year balance	12,269	14,531	9,120	35,920
Additions	-	2,970	-	2,970
End of year balance	12,269	17,501	9,120	38,890
Accumulated depreciation				
Beginning of year balance	11,834	14,205	8,354	34,393
Depreciation	143	803	354	1,300
End of year balance	11,977	15,008	8,708	35,693
Net	292	2,493	412	3,197
2022				
Cost				
Beginning of year balance	12,269	14,531	9,120	35,920
End of year balance	12,269	14,531	9,120	35,920
Accumulated depreciation				
Beginning of year balance	11,691	13,751	7,947	33,389
Depreciation	143	454	407	1,004
End of year balance	11,834	14,205	8,354	34,393
Net	435	326	766	1,527

5. Other credit balances

	2023	2022
	JD	JD
Accrued expenses	57,392	35,156
Social security deposits	10,971	6,559
Income tax deposits	5,155	5,454
Total	73,518	47,169

6. Deferred revenue

	2023	2022
	JD	JD
NAZAHA:Support to social accountability and empowering civil Society for better governance	328,673	-
Granted property and equipment	253	760
Funding the sustainability of Rasheed (Transparency International-Jordan)	-	14,699
The Coordination Committee for Civil Society Organizations	-	6,599
Decentralization, Accountability and Integrity at Local Level Programme (DAILL)	-	3,628
Total	328,926	25,686

7. Capital

Shareholder Name	2023		2022	
	Percentage of ownership	Balance	Percentage of ownership	Balance
	%	JD	%	JD
Rania Sami Jadallah Bader	15	350	18	350
Samirah Izzat Abdelqader Qaddourah	15	350	18	350
Raja'a Mubarak Abdullah Alhiary	7.69	175	9	175
Adnan Khalaf Hamed Alsawaer	7.69	175	9	175
Noor Ziad Ahmed Almoghrabi	7.69	175	9	175
Jamal Ibrahim Omar Alsalah	7.69	175	9	175
Kholoud Suliman Ali Ghnimat	7.69	175	9	175
Zaidoon Ibrahim Mohammed Alqasem	7.69	175	9	175
Bashar Michael Odeh Alsharaihah	7.69	175	9	175
Sahar Nayef Qadri Al-Yousef	7.69	175	-	-
Abeer Bassam Youssef Ammari	7.69	175	-	-
	100	2,275	100	1,925

8. Statutory reserve

- Statutory reserve is allocated according to the Jordanian Companies Law by deducting 10% of the annual net profit until the reserve equals of the Company's subscribed capital. Such reserve is not available for dividends distribution.
- For the general assembly after exhausting other reserves to decide in an extraordinary meeting to quench its losses from the accumulated amounts in statutory reserve, and to rebuild it in accordance with the provisions of the law.

9. Accumulated deficit

The Company's accumulated deficit amounted to JD 36,506 which represents %1.605 of the company's capital as at December 31, 2023.

10. Grants

	2023	2022
	JD	JD
NAZAHA: Support to social accountability and empowering Civil Society for better governance	133,165	20,848
Integrity Roadmap Project	37,279	-
Integrity School and Academy 2022-2023	20,249	210,166
Funding the sustainability of Rasheed (Transparency International-Jordan)	14,706	31,099
Decentralization, Accountability and Integrity at Local Level Programme (DAILL) in Jordan	3,628	37,862
National Integrity System	-	1,575
The coordination committee for civil society organizations	-	205
Total	209,027	301,755

11. Direct expenses - projects

	2023	2022
	JD	JD
Salaries and wages	50,750	29,111
Professional fees	35,510	80,223
Workshops	12,414	21,440
Travelling and accommodation	7,429	58,492
Company's contribution in social security	7,253	2,969
Nazaha Project Subgrants	6,460	-
Per diem	3,140	-
Stationery and printings	2,582	7,405
Miscellaneous	870	448
Hall Rent	75	1,440
Scout activities	-	5,211
Insurance	-	200
Total	126,483	206,939

12. Indirect expenses – administrative

	2023	2022
	JD	JD
Salaries and wages	73,404	70,530
Company's contribution in social security	10,460	9,153
Office Rent	10,000	9,500
Insurance	3,988	2,737
Professional fees	3,596	3,000
Electricity and water	2,374	2,374
Governmental fees	1,337	594
Depreciation	1,300	1,004
Cleaning expenses	1,222	308
Miscellaneous	720	1,230
Stationery and printing	544	162
Hospitality	451	91
Bank commissions	198	198
Total	109,594	100,881

13. Tax status

The tax status was settled until year 2021 with Income Tax Department, and in the management's opinion there will not be any potential tax liabilities on the company.

14. Risk management

a) Capital risk:

- Regularly, the capital structure is reviewed and the cost of capital and the risks associated with capital are considered. In addition, capital is managed properly to ensure continuing as a going concern while maximizing the return through the optimization of the debt and equity balance.
- The Company's accumulated deficit amounted to JD 36,506 which represents %1.605 of the company's capital as at December 31, 2023.

b) Currency risk:

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
- The risk arises on certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year.
- The entity is not exposed to currency risk.

c) Interest rate risk:

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
- The risk arises on exposure to a fluctuation in market interest rates resulting from borrowings and depositing in banks.
- The risk is managed by maintaining an appropriate mix between fixed and floating interest rates balances during the financial year.

d) Other price risk:

- Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
- The risk arises from investing in equity investments.
- The entity is not exposed to other price risk.

e) Credit risk:

- Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- The brokerage clients receivables are guaranteed to be collected under the investment portfolios of those receivables, and the lower the market value of those portfolios, the higher the risk of collecting those receivables.

f) Liquidity risk:

- Liquidity risk is the risk of encountering difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
- Liquidity risk is managed through monitoring cash flows and matching with maturity dates of the financial assets and liabilities.
- The following table shows the maturity dates of financial assets and liabilities as of December 31:

Description	Less than a year	
	2023	2022
	JD	JD
Financial assets:		
Current accounts at bank	344,295	40,652
Other debit balances	22,646	24,563
Total	366,941	65,215
Financial liabilities:		
Other credit balances	73,518	47,169
Deferred revenue	328,926	25,686
Total	402,444	72,855

15. The potential effects of economic fluctuations

As a result of the current global conflict, where the entity has taken into account any possible impact of current economic fluctuations in the inputs of future macroeconomic factors when determining the severity and probability of economic scenarios to determine expected credit losses.