Alijarah Holding Q.P.S.C.

Consolidated Financial Statements

For the Year Ended 31 December 2018

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Ernst & Young - (Qatar Branch)
P.O. Box 164
Burj Al Gassar, 24th floor
Majlis Al Taawon Street, Onaiza
West Bay
Doha, State of Qatar

Tel: +974 4457 4111
Fax: +974 4441 4649
doha@qa.ey.com
ey.com/mena

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALIJARAH HOLDING Q.P.S.C.

Report on the audit of consolidated financial statements

Opinion

We have audited the consolidated financial statements of Alijarah Holding Q.P.S.C. (the "Company") and its subsidiaries (together referred as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of income, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group 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 consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with 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 related to going concern

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements, which states that the Group has accumulated losses of QR 256,364,621, which exceeds 50% of the share capital as at 31 December 2018. This condition indicates the existence of a material uncertainty, which may cast doubt on the Group's ability to continue as a going concern.

Article 295 of the Qatar Commercial Companies' Law No. 11 of 2015 requires that if the shareholding company's losses amounted to half of the capital, the Board of Directors should call for an extraordinary general assembly meeting to discuss the continuation of the Company or its dissolution before the term specified in its Articles of Association. If the Board of Directors fails to call for the extraordinary general assembly or if it was impractical to adopt a decision on such matter, any interested party may request the competent court to dissolve the Company. In this regard, the Board of Directors confirmed its plan to call for an extra ordinary general assembly for the shareholders to pass a resolution to continue the operations of the Company, and to enable the Company to continue as a going concern and meet its financial commitments when they fall due. Also, the management is in the process of taking measures of improving its operations and hence, these consolidated financial statements have been prepared on a going concern basis.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALIJARAH HOLDING Q.P.S.C. (CONTINUED)

Report on the audit of consolidated financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenues recognised from property development project	
The Group is executing a residential complex development project for 895 land plots in Northern Villa and Seafront Western Area in Lusail for an assigned scope of setting up water, electricity and drainage networks, landscape works, street furniture and street lighting and gas network for the land plots. Recognition of revenue from the project involves significant judgements and managerial assumptions such as cost to complete budget, contingency costs and other macro-economic factors. Management estimates the revenue and budgeted costs at the commencement of the contract and regularly reassess the progress of construction works as well as the financial impact of scope changes, claims, disputes and liquidation damages. In addition, during the year the management had restated the consolidated financial statements with respect to the errors in property development revenues and costs recognised in past as disclosed in Note 19. We identified the revenues recognised on property development as a key audit matter because of the significant judgement involved in determining revenues and also due to the magnitude of the restatement and its significance to the consolidated financial statements.	Our audit procedures over revenue from property development included the following: • Obtained process understanding and evaluated the controls associated with contract budget estimation. • Assessed the appropriate application of IFRS 15 guidelines on revenue recognition on the property development project and the respective transition disclosures. • Visited the project site and discussed with the project team to understand the project progress. • Obtained the contract entered with the customer for the development of infrastructure and reviewed the scope assigned to the Group. • Discussed with the management and evaluated the triggering events causing the changes to the budgeted contract costs. • Inspected the communications received from the customer identifying the project gaps. • Inspected the quotations received from various subcontractors for the identified project gaps and additional work. • Tested the project cost to complete budget by tracing against the open contracts, quotations and management's estimates and evaluated the key assumptions used in arriving at management estimates. • Assessed the adequacy and completeness of the disclosures on the revenues recognised from property development for the year presented in Note 18 to the consolidated financial statements and the respective restatement related disclosures presented in Note 19 to the consolidated financial statements.

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALIJARAH HOLDING Q.P.S.C. (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Expected credit losses on installments and due from customers	
The Group's installments and due from customers consist of installments and due from customers on leasing and Islamic finance, property sales and other receivables. Gross installments and due from customers as at 31 December 2018 amounted to QR 108.9 million and out of which QR 87 million is classified as non-performing installments and due from customers. The Group has applied IFRS 9 – Financial Instruments under modified retrospective approach and accounted for an expected credit loss of QR 3.6 million on 1 January 2018 as transition adjustment. Further, the Group had accounted for expected credit losses of QR 56.7 million as at 31 December 2018. We identified assessment of expected credit losses (ECL) on installments and due from customers as a key audit matter because of the significance of installments and due from customers to the consolidated financial statements and due to the complex and subjective judgments over both timing of recognition of impairment and the estimation of the amount of such impairment.	Our audit procedures on testing expected credit losses included the following: • Inspected the management's process, systems and controls in determining the expected credit losses over installments and due from customers. • Evaluated the appropriateness of impairment methodology applied to the requirements as specified by the IFRS 9. • Performed tests of details over the identification of installments and due from customers under various default categories and evaluated the ratings assigned on each type of default categories based on the age of the outstanding installments and due from customers. • Tested the accuracy of key variables relevant for the installments and due from customers including the year-end balances, repayment history, past-due status by reviewing a sample of installments and due from customers. • Involved our internal specialist to evaluate the reasonableness of the underlying assumptions used in the ECL assessment by comparing the assumptions used to internal and external data. • Tested the mathematical accuracy of the model used in arriving at expected credit loss provision. • We also assessed whether the financial statement disclosures appropriately reflect the requirements of International Financial Reporting Standards.

Other Matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2017 were audited by another auditor whose report dated 8 February 2018 expressed an unqualified opinion on those consolidated financial statements.

Other information included in the Group's Annual Report 2018

Other information consists of the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon. The management is responsible for the other information. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALIJARAH HOLDING Q.P.S.C. (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Responsibilities of management and Board of Directors for the consolidated financial statements

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

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALIJARAH HOLDING Q.P.S.C. (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Furthermore, in our opinion, proper books of account have been kept by the Group, an inventory count has been conducted in accordance with established principles, and the consolidated financial statements comply with the Qatar Commercial Companies' Law No. 11 of 2015 and the Company's Articles of Association. We have obtained all the information and explanations we required for the purpose of our audit, and are not aware of any violations of the above mentioned law or the Articles of Association having occurred during the year, which might have had a material adverse effect on the Group's financial position or performance.

Ziad Nader
of Ernst & Young
Auditor's Registration No. 258

Date: 24 January 2019
Doha

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Doha
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ALIJARAH HOLDING (Q.P.S.C.)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Notes	2018	2017	As at 1 January 2017
		QR	QR	QR
			Restated	Restated
ASSETS				
Balances with financial institutions and cash	4	579,286,196	701,109,200	911,431,949
Installments and Due from Customers	5	44,616,069	67,840,812	111,045,956
Investment Securities	6	161,347,708	154,759,408	9,116,195
Inventories	7	12,468,920	3,083,139	4,266,117
Prepayments and Other Receivables	8	30,044,435	15,379,659	34,555,478
Intangible Asset	9	8,456,000	8,349,243	9,149,978
Investment Property	10	106,277,617	106,277,617	-
Property and Equipment	11	163,069,383	160,510,020	177,415,922
Total Assets		**1,105,566,328**	**1,217,309,098**	**1,256,981,595**
LIABILITIES AND EQUITY				
LIABILITIES				
Accounts Payable, Accruals and Other Payables	12	163,637,544	152,729,134	166,358,110
Islamic Financing Under Wakala Arrangements	13	76,423,363	101,909,351	59,914,884
Deferred Revenue	14	150,880,049	226,473,275	279,422,605
Total Liabilities		**390,940,956**	**481,111,760**	**505,695,599**
EQUITY				
Share Capital	15	494,802,000	494,802,000	494,802,000
Legal Reserve	16	476,187,993	486,228,609	486,228,609
Fair Value Reserve		-	(694,560)	32,315
Accumulated Losses		(256,364,621)	(244,138,711)	(229,776,928)
Total Equity		**714,625,372**	**736,197,338**	**751,285,996**
Total Liabilities and Equity		**1,105,566,328**	**1,217,309,098**	**1,256,981,595**

These consolidated financial statements were approved by the Board of Directors on 24th January 2019 and signed on their behalf by:

Salem Bin Butti Al-Nuaimi
Deputy Chairman

Hamad Shareef Al-Emadi
Chief Executive Officer

THE ACCOMPANYING NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

ALIJARAH HOLDING (Q.P.S.C.)
CONSOLIDATED STATEMENT OF Profit an Loss
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018	2017
		QR	QR Restated
Revenues			
Revenues from Core Business	18	140,293,955	123,464,773
Income from Investments	20	27,615,529	923,655
Other Income		716,627	952,394
TOTAL REVENUES & INCOME		**168,626,111**	**125,340,822**
Expenses			
Operating Expenses	21	(139,907,138)	(140,978,910)
General and Administration Expenses	22	(37,877,561)	(33,606,530)
TOTAL EXPENSES		**(177,784,699)**	**(174,585,440)**
NET OPERATING LOSS		**(9,158,588)**	**(49,244,618)**
Finance Income		18,185,770	23,149,212
Finance Cost		(1,886,764)	-
NET FINANCE INCOME		**16,299,006**	**23,149,212**
Gain on Revaluation of Investment Properties	10	-	**36,551,086**
PROFIT FOR THE YEAR		**7,140,418**	**10,455,680**
Basic and Diluted Earnings Per Share	24	**0.14**	**0.21**

