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**MID HOLDING CO UK LTD**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**MID HOLDING CO UK LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	S A Majali Esq S S Majali Esq A B O Al Masri Esq A D Shepherd Esq A G S Yakhout Esq
<b>Company secretary</b>	S A Majali Esq
<b>Registered number</b>	09045035
<b>Registered office</b>	Unit 31 Bec 2 50 Wakering Road Barking IG11 8GN
<b>Independent auditors</b>	Barnes Roffe LLP Chartered Accountants Charles Lake House Claire Causeway Crossways Business Park Dartford Kent DA2 6QA

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**MID HOLDING CO UK LTD**

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## MID HOLDING CO UK LTD

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present their strategic report accompanying the consolidated financial statements for the year ended 31 December 2016.

#### **Business review**

Mid Holding Co UK Ltd (the "Company") is a company incorporated and domiciled in England and Wales. The principal activity of the Company in the year under review was that of the holding company of the Mid Group of companies ("Mid Group"), which principally acts as a design and build contractor of commercial, industrial and residential buildings.

The Company owns a number of trading companies in the UK and Middle East. The principal jurisdictions of trade are the Kingdom of Saudi Arabia, Jordan and the UK. The UK business has been trading for two years and still requires some support from the Company, which the Company is committed to providing for at least the coming 12 months. Notwithstanding this, the UK business is expected to reach a break-even position in 2017 and be profitable from thereon.

2016 was a year of consolidation, following the restructuring of the Mid Group in 2014. The Company is now well placed to identify and realise opportunities across all areas of its operations. The processes, procedures and controls put in place by the Company are greatly assisting the Mid Group in its growth plans.

2016 saw the award of a number of new contracts across all operating jurisdictions. This has allowed the Group to maintain the turnover and profitability figures. In 2017, the Company is aiming to further grow the business and is in a preferred bidder position on several major new projects, which will assist in delivering this aspiration.

The UK business has been awarded two more contracts in 2016, which are further assisting in the development of a track record for the business. The UK business is also now seeking to move into residential developments and will purchase at least one site in the UK in 2017. This will generate additional turnover for the UK business, whilst also supporting the strategic aspirations of targeting the residential market.

The Jordanian business is working on the delivery of a major new infrastructure project at the Port of Aqaba, as well continuing the delivery of the Amman Strategic Reserve Terminal for Petroleum Projects. Since the end of the year the business has also been awarded a major infrastructure project by UNICEF at the Zaatari Refugee Camp and a major grain silos project.

The KSA business continues to gain a foothold in a competitive market and has been awarded the refurbishment of a 5 star hotel in Riyadh, amongst other projects.

#### **Principal risks and uncertainties**

The directors are aware of the risks inherent in the construction market. The key risk is always considered to be the Health and Safety of our Staff, Employees and Subcontractors. The Company continues to invest heavily in Health & Safety, with no compromise afforded.

Other key risks to the business concern the competitive tendering process, subcontractor performance and client strength. The Company manages these risks through the processes and procedures it has in place, monitoring performance on projects and the quality of the staff it employs.

Where the Company identifies risks that it cannot manage or a risk that materialises, it will