THE ACCOMPANYING NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

ALIJARAH HOLDING (Q.P.S.C.)
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	QR	QR Restated
Profit for the Year	**7,140,418**	**10,455,680**
Other Comprehensive Income (Loss) that may be Reclassified to Profit or Loss in Subsequent Periods:		
Fair value movement on Available-for-Sale Investment Securities (IAS 39)	-	(726,875)
Other Comprehensive Loss for the year	**-**	**(726,875)**
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR	**7,140,418**	**9,728,805**

ALIJARAH HOLDING (Q.P.S.C.)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Share Capital	Legal Reserve	Fair Value Reserve	Accumulated Losses	Total
	QR	QR	QR	QR	QR
As at 1 January 2017	494,802,000	486,228,609	32,315	36,422,423	1,017,485,347
Correction of error (Note 19)	-	-	-	(266,199,351)	(266,199,351)
As at 1 January 2017 (Restated)	**494,802,000**	**486,228,609**	**32,315**	**(229,776,928)**	**751,285,996**
Profit for the Year (Restated)	-	-	-	10,455,680	10,455,680
Gain on Available- for-sale Investment Securities	-	-	(726,875)	-	(726,875)
Total Other Comprehensive (Loss)/ Income for the Year	-	-	**(726,875)**	**10,455,680**	**9,728,805**
Social and Sports Fund appropriation	-	-	-	(77,363)	(77,363)
Dividends Paid (Note 17)	-	-	-	(24,740,100)	(24,740,100)
Balance at 31 December 2017 (Restated)	**494,802,000**	**486,228,609**	**(694,560)**	**(244,138,711)**	**736,197,338**
Balance at 1 January 2018	494,802,000	486,228,609	(694,560)	(244,138,711)	736,197,338
Effect of adoption of IFRS 9 (Note 3.4a)	-	-	694,560	(4,488,334)	(3,793,774)
Balance at 1 January 2018 (Restated)	**494,802,000**	**486,228,609**	**-**	**(248,627,045)**	**732,403,564**
Profit for the Year	-	-	-	7,140,418	7,140,418
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	**7,140,418**	**7,140,418**
Social and Sports Fund Appropriation (Note 12)	-	-	-	(178,510)	(178,510)
Dividends Paid (Note 17)	-	(10,040,616)	-	(14,699,484)	(24,740,100)
Balance at 31 December 2018	**494,802,000**	**476,187,993**	-	**(256,364,621)**	**714,625,372**

THE ACCOMPANYING NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

ALIJARAH HOLDING (Q.P.S.C.)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018	2017
		QR	QR Restated
Cash Flows From Operating Activities			
Profit for the Year		7,140,418	10,455,680
Adjustments for:			
Depreciation and Amortization	22.a	19,081,943	29,488,594
Gain on Revaluation of Investment Properties	10	-	(36,551,086)
Gain on Investment Securities Measured at FVTPL	20	(15,996,487)	-
Gain on sale of Available-For-Sale Financial Assets	20	-	(737,659)
Net Allowance for Expected Credit Losses on Financial Assets		1,521,562	1,800,000
Dividend Income	20	(11,471,001)	-
Loss (Profit) on Disposal of Property and Equipment		5,147,244	(645,760)
Provision for Slow Moving Inventories	7	1,706,818	524,737
Finance Income		(18,185,770)	(23,149,212)
Finance Cost		1,886,764	-
Provision for employees' end of service benefits	12(a)	619,527	1,562,107
Net Operating Loss for the Year Before Working Capital Changes		**(8,548,982)**	**(17,252,599)**
Working Capital Changes			
Installments and Dues from Customers		18,120,705	41,405,144
Prepayments and Other Receivables		(11,717,318)	18,775,895
Inventories		2,858,983	658,241
Accounts Payable, Accruals and Other Payables		10,489,073	(19,182,006)
Deferred Revenue		(75,593,226)	(52,949,330)
Finance Cost Paid		(1,706,164)	-
Employees' End of Service Benefits Paid	12(a)	(559,300)	(2,785,181)
Net Cash Flows Used In Operating Activities		**(66,656,229)**	**(31,329,836)**
Cash Flows From Investing Activities			
Finance Income Received		15,238,312	23,549,136
Dividends Received		11,471,001	-
Purchase of Intangible Asset		(114,000)	(342,000)
Purchase of Property and Equipment	11	(16,195,114)	(47,297,559)
Additions to Capital Work in Progress		(29,379,656)	(44,157,594)
Net movement in Bank Term Deposit		(30,000,000)	(200,000,000)
Purchase of Investment Securities	5	(55,725,910)	(163,574,104)
Proceeds from disposal of Investment Securities		65,134,097	17,941,675
Proceeds from disposal of Property and Equipment		4,237,826	10,883,326
Net Cash Flows Used In Investing Activities		**(35,333,444)**	**(402,997,120)**

THE ACCOMPANYING NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

ALIJARAH HOLDING (Q.P.S.C.)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

Continued….

	Notes	2018	2017
		QR	QR Restated
Cash Flow From Financing Activities			
Dividends Paid		(24,127,268)	(17,990,260)
Proceeds From Financing Under Wakalah Arrangements	13	-	60,000,000
Repayment of Financing Under Wakalah Arrangements	13	(25,485,988)	(18,005,533)
Net Cash Flows (Used In) From Financing Activities		**(49,613,256)**	**24,004,207**
Net Decrease in Cash and Cash Equivalents		**(151,602,929)**	**(410,322,749)**
Cash and Cash Equivalents at the Beginning of the Year		**351,109,200**	**761,431,949**
Cash and Cash Equivalents at the End of the Year	4	**199,506,271**	**351,109,200**

THE ACCOMPANYING NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

1. INCORPORATION AND ACTIVITIES

Alijarah Holding Company Q.P.S.C. (the "Company") is a public shareholding company incorporated in the State of Qatar in accordance with resolution No. 35 issued on 21 April 2003 by the Ministry of Business and Trade. The Company is registered under commercial registration No. 26487 and is governed by the provisions of the Qatar Commercial Companies' Law No. 11 of 2015. The registered office of the Company is located at 'D' Ring Road, Doha, State of Qatar. The Company's shares are publicly traded at the Qatar Exchange.

The Company and its fully owned subsidiaries (together the "Group") are engaged in Leasing, Real Estate, Property Development, Transportation, Taxi Services and Driving School and operate through its fully owned subsidiaries established in the State of Qatar. The Group is committed to conduct all its activities in accordance with Islamic Sharia'a.

2. GOING CONCERN

The Group has accumulated losses of QR 256,364,621, which exceeds 50% of the share capital as at 31 December 2018.This condition indicate the existence of a material uncertainty, which may cast doubt on the Group's ability to continue as a going concern.

Article 295 of the Qatar Commercial Companies' Law No. 11 of 2015 requires that if the shareholding company's losses amounted to half of the capital, the Board of Directors should call for an extraordinary general assembly meeting to discuss the continuation of the Company or its dissolution before the term specified in its Articles of Association. If the Board of Directors fails to call for the extraordinary general assembly or if it was impractical to adopt a decision on such matter, any interested party may request the competent court to dissolve the Company. In this regard, the Board of Directors confirmed its plan to call for an extra ordinary general assembly for the shareholders to pass a resolution to continue the operations of the Company, and to enable the Company to continue as a going concern and meet its financial commitments when they fall due. Also, the management is in the process of taking measures of improving its operations and hence, these financial statements have been prepared on a going concern basis.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on historical cost basis, except for investment securities and investment property that have been measured at fair value. The consolidated financial statements are presented in Qatari Riyals (QR), which is the company's functional and presentational currency and all values are rounded to the nearest Qatari Riyal, except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements. An additional statement of financial position as at 1 January 2017 is presented in these consolidated financial statements due to the restatement as a result of prior period error (see note 19).

The Group presents its statement of financial position broadly in the order of liquidity. An analysis regarding recovery or settlement within 12 months after the end of the reporting year ("current") and more than 12 months of the end of the reporting year ("non-current") is presented in Note 27.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of income from the date of acquisition or up to the date of disposal, as appropriate.

The consolidated financial statements of the Group include the financial statements of the Company and its fully owned subsidiaries (listed below):

Name of subsidiaries	Country of incorporation	Principal activity
Alijarah Leasing Company	State of Qatar	Islamic leasing
Alijarah Equipment Company	State of Qatar	Transportation
Alijarah Limousine Company	State of Qatar	Taxi & Limousine services
Alijarah Property Development Company	State of Qatar	Property Development
Alijarah Driving Academy	State of Qatar	Driving School

3.3 Significant accounting judgements, estimates and assumptions

The preparation of the Group’s consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group’s accounting policies, management has made various judgements. Those which management has assessed to have the most significant effect on the amounts recognised in the consolidated financial statements have been discussed in the individual notes of the related consolidated financial statement line items.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Significant accounting judgements, estimates and assumptions (continued)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual notes of the related financial statement line items below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses for installments and due from customers (policy adopted from 1 January 2018)
The Group uses a provision matrix to calculate ECLs for installments and due from customers. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the leasing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's installments and due from customers is disclosed in Note 5.

Impairment losses on installments and due from customers (Policy adopted up to 31 December 2017)
The Group reviews its financing portfolio to assess impairment at least on a semi-annual basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgement as to whether there is any observable date indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of installments due from financing activities before the decrease can be identified with an individual financing in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a Group, or national or local economic conditions that correlate with defaults on assets in the Group.

Useful lives of property and equipment
The Group determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset, physical wear and tear, technical or commercial obsolescence. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Fair value of financial instruments
Where the fair values of financial assets and financial liabilities recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of liquidity and model inputs such as correlation and volatility for similar instruments.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Significant accounting judgements, estimates and assumptions (continued)

Valuation of investment property

Investment property is stated at fair value. The Group used an external, independent evaluator to determine the fair value of the investment property. The independent evaluator uses the market situations, estimated yield and expected future cash flows and the recent real estate transactions with similar characteristics and location of properties for the valuation of investment property.

If an independent valuation is carried out at the intermediate period, the management determines the year end valuation by applying appropriate discounting rate on the intermediate valuation based on the market situations, estimated yield and expected future cash flows. Thus, the management believes it’s a more transparent and accurate valuation.

3.4 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied IFRS 15 and IFRS 9 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for the revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration, all of the relevant facts and circumstances when applying the model to each of the contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Group adopted IFRS 15 using the modified retrospective method of transition whereby the Group shall recognize the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of retained earnings at 1 January 2018 and not restating the comparative financial information of 2017. Under this transition method, the Group has assessed only those contracts, which are not yet complete as at 1 January 2018.

The Group’s principal revenues are generated from leasing, taxi, transportation services, property development and driving school.

Leasing income

Leasing income and dividends are scoped out in IFRS 15 Revenue from Contracts with Customers resulting in no changes to the current accounting practice.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Changes in accounting policies and disclosures (continued)

New and amended standards and interpretations (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

Revenue from rendering of taxi, transportation services and driving school
Revenue from rendering of taxi, transportation services and driving school is recognized over the time as those services are provided. Under IFRS 15, the total consideration in the service contracts is allocated to all services based on their stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the Group sells the services in separate transactions. The Group has determined that the application of IFRS 15 has not resulted in significant differences on the timing of revenue recognition for these services.

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

The Group is currently carrying out a property development project in Lusail area. The only performance obligation under the contract is the development of infrastructure facilities in Lusail land plots. The contract for development of infrastructure project is considered to deliver a single performance obligation except for the warranty services. The Group has recognised revenue for the contract under IAS 11 Construction Contracts based on percentage of completion method in past as prescribed by the standard. Adoption of IFRS 15 has not resulted in a change of the unit of measure used in recognising revenues for the contract and has not resulted in a material difference in revenue and income recognised by the Group in prior periods.

The Group generally provides warranties for their service offerings but does not provide extended warranties in its contracts with customers. As such, the warranties provided by the Group on its contracts are assurance-type warranties under IFRS 15, which will continue to be accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets, consistent with its previous accounting policy.

Accordingly, The Group has adopted the below accounting policies for revenue recognition with effect from 1 Jan 2018.;

Property development revenue
The Group has determined that for engineering, procurement, installation and commissioning contracts, the customer controls all of the work in progress as the contracts being executed. This is because under those contracts, the final product is made to customer's specification and if a contract is terminated by the customer, then the Group is entitled to reimbursement of the costs incurred to date, including a reasonable margin.

Revenue is recognised over time based on the percentage of completion method. The related costs are recognised when they are incurred. Advances received are included in deferred revenue.

Rendering of taxi and transportation services
Revenue is recognised over time as the services are provided. Generally, the taxi services are provided in frequent basis and are rendered within a single reporting period. Further, the taxi and transportation services comprise of only a single performance obligation. Taxi and transportation fees are billed and collected at the same time.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Changes in accounting policies and disclosures (continued)

New and amended standards and interpretations (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

Rendering of driving school services

Revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue to recognised is assessed based on the no of lessons attended. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the Group sells the services in separate transactions.

Driving school services are generally provided upon collecting the full dues in advance.

IFRS 9 Financial instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Group applied IFRS 9 prospectively, with an initial application date of 1 January 2018. The Group has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other components of equity.

The effect of adopting IFRS 9 as at 1 January 2018 was, as follows:

Set out below are the IFRS 9 transition impact disclosures for the Group.

	Accumulated losses	Fair Value Reserve
	QR	QR
Opening balance under IAS 39 (1 January 2018)	**(244,138,711)**	**(694,560)**
Impact of reclassification of AFS Equity Securities to FVTPL	(694,560)	694,560
Impact of recognition of Expected Credit Losses (ECL)	(3,793,774)	-
Total adjustment on transition to IFRS 9	(4,488,334)	694,560
Opening balance under IFRS 9 (1 January 2018)	**(248,627,045)**	**-**

Classification and Measurement of Financial Instruments

Financial assets

Under IFRS 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Group's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Changes in accounting policies and disclosures (continued)

New and amended standards and interpretations (continued)

IFRS 9 Financial instruments (continued)

Classification and Measurement of Financial Instruments (continued)
***Financial assets* (continued)**

The classification and measurement requirements of IFRS 9 have led to reclassification of “available-for-sale” equity investments to fair value through profit or loss investment. The related fair value reserve was reclassified to retained earnings at 1 January 2018. Other debt investments remain to be classified as amortized cost financial assets.

The following are the changes in the classification of the Group’s financial assets:

	IAS 39	IFRS 9	IAS 39	Impact of IFRS 9		IFRS 9
	Measurement Category	Measurement Category	Carrying amount	Reclassifications	Remeasurements	Carrying amount
	QR	QR	QR	QR	QR	QR
Financial Assets						
Term deposits with Islamic banks	AC (L&R) (1)	AC (2)	570,000,000	-	(239,664)	569,760,336
Installments and Due from Customers	AC (L&R) (1)	AC (2)	67,840,812	-	(3,554,110)	64,286,702
Investment securities – AFS	AFS (3)	FVTPL (4)	154,759,408	(154,759,408)	-	-
Investment Securities - FVTPL	-	FVTPL(D) (4)	-	154,759,408	-	154,759,408 -

(1) Amortized Cost (Loans and Receivables) (3) Amortized Cost
(3) Available For Sale (4) Fair Value Through Profit or Loss (Designated)

Financial Liabilities
There were no changes to the classification and measurement of financial liabilities.

Exposures and Related ECL Movements

	QR
Exposure (Carrying Value) Subject to ECL	
Term deposits with Islamic banks	570,000,000
Installments and Due from Customers	119,523,281
Opening balance of Provisions as at 1 January 2018 (under IAS 39)	
Cash and Bank balances	-
Installments and Due from Customers	51,622,469
ECL Impact of Initial Application of IFRS 9	
Cash and Bank balances	239,664
Installments and Due from Customers	3,554,110
Opening Balance as at 1 January 2018 (Under IFRS 9)	
Cash and Bank balances	239,664
Installments and Due from Customers	55,176,579

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Changes in accounting policies and disclosures (continued)

New and amended standards and interpretations (continued)

IFRS 9 Financial instruments (continued)

Classification and Measurement of Financial Instruments (continued)

The key changes to the Group's accounting policies resulting from the adoption of IFRS 9 are summarized below. Since the comparative financial information has not been restated, the accounting policies in respect of the financial instruments for comparative periods are based on IAS 39 as disclosed in the audited consolidated financial statements as of and for the year ended 31 December 2017.

Classification of financial assets and financial liabilities
Under IFRS 9, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under IFRS 9, debt financial instruments are subsequently measured at fair value through profit or loss (FVTPL), amortized cost, or fair value through other comprehensive income (FVTOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The new classification and measurement of the Group's debt financial assets are, as follows:

- Debt instruments at amortized cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's Installments and due from customers, Due from related parties, and Other non-current financial assets.

Other financial assets are classified and subsequently measured, as follows:

- Financial assets at FVTPL comprise quoted equity instruments which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVTOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Under IAS 39, the Group's quoted equity securities were classified as AFS financial assets. Upon transition the AFS reserve relating to quoted equity securities, which had been previously recognized under accumulated OCI, was reclassified to Retained earnings.

The assessment of the Group's business models was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The accounting for the Group's financial liabilities remains largely the same as it was under IAS 39. Similar to the requirements of IAS 39, IFRS 9 requires contingent consideration liabilities to be treated as financial instruments measured at fair value, with the changes in fair value recognized in the statement of profit or loss.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Changes in accounting policies and disclosures (continued)

New and amended standards and interpretations (continued)

IFRS 9 Financial instruments (continued)

Impairment
The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVTPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For Installments and due from customers and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

In all cases, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payment are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

The adoption of the ECL requirements of IFRS 9 resulted in increases in impairment allowances of the Group's debt financial assets. The increase in allowance resulted in adjustment to accumulated losses of QR 3,793,774.

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 Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 16 Leases
IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17.

BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Changes in accounting policies and disclosures (continued)

New and amended standards and interpretations (continued)

IFRS 16 Leases (continued)

The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

During 2019, the Group will continue to assess the potential effect of IFRS 16 on its consolidated financial statements.

The following standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

Standard/Interpretation	Content	Effective Date
IFRS 17	Insurance Contracts	1 January 2021
IFRIC Interpretation 23	Uncertainty over Income Tax Treatment	1 January 2019
Amendments to IFRS 9	Prepayment Features with Negative Compensation	1 January 2019
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to IAS 28	Long-term interests in associates and joint ventures	1 January 2019

Annual Improvements 2015-2017 Cycle (issued in December 2017)

Standard/Interpretation	Content	Effective Date
IFRS 3	Business Combinations	1 January 2019
IFRS 11	Joint Arrangements	1 January 2019
IAS 12	Income Taxes	1 January 2019
IAS 23	Borrowing Costs	1 January 2019

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Summary of significant accounting policies (continued)

The accounting policies adopted are consistent with those of the previous financial year except for the changes resulting from the adoption of IFRS 9 and 15. below are the summary of significant accounting policies prior to the adoption of IFRS 9 and 15.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity.

The Group has determined the Chief Executive Officer of the Company as its chief operating decision maker. All transactions between operating segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in Company. Income and expenses directly associated with each segment are included in determining operating segment performance.

Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the end of the reporting year. All differences are taken to the consolidated statement of income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain and losses on revaluation of foreign currency non-monetary available-for-sale investments are recognized in the consolidated statement of changes in equity.

Balances with financial institutions and cash

Balances with financial institutions and cash represent cash, bank balances, balances with financial institutions and other short-term highly liquid investments with original maturities of three months or less.

Financial Instruments

The Group classifies its financial instruments in the following categories. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Management determines the classification of its financial instruments at initial recognition.

Installments and dues from customers

Installments and dues from customers are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Islamic financing such as Ijarah and Morabaha are stated at their gross principal amount less any amount received, allowance for impairment and unearned profit. Subsequent to initial measurement, installments and dues from customers are carried at amortized cost less allowance for impairment.

Available-for-sale financial assets ("AFS")

Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in equity prices. AFS include equity securities.

The Group uses trade date accounting for regular way contracts when recording financial assets and liabilities. Financial assets are initially recognized at fair value plus transaction costs. AFS are carried at fair value subsequent to initial recognition. Gains and losses arising from changes in the fair value of AFS are recognized directly in equity, until the financial asset is derecognized or impaired. At this time, the cumulative gain or loss previously recognized in equity is recognized in consolidated statement of income.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Summary of significant accounting policies (continued)

Financial Instruments

(c) Islamic financing under wakalah arrangements

Financial instruments or their components issued by the Group, are classified as financial liabilities under 'Islamic Financing under Wakalah Arrangements', where the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder. 'Islamic Financing under Wakalah Arrangements' are initially recognized at fair value net of transaction costs incurred. After initial measurement, Islamic Financing under Wakalah Arrangements are subsequently measured at amortized cost using the EIR method.

De-recognition of financial assets and financial liabilities

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognized when they are extinguished that is, when the obligation is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs are those expenses incurred in bringing inventories to their present location and condition at purchase cost on a weighted average basis. Net realizable value is based on estimated selling price less any further costs expected to be incurred on disposal.

Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business or use in the production or supply of goods and services or for administrative purposes. Investment properties are measured by applying the fair value model.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other cost directly attributable to bringing the investment property to a working condition for their intended use and capitalized borrowing cost.

Any gain or loss on disposal of any investment property (calculated as a difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss.
When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Leasing

The determination of whether an arrangement is a lease or it contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Group as a lessee

Leases which do not transfer to the Group substantially all the risks and benefits incidental to ownership of the leased items are operating leases.

Operating lease payments are recognized as an expense in the consolidated statement of income on a straight line basis over the lease term.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Summary of significant accounting policies (continued)

Group as a lessor
Leases where the Group does not transfer substantially all the risk and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized on a straight line basis over the lease term.

Fair values
The fair values of quoted investments in active markets are based on current bid prices. If there is no active market for a financial asset, the Group establishes fair value using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants.

The fair value of an investment property is determined by independent real estate valuation experts with recent experience in the location and category of the property being valued. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein parties had each acted knowledgeably.

Transfers are made to or from investment properties only when there is a change in use evidenced by the end of owner-occupation and commencement of an operating lease to another party or completion of construction or development. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of the change in use.

Offsetting financial instruments
Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Impairment of financial assets

(a) Financial assets carried at amortized cost
The Group assesses at the end of each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are significant, and individually or collectively for financial assets that are not significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Summary of significant accounting policies (continued)

Impairment of financial assets (continued)

(a) Financial assets carried at amortized cost (continued)
The amount of financing loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective profit rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the consolidated statement of income. If a financing has a variable rate, the discount rate for measuring any impairment loss is the current effective profit rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable. For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the Group and historical loss experience for assets with credit risk characteristics similar to those in the Group.

When a financing is uncollectible, it is written off against the related allowance for financing impairment. Such financing facilities are written off after all the necessary procedures have been completed and the amount of the loss has been determined. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in the consolidated statement of income in impairment charge.

(b) Financial assets classified as AFS
The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as AFS, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the assets are impaired. If any such evidence exists for AFS financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in consolidated statement of income is removed from equity and recognized in the consolidated statement of income. Impairment losses recognized in the consolidated statement of income on equity instruments are not reversed through the consolidated statement of income.

Intangible Assets
Driving School License
The cost incurred in acquiring a license to operate the driving school is recorded as intangible asset in the consolidated statement of financial position. The license has an indefinite useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of income when this asset is recognized.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Summary of significant accounting policies (continued)

Intangible Assets (continued)

Software

The cost incurred for the development or acquisition of software is recorded as intangible asset in the consolidated statement of financial position. Subsequent costs are included in the asset carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the software will flow to the Group and the cost can be measured reliably.

For each module or component of a software project, amortization should start when the computer software is ready for its intended use and placed in service. The software is amortized using the straight line method over its estimated useful life. The estimated useful life might be changed subsequently considering the effects of obsolescence, technology, and other economic factors on useful life.

The software carrying amount is written down immediately if it's use is not expected to provide substantive service benefit to the Group.

Property and Equipment

Property and equipment are stated at historical cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of items. Subsequent costs are included in the asset carrying amount or recognized as a separate asset, as appropriate, only when it is probable that
future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated using the straight-line method to write off the cost of property and equipment to their estimated residual values over their expected useful lives as follows:

	Years
Building	10 - 25
Office equipment	4-5
Furniture and fixtures	5
Heavy Equipment, trucks and motor vehicles	5

Land is not depreciated. An asset's carrying amount is written down immediately to its recoverable amount if the assets' carrying amount is greater than recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. Repairs and maintenance are charged to the consolidated statement of income when the expenditure is incurred.

Capital work-in-progress represents renovation work and construction work which are carried at cost, less any recognized impairment loss. Cost includes professional fees and related construction costs. Upon the completion of the work, the balance of work-in-progress will be transferred to the relevant caption under property and equipment.

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.

Deferred Revenue

Deferred Revenue is valued at cost plus attributable profit less foreseeable losses. Attributable profit is recognized on a percentage completion basis when the outcome of a contract can be assessed with reasonable certainty.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Summary of significant accounting policies (continued)

Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

Employees' End of Service Benefits

The Group makes provision for end of service benefits payable to its expatriate employees on the basis of the employees' length of service in accordance with the employment policy of the Group and the applicable provisions of Qatar Labor Law number 14 of 2004. The expected costs of these benefits are accrued over the period of employment. The liability recognized in the statement of financial position in respect of employees' end of service indemnity is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by management using the projected unit credit method.

The current service cost of the defined benefit plan, recognized in the statement of income in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Defined contribution plans

Also the Group provides for its contribution to the State administered retirement fund for Qatari employees in accordance with the retirement law, and the resulting charge is included within the personnel cost under the general administration expenses in the consolidated statement of income. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized when they are due.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of financing and other costs that an entity incurs in connection with the borrowing of funds.

Earnings per share

The group basic diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary share outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

Revenue Recognition

Construction contracts

When the outcome of individual contracts can be foreseen with reasonable certainty and can be measured reliably, margin is recognized by reference to the stage of completion, based on the percentage margin forecast at completion. The stage of completion is measured by the proportion of contracts costs incurred for work performed to date to the estimated total contract costs or the proportion of the value of work done to the total value of work under contract. Full provision is made for all known expected losses on individual contracts immediately once such losses are foreseen. Margin in respect of variations in contract work and claims is recognized if it is probable they will result in revenue.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Summary of significant accounting policies (continued)

Revenue Recognition (continued)

Leasing income

Income from Islamic Financing and investment contracts under Islamic Sharia'a principles are recognized in the consolidated statement of income using a method that is analogous to the effective 'yield' rate. Fees and Commissions are generally recognized when the related service has been provided.

Transportation income

Transportation income represents revenue generated from services provided to local customers in respect of transportation of raw materials under a contract with customers. Transportation Income is recognized on accrual basis when the services are provided.

Taxi income

Taxi income represents revenue generated from performing public taxi services in Qatar under the franchise agreement with Karwa (Mowasalat), the income is recognized when earned based on actual collections from customers.

Income from deposits

Profit from Term Deposits is recognized on a time proportion basis using the effective profit rate method.

Dividend income

Dividend income is recognized when the right to receive payment is established.

4. BALANCES WITH FINANCIAL INSTITUTIONS AND CASH

	2018	2017
	QR	QR
Cash on Hand	214,222	216,773
Current Accounts with Islamic Banks	12,310,258	28,227,455
Current accounts with a Conventional Bank	5,417,578	4,803,923
Term Deposits with Islamic Banks	530,000,000	570,000,000
Deposits with financial institutions	31,564,213	97,861,049
	579,506,271	701,109,200
Allowance for expected credit losses	(220,075)	-
Balances with financial institutions and cash	**579,286,196**	**701,109,200**

Bank term deposits carry profit at commercial market rates. The Group has pledged 76,423,363 and 17,038,000 of the term deposit to fulfill collateral requirements of Islamic financing and Letter of guarantees.

4. BALANCES WITH FINANCIAL INSTITUTIONS AND CASH (CONTINUED)

Movements in the allowance for expected credit losses as follows:

	2018	2017
	QR	QR
Impact of application of IFRS on 1 Jan 2018	239,664	-
Reversal of allowance during the year	(19,589)	-
Balance at 31 December	**220,075**	**-**

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances:

	2018	2017
	QR	QR
Balances with financial institutions and cash prior to the expected credit losses	579,506,271	701,109,200
Term deposits maturing after 3 months	(380,000,000)	(350,000,000)
Cash and cash equivalents	**199,506,271**	**351,109,200**

5. INSTALLMENTS AND DUES FROM CUSTOMERS

			2018	2017
			QR	QR
Gross Installments Due from Leasing			108,525,012	115,539,755
	2018	**2017**		
Morabaha	*94,604,763*	*104,715,057*		
Ijarah	*13,920,249*	*10,824,698*		
Less: Deferred Profits of Future Installments			(7,609,675)	(4,584,246)
	2018	**2017**		
Morabaha	*2,586,460*	*3,190,930*		
Ijarah	*5,023,215*	*1,393,316*		
Net Installments Due From Leasing			**100,915,337**	**110,955,509**
Installments Due From Property Sales			-	3,333,720
Other Trade Receivables			427,239	5,174,052
Gross Installments and Dues From Customers			101,342,576	119,463,281
Allowance for expected credit losses			(56,726,507)	(51,622,469)
Total Installments and Dues From Customers			**44,616,069**	**67,840,812**
Maturity profile of installments and dues from customers (net of deferred profits)				
Not later than 1 year			24,960,254	29,737,230
Later than 1 year and not later than 5 years			18,641,768	37,147,208
Later than 5 years			1,014,047	956,374
			44,616,069	**67,840,812**

5. INSTALLMENTS AND DUES FROM CUSTOMERS (CONTINUED)

Movement in allowance of expected credit losses for receivables	2018	2017
	QR	QR
Balance at 1 January	51,622,469	49,822,469
Impact of initial application of IFRS 9	3,554,110	-
As at 1 January (adjusted)	**55,176,579**	49,822,469
Provision during the year	5,629,612	1,800,000
Reversals during the year	(4,079,684)	-
Balance at 31 December	**56,726,507**	**51,622,469**

6. INVESTMENT SECURITIES

	2018	2017
	QR	QR
Financial assets measured at FVOCI	-	154,759,408
Financial Assets measured at FVTPL	161,347,708	-
Quoted Equity Investments	**161,347,708**	**154,759,408**

Note: Quoted equity investments have been valued using Level 1 measurement techniques as per IFRS 7 and there have been no transfers between Level 1 and Level 2 fair value measurements. There are no Level 3 fair value measurements.

7. INVENTORIES

	2018	2017
	QR	QR
Vehicles	11,115,107	-
Spare parts and consumables	4,981,979	5,004,487
Gross inventories	16,097,086	5,004,487
Provision for Slow Moving Inventories	(3,628,166)	(1,921,348)
	12,468,920	**3,083,139**

Movement in Provision for Slow Moving Inventories	2018	2017
	QR	QR
Balance at 1 January	1,921,348	1,396,611
Addition during the year	1,706,818	524,737
Balance at 31 December	**3,628,166**	**1,921,348**

During 2018, the Group transferred vehicles from property and equipment to inventory with total a cost of QR 22,173,332 and accumulated depreciation of QR 7,617,695 (net book value QR 14,555,637).

8. PREPAYMENTS AND OTHER RECEIVABLES

	2018	2017
	QR	QR
Advance Payments to Suppliers	18,760,721	7,019,612
Pre-payments and other receivables	4,291,162	4,319,924
Profits Accrued on Bank Deposits	6,787,902	3,840,443
Security Deposit	204,650	199,680
	30,044,435	**15,379,659**

9. INTANGIBLE ASSET

	Driving School License	Software	Total
	QR	QR	QR
Cost:			
At 1 January 2018	8,000,000	4,944,335	12,944,335
Additions	-	114,000	114,000
Written off	-	(12,150)	(12,150)
At 31 December 2018	**8,000,000**	**5,046,185**	**13,046,185**
At 1 January 2017	8,000,000	4,602,335	12,602,335
Additions	-	342,000	342,000
At 31 December 2017	8,000,000	4,944,335	12,944,335
Amortization:			
At 1 January 2018	-	4,595,092	4,595,092
Charge for the year	-	7,243	7,243
Relating to write off	-	(12,150)	(12,150)
At 31 December 2018	**-**	**4,590,185**	**4,590,185**
At 1 January 2017	-	3,452,357	3,452,357
Charge for the year	-	1,142,735	1,142,735
At 31 December 2017	-	4,595,092	4,595,092
Net carrying amounts:			
31 December 2018	**8,000,000**	**456,000**	**8,456,000**
31 December 2017	8,000,000	349,243	8,349,243

9 INTANGIBLE ASSET (CONITNUED)

	2018	2017
	QR	QR
Amortization attributable to General and Administration (Note 22)	7,243	15,239
Direct costs forming part of Operating expenses – Transportation and Taxi division (Note 21)	-	1,127,496
	7,243	**1,142,735**

On 2 September 2013, the Group purchased a license to operate a driving school assigned with a local company ("transferee"). The license was purchased as a part of a transfer of the ownership of the local company to the Group.
At the date of transfer of ownership of the local company, the only asset held by the transferee was the license to operate a driving school amounting to QR 8 Million. The license granted to the Group has an indefinite useful life.

As of 31 December 2018, the operations of the driving school were at preliminary stages.

10. INVESTMENT PROPERTY

	2018	2017
	QR	QR
Balance at 1 Jan	106,277,617	-
Transfers from property and equipment	-	69,726,531
Change in fair value	-	36,551,086
Balance at 31 December	**106,277,617**	**106,277,617**

The investment property includes a property leased out under an operating lease agreement to third parties. The fair value of the Group's investment properties at 31 December 2018 has been arrived at on the basis of a valuation carried out at that date by an independent valuer not related to the Group. The valuations were prepared by certified valuers, specialized in the valuation of real estate and similar activities. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties and discounted cash flows coupled with market and other evidence. In estimating the fair value of the properties, the lowest and best use of the properties is their current use.

11. PROPERTY AND EQUIPMENT

	Land QR	Building QR	Office Equipment QR	Furniture and Fixtures QR	Heavy Equipment, Trucks and Motor Vehicles QR	Work in Progress QR	Total QR
Cost:							
At 1 January 2017	**29,991,000**	**29,613,387**	**6,733,894**	**8,927,001**	**196,274,797**	**78,001,405**	**349,541,484**
Additions	-	-	207,401	131,005	46,959,153	44,157,594	91,455,153
Disposal	-	(206,700)	(46,600)	(91,860)	(127,391,851)	-	(127,737,011)
Transfers to Investment Property	-	-	-	-	-	(69,792,870)	(69,792,870)
At 31 December 2017	**29,991,000**	**29,406,687**	**6,894,695**	**8,966,146**	**115,842,099**	**52,366,129**	**243,466,756**
Additions	-	-	455,820	727,857	15,011,437	29,379,656	45,574,770
Transfers to inventory	-	-	-	-	(22,173,332)	-	(22,173,332)
Disposal	-	(1,249,255)	(295,825)	(242,150)	(43,966,208)	-	(45,753,438)
Reclassification	-	79,550,284	-	-	-	(79,550,284)	-
At 31 December 2018	**29,991,000**	**107,707,716**	**7,054,690**	**9,451,853**	**64,713,996**	**2,195,501**	**221,114,756**
Accumulated Depreciation:							
At 1 January 2017	-	15,983,796	5,597,437	8,405,661	142,138,668	-	172,125,562
Charge for the year	-	3,092,200	571,468	386,231	24,295,960	-	28,345,859
Related to Disposal	-	(17,225)	(23,140)	(57,637)	(117,416,683)	-	(117,514,685)
At 31 December 2017	-	**19,058,771**	**6,145,765**	**8,734,255**	**49,017,945**	-	**82,956,736**
Charge for the year	-	4,215,839	430,846	137,007	14,291,008	-	19,074,700
Transfers to inventory	-	-	-	-	(7,617,695)	-	(7,617,695)
Related to Disposal	-	(1249255)	(292,350)	(235,434)	(34,591,329)	-	(36,368,368)
At 31 December 2018	-	**22,025,355**	**6,284,261**	**8,635,828**	**21,099,929**	-	**58,045,373**
31 December 2018	**29,991,000**	**85,682,361**	**770,429**	**816,025**	**43,614,067**	**2,195,501**	**163,069,383**
31 December 2017	29,991,000	10,347,916	748,930	231,891	66,824,154	52,366,129	160,510,020

11. PROPERTY AND EQUIPMENT (CONTINUED)

Depreciation charge for the year has been allocated in the consolidated statement of income on the following basis:

	2018 QR	2017 QR
Depreciation attributable to General and Administration (Note 22)	2,993,357	3,014,594
Direct costs forming part of Operating expenses – Transportation and Taxi division (Note 21)	16,081,343	25,331,265
	19,074,700	**28,345,859**

The Group had completed the construction and development of taxi complex, driving school and warehouses in 2018. The finance cost capitalized during the year ended 31 Dec 2018 related to the project is QR 1,953,917 (2017: QR 3,646,266).

12. ACCOUNTS PAYABLE, ACCRUALS AND OTHER PAYABLES

	2018 QR	2017 QR Restated
Accounts payable and advances from customers	47,641,266	57,631,956
Unclaimed dividends	12,471,583	11,858,751
Provision for employees' end of service benefits (a)	3,390,037	3,329,810
Provision for social contribution (b)	178,510	77,363
Accrued expenses	99,956,148	79,831,254
	163,637,544	**152,729,134**

Notes:

(a) Provision for employees' end of service benefits

	2018 QR	2017 QR
At 1 January	3,329,810	4,552,884
Charge for the year	619,527	1,562,107
Payments during the year	(559,300)	(2,785,181)
	3,390,037	**3,329,810**

(b) Contribution to Social and Sports Development Fund

Pursuant to Law No. 13 of 2008 and further clarification of the law issued in 2010, the Group made an appropriation of QR 178,510 for the year 2018 (QR 77,363 for the year 2017) to the Social and Sports Development Fund of Qatar. This amount represents 2.5% of the net profit for the year ended 31 December 2018.

13. ISLAMIC FINANCING UNDER WAKALAH ARRANGEMENTS

During 2016, the Group has obtained Islamic financing facility under Wakalah arrangement to fund construction and development of taxi complex, driving school and warehouses. The facility is secured by term deposits and it is a revolving facility renewed annually. The facility carries financing charges at market rates.

	2018	2017
	QR	QR
At 1 January	101,909,351	59,914,884
Additions	-	60,000,000
Paid	(25,485,988)	(18,005,533)
	76,423,363	**101,909,351**

14. DEFERRED REVENUE

	2018	2017
	QR	QR Restated
Deferred revenue	**150,880,049**	**226,473,275**

During 2010, the Group entered into an arrangement with Qatari Diar Real Estate Co., for undertaking the infrastructure development of the plot areas in the North and West Water Front of Lusail area. This amount will be recognized in the consolidated statement of income based on the percentage of completion of the infrastructure development.

15. SHARE CAPITAL

	2018	2017
	QR	QR
Authorized, Issued and Fully paid-up		
49,480,200 Ordinary Shares of QR 10 each	**494,802,000**	**494,802,000**

16. LEGAL RESERVE

In accordance with the Qatar Commercial Companies' Law No.11 of 2015, QR 321,621,300 received in excess of the nominal amount of the share issued during the year 2012 has been credited to the Legal reserve. The legal reserve is not available for distribution except in circumstances specified in the said Law. The Group has not appropriated any amount to legal reserve during the year as the reserve had already exceeded 50% of the Group's share capital.

17. DIVIDENDS PAID AND PROPOSED

During 2018, the Group paid a dividend of QR 0.50 per share amounting to QR 24,740,100 in respect of 2017 results. (2017: QR 0.50 per share amounting to QR 24,740,100 in respect of 2016 results).

The Board of Directors has proposed a cash dividend at 5% for the year ended 31 December 2018. The proposed dividends for the year ended 31 December 2018 will be submitted for approval at the Annual General Assembly meeting.

18. REVENUES FROM CORE BUSINESS

			2018 QR	2017 QR Restated
Revenue from leasing operations				
	2018	**2017**	2,726,362	3,023,853
Morabaha	*1,814,079*	*2,184,164*		
Ijarah	*912,283*	*839,689*		
Type of goods or services				
Revenue from transportation			-	16,307,571
Revenue from taxi operations			58,316,479	49,278,168
Revenue from plots resale			826,788	1,351,163
Profit on property installments			-	554,688
Revenue from real estate property development			75,593,226	52,949,330
Revenue from warehouse rental			2,580,000	-
Revenue from driving academy operations			251,100	-
			140,293,955	**123,464,773**

All the revenue sources of the Group are recognised over the period of time as the customer receives the benefits as and when the services are offered. All revenue sources are earned inside the State of Qatar.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are, as follows:

	2018 QR	2017 QR
Within one year	**150,880,049**	**75,593,226**
More than one year	**-**	**150,880,049**
	150,880,049	**226,473,275**

19. RESTATEMENT OF THE PROPERTY DEVELOPMENT REVENUES

In 2010, An agreement was signed between the Group and a local real estate investment company "Customer" to develop homogeneous residential, administrative and entertainment facilities for 895 land plots in Northern Villa and Seafront Western Area in Lusail (A new city under construction in Qatar). The Group's scope of infrastructure development comprises of setting up water, electricity and drainage networks, landscape works, street furniture and street lighting and gas network for land plots assigned with the Group in accordance with the specification in the agreement.

Over the period of executing the infrastructure project, the Company was recognizing the revenue from the project using the percentage of completion method.

During 2016, the Customer has identified gaps in specifications and scope of work assigned per contract in terms of landscaping, street lighting, street furnishing and the general layout and instructed the Group to rectify the identified gaps in project (remedial works). Accordingly, the Group acknowledged the gaps identified and obtained quotations for the fulfillment of the gaps from contractors. However, the related estimated costs for the remedial work were not considered in the overall budgeted cost in 2016 and 2017 which were the basis of revenue recognised in the past, as a consequence, revenues in 2016 and 2017 were misstated.

19. RESTATEMENT OF THE PROPERTY DEVELOPMENT REVENUES (CONTINUED)

The expected cost increases were not considered by the management in their project budgets and no revision to the project cost to complete budget is made with respect to this triggering event in 2016. In addition, the scope of work performed (remedial work) were not charged to the property development cost in 2016 and 2017. The associated costs of remedial work carried out by the main subcontractor for the year ended 31 December 2016 amounted to QR 73,204,470 and for the year ended 31 December 2017 amounted to QR 959,180.

During 2018, in light of the change in property development department's key executive, the management has identified these lapses and were able to conclude that they have not accounted for these operational changes (budget revision and accrual of contract cost) resulting to misstatement in revenue and contract cost for the years ended 31 December 2016 and 2017.

Accordingly, the management has resolved to correct these errors and restate its consolidated financial statements in accordance with IAS 8 Accounting policies, changes in accounting estimates and errors. The errors have been corrected by restating each of the financial statement line items for the prior periods as follows;

Impact on the consolidated statement of financial position;

	As reported in the consolidated financial statements as at		Adjustments		Restated	
	31 December 2017	1 January 2017	31 December 2017	1 January 2017	31 December 2017	1 January 2017
		QR	QR	QR		
Deferred revenue	41,798,731	86,427,724	184,674,544	192,994,881	226,473,275	279,422,605
Accounts payables, Accruals and Other payables	78,565,484	93,153,640	74,163,650	73,204,470	152,729,134	166,358,110
Retained earnings/ (Accumulated losses)	14,699,483	36,422,423	(258,838,194)	(266,199,351)	(244,138,711)	(229,776,928)

Impact on the consolidated income statement;

	As reported in the consolidated financial statements for the year ended 31 December 2017	Adjustments for the year ended 31 December 2017	As restated for the year ended 31 December 2017
	QR	QR	QR
Revenue from real estate property development	44,628,993	8,320,337	52,949,330
Property development costs	(38,844,614)	(959,180)	(39,803,794)
Profit for the year	3,094,523	7,361,157	10,455,680

20. INCOME FROM INVESTMENTS

	2018	2017
	QR	QR
Fair value gain on investment securities at FVTPL	15,996,487	-
Gain on FVTOCI financial assets	-	737,659
Dividends received	11,471,001	-
Other income from financial assets	148,041	185,996
	27,615,529	**923,655**

21. OPERATING EXPENSES

	2018	2017
	QR	QR Restated
Cost of taxi operations	60,466,862	56,188,810
Property development cost	56,825,972	39,803,794
Depreciation and amortization (Note 9 and 11)	16,081,343	26,458,761
Cost of transportation operations	-	18,002,808
Provision for slow moving inventories	1,516,741	524,737
Loss on sale/retirement of property and equipment	5,016,220	-
	139,907,138	**140,978,910**

22. GENERAL AND ADMINISTRATION EXPENSES

	2018	2017
	QR	QR
Staff costs	15,844,393	12,476,455
Professional and Legal Fees	3,860,616	4,576,988
Depreciation and amortization (Note 9 and 11)	3,000,600	3,029,833
Software & Licenses	1,899,549	567,974
Impairment losses on financial assets (Note 4 and 5)	1,521,562	1,800,000
Business promotion	1,421,900	1,070,900
Repairs & Maintenance Expenses	1,309,627	810,624
Consumable Expenses	1,055,003	896,835
Discounts on settlement of dues	1,047,812	2,896,084
Rents, Licensing and Listing	849,974	672,671
General Meeting, telephone, recruitment Expenses	623,880	564,969
Director Fees	880,000	850,000
Advertising Expenses	596,444	432,018
Insurance	490,568	115,541
Travel Expenses	441,669	502,105
Donation and Charity	386,649	40,000
Provision for slow moving inventories	190,077	-
Staff Accommodation Expenses	176,784	174,750
Loss on Sale/Retirement of Property and Equipment	131,024	-
Postage Printing and Stationery	116,966	242,887
Bank charges & Commissions	110,396	314,054
Miscellaneous and site Expenses	1,922,068	1,571,842
	37,877,561	**33,606,530**

22.a EXPENSES BY NATURE

	2018	2017
	QR	QR Restated
Cost of Infrastructure	56,825,972	39,803,794
Staff Costs	40,146,485	37,154,509
Depreciation & Amortization (Note 9 and 11)	19,081,943	29,488,594
Fuel	14,587,097	12,472,051
Franchise Fees	9,687,901	12,320,000
Loss on Sale/Retirement of Property and Equipment	5,147,244	-
Rent & Accommodation Expenses	3,907,853	7,277,403
Vehicle Repairs & Maintenance	3,893,104	4,892,666
Professional and Legal Fees	3,860,616	4,576,988
Insurance Expenses	2,406,800	2,350,788
Software & Licenses	1,899,549	567,974
Provision for slow moving inventories	1,706,818	524,737
Provision for expected credit losses of financial assets	1,549,928	1,800,000
Business promotion	1,421,900	1,070,900
Repairs & Maintenance Expenses	1,369,553	924,423
Consumable Expenses	1,055,003	896,835
Discounts on settlement and dues	1,047,812	2,896,084
Taxi Management Fees	942,340	664,605
Director Fees	880,000	850,000
Rents Licensing and Listing	849,974	672,671
General Meeting, telephone, recruitment Expenses	623,880	564,969
Call Center Booking Fees	622,214	836,518
Advertising Expenses	596,444	432,018
Travel Expenses	441,669	502,105
Donation and Charity	386,649	40,000
Vehicle Licenses	233,694	610,404
Karwa Meter Related Expenses	218,840	433,125
Staff Accommodation Expenses	176,784	174,750
Postage Printing and Stationery	116,966	242,887
Bank charges & Commissions	110,396	314,054
Penalties & Fines	47,479	87,305
UBER Commission	43,247	43,502
Transportation Expenses	2,815	7,390,740
Miscellaneous and Site Expenses	1,895,730	1,708,041
	177,784,699	**174,585,440**

23. RELATED PARTY DISCLOSURES

Related parties represent major shareholders, directors and key management personnel of the Group and companies in which they are major owners. Pricing policies and terms of these transactions are approved by the Group's management.

Related party transactions

Transactions with related parties included in the consolidated statement of income are as follows:

Nature of Transaction	Relationship	2018	2017
		QR	QR
Transportation Revenue	Company chaired by Board Member	-	5,124,221
Profit on property installments	Chairman	-	483,863
		-	**5,608,084**

Key management personnel remuneration

	2018	2017
	QR	QR
Key management personnel remuneration	**4,573,169**	**5,745,141**

24. BASIC AND DILUTED EARNINGS PER SHARE

	2018	2017
	QR	QR
		(Restated)
Profit for the year (QR)	7,140,418	10,455,680
Weighted average number of shares	49,480,200	49,480,200
Basic and Diluted Earnings per share (QR)	**0.14**	**0.21**

There were no potentially diluted shares outstanding at any time during the year, therefore, the diluted earnings per share is equal to the basic earnings per share.

The weighted average numbers of shares have been calculated as follows:

	2018	2017
Qualifying shares at the beginning of the year	49,480,200	49,480,200
Balance at end of the year	**49,480,200**	**49,480,200**

25. SEGMENT REPORTING

Based on the nature of core activities of the business, the Group is segmented into five major operating segments. The major operating segments are given below with their respective revenue and analysis of Assets and Liabilities:

- Financial Leasing
- Transportation
- Property Development
- Driving School
- Taxi Services (including Limousine)

The Group operates geographically in only one segment, being in Doha-Qatar.

25. SEGMENT REPORTING

The following table presents segment revenues and profits of the Group's operating segments as at 31 December 2018 and 31 December 2017:

2018	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Revenues and Gains:								
External Parties	4,403,921	-	80,696,781	251,500	60,560,962	22,712,947	-	168,626,111
Internal Parties	-	-	-	-	220,753	-	(220,753)	-
Total Revenues and Gains	**4,403,921**	**-**	**80,696,781**	**251,500**	**60,781,715**	**22,712,947**	**(220,753)**	**168,626,111**
Profit (Loss) for the year	**(4,797,984)**	**-**	**16,604,322**	**(2,167,854)**	**(24,018,355)**	**21,520,289**	**-**	**7,140,418**
Finance Income	**763,022**	**-**	**3,971,614**	**-**	**1,443,598**	**12,007,536**	**-**	**18,185,770**
Finance Cost	**-**	**-**	**(1,886,764)**	**-**	**-**	**-**	**-**	**(1,886,764)**
Depreciation and amortization	**(4,100)**	**-**	**(3,801,981)**	**(79,334)**	**(14,957,540)**	**(238,988)**	**-**	**(19,081,943)**

2017	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Revenues and Gains:			(Restated)					(Restated)
External Parties	3,142,648	20,716,929	54,861,822		49,337,438	929,655	(3,647,670)	125,340,822
Internal Parties	-	93,272	-	-	-	-	(93,272)	-
Total Revenues and Gains	**3,142,648**	**20,810,201**	**54,861,822**	-	**49,337,438**	**929,655**	**(3,740,942)**	**125,340,822**
Profit (Loss) for the year	**(3,639,018)**	**(2,758,161)**	**50,242,547**	**(335,891)**	**(36,309,870)**	**3,256,073**	**-**	**10,455,680**
Finance Income	**3,062,464**	**48,015**	**6,130,863**	-	**1,935,639**	**11,972,231**	**-**	**23,149,212**
Fair value gain on revaluation of investment properties	**-**	**-**	**36,551,086**	-	**-**	**-**	**-**	**36,551,086**
Depreciation and amortization	**(9,163)**	**(3,715,746)**	**(2,771,992)**	-	**(22,758,253)**	**(233,440)**	**-**	**(29,488,594)**

25. SEGMENT REPORTING (CONTINUED)

The following table presents segment assets and liabilities of the Group's operating segments as at 31 December 2018 and 31 December 2017:

As of 31 December 2018	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR	QR	QR	QR	QR	QR
Current Asset	292,052,249	19,272,800	345,502,180	382,220	72,045,302	459,221,419	(541,921,017)	646,555,153
Non-Current Assets	19,669,565	183,680	222,658,945	14,009,012	40,531,927	161,958,046	-	459,011,175
Total Assets	**311,721,814**	**19,456,480**	**568,161,125**	**14,391,232**	**112,577,229**	**621,179,465**	**(541,921,017)**	**1,105,566,328**
Current Liabilities	(6,966,670)	(270,510)	(237,685,763)	(16,033,541)	(345,976,859)	(239,413,206)	495,721,017	(350,625,532)
Non-Current Liabilities	(73,459)	-	(36,986,579)	(31,008)	(579,823)	(2,644,555)	-	(40,315,424)
Total Liabilities	**(7,040,129)**	**(270,510)**	**(274,672,342)**	**(16,064,549)**	**(346,556,682)**	**(242,057,761)**	**495,721,017**	**(390,940,956)**

As of 31 December 2017	Financial Leasing	Transportation	Property Development	Driving School	Taxi Services	Holding	Elimination	Total
	QR	QR	QR (Restated)	QR	QR	QR	QR	QR (Restated)
Current Asset	277,898,666	14,748,536	418,850,584	1,880	10,363,036	523,949,743	(496,702,899)	749,109,546
Non-Current Assets	41,503,701	4,956,090	200,408,992	8,342,000	69,005,349	143,983,420	-	468,199,552
Total Assets	**319,402,367**	**19,704,626**	**619,259,576**	**8,343,880**	**79,368,385**	**667,933,163**	**(496,702,899)**	**1,217,309,098**
Current Liabilities	(6,331,529)	(359,573)	(302,933,912)	(7,831,796)	(288,616,767)	(282,833,376)	450,502,899	(438,404,054)
Non-Current Liabilities	(37,059)	(159,081)	(39,441,203)	(17,548)	(712,716)	(2,340,099)	-	(42,707,706)
Total Liabilities	**(6,368,588)**	**(518,654)**	**(342,375,115)**	**(7,849,344)**	**(289,329,483)**	**(285,173,475)**	**450,502,899**	**(481,111,760)**

During 2017, the Board of Directors decided to hold the operations of Transportation division of the Group, which was primarily focusing on industrial equipment transportation. However, the Board of Directors are currently reassessing the strategy on equipment transportation business and accordingly no operations took place during the period ended 31 December 2018.

26. CONTINGENT LIABILITIES & COMMITMENTS

	2018	2017
	QR	QR
Letter of guarantees from Islamic banks	**17,038,000**	16,930,600
Capital commitments	**188,421,605**	43,144,027
Operating lease commitments	**1,200,000**	1,300,000

The table below shows the maturity profile of the Group's operating lease:

	2018	2017
	QR	QR
Less than 1 year	**100,000**	100,000
1 – 5 years	**500,000**	500,000
More than 5 years	**600,000**	700,000

27. CURRENT AND NON-CURRENT ANALYSIS OF ASSETS AND LIABILITIES

2018	Non-current	Current	Total
	QR	QR	QR
ASSETS			
Balances with financial institutions and cash	-	579,286,196	579,286,196
Installments and dues from customers	19,655,817	24,960,252	44,616,069
Investment securities	161,347,708	-	161,347,708
Inventories	-	12,468,920	12,468,920
Prepayments and other receivables	204,650	29,839,785	30,044,435
Intangible asset	8,456,000	-	8,456,000
Investment property	106,277,617	-	106,277,617
Property and equipment	163,069,383	-	163,069,383
Total Assets	**459,011,175**	**646,555,153**	**1,105,566,328**
LIABILITIES			
Accounts payables, accruals and other payables	(40,315,427)	(123,322,117)	(163,637,544)
Islamic financing under wakalah arrangements	-	(76,423,363)	(76,423,363)
Deferred Revenue	-	(150,880,049)	(150,880,049)
Total Liabilities	**(40,315,427)**	**(350,625,529)**	**(390,940,956)**

27. CURRENT AND NON-CURRENT ANALYSIS OF ASSETS AND LIABILITIES (CONTINUED)

2017	Non-current	Current	Total
	QR	QR	QR
ASSETS			**(Restated)**
Balances with financial institutions and cash	-	701,109,200	701,109,200
Installments and dues from customers	38,103,583	29,737,229	67,840,812
Available for sale financial assets	154,759,408	-	154,759,408
Inventories	-	3,083,139	3,083,139
Prepayments and other receivables	199,681	15,179,978	15,379,659
Intangible asset	8,349,243	-	8,349,243
Investment property	106,277,617	-	106,277,617
Property and equipment	160,510,020	-	160,510,020
Total Assets	**468,199,552**	**749,109,546**	**1,217,309,098**
LIABILITIES			
Accounts payables, accruals and other payables	(42,707,706)	(110,021,428)	(152,729,134)
Islamic financing under wakalah arrangements	-	(101,909,351)	(101,909,351)
Deferred Revenue	-	(226,473,275)	(226,473,275)
Total Liabilities	**(42,707,706)**	**(438,404,054)**	**(481,111,760)**

28. FINANCIAL RISK MANAGEMENT

The activities of the Group expose it to routine financial risks, including the effects of defaults by customers, profit rates and liquidity. The Group seeks to minimize potential adverse effects on the financial performance of the Group by taking appropriate steps to address specific risk management areas, such as profit rate risk, credit risk and liquidity management. There is no foreign currency risk as all balances are in QR.

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 Group's exposure to credit risk is limited to the carrying amount of its financial assets which consist primarily of bank balances and financing facilities to customers. Credit risk on bank balance is limited to as deposits are placed with banks with high credit ratings assigned by international credit-rating agencies. Credit risk due from customers is limited by obtaining collaterals and mortgage on leasing facilities.

	2018	2017
	QR	QR
Balances with financial institutions	579,292,049	700,892,427
Installments and dues from customers	44,616,069	67,840,812
Other receivables	204,650	199,680
	624,112,768	**768,932,919**

28 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit Risk (continued)

	As at 31 December 2018			
	Gross carrying amount	Loss allowance provision	Net carrying amount	
	QR	QR	QR	Loss rate
Current – 30 days past due	12,166,254	(143,984)	12,022,270	1.18%
30 – 60 days past due	1,852,681	(2,351)	1,850,330	0.13%
61 – 90 days past due	312,033	(47,016)	265,017	15.07%
91 – 180 days past due	923,263	(203,518)	719,745	22.04%
181 – 360 days past due	15,313,809	(3,885,270)	11,428,539	25.37%
More than 360 days past due	70,774,536	(52,444,368)	18,330,168	74.10%
Total	**101,342,576**	**(56,726,507)**	**44,616,069**	**55.98%**

Equity price risk

Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The Group limits market risk by maintaining a diversified portfolio and by continuous monitoring of the developments in the local markets. The Group is subject to equity price risk in relation to its available for sale investments. The Group evaluates the current market and other factors including normal volatility in share price for quoted equities in order to manage its risk.

	Change in equity price	2018	2017
		QR	QR
Qatar Exchange	+/-10%	**16,134,771**	**15,475,941**

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity requirements are monitored on a periodic basis and the management ensures that sufficient funds are available to meet any future commitments. The Group also ensures liquidity by diversifying the Group's funding sources and entering into financial arrangements with reputable banks and financial institutions.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities based on the earliest date on which the Group can be required to pay or expect to receive.

Financial liabilities At 31 December 2018	Less than 1 year	1-5 years	Total
	QR	QR	QR
Accounts payable and accruals	123,322,120	40,315,424	**163,637,544**
Islamic financing under wakalah arrangements	78,716,064	-	**78,716,064**
	202,038,184	40,315,424	**242,353,608**

Financial liabilities At 31 December 2017	Less than 1 year	1-5 years	Total
	QR	QR	QR
Accounts payable and accruals	110,021,428	42,707,706	152,729,134
Islamic financing under wakalah arrangements	105,750,021	-	105,750,021
	215,771,449	**42,707,706**	**258,479,155**

28 FINANCIAL RISK MANAGEMENT (CONTINUED)

Profit Rate Risk

The Group's financing arrangements are solely through Islamic arrangements. Management of the Group believes that these financing arrangements are not sensitive to a change in market profit rates as they are fixed based on the rate applicable at the date of lending.

Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year-end 31 December 2018 and 31 December 2017. Capital comprises share capital and accumulated losses of QR 494.8 Million and QR 256.4 Million, respectively (2017: QR 494.8 Million and QR 244.1 Million, respectively).

29. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash and cash equivalents, installments and dues from customers and financial assets at FVTPL and certain other receivables. Financial liabilities consist of Islamic financing under wakalah arrangements, accounts payable, amounts due on construction contracts and certain other accruals.

Management believes that the fair values of financial assets and liabilities are not materially different from their carrying values.

30. FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets at amortised cost

	2018	2017
	QR	QR
Installments and due from customers	44,616,069	67,840,812
Balances with financial institutions	573,654,396	700,892,427
Security deposit	204,650	199,680
	618,475,115	**768,932,919**

Other financial liabilities at amortized cost

	2018	2017
	QR	QR
Trade and other payables	47,641,266	57,631,956
Islamic financing under wakalah arrangements	76,423,363	101,909,351
Unclaimed dividend	12,471,583	11,858,751
	136,536,212	**171,400,058**

Financial Assets at Fair Value Through Profit or Loss

	2018	2017
	QR	QR
Investment Securities at Fair Value Through Profit or Loss	**161,347,708**	-
Available for Sale Financial Assets	-	**154,759,408**

31. COMPARATIVE INFORMATION

Certain prior year numbers have been reclassified to conform to current year presentation. Such reclassification did not affect previously reported total equity or profit for the year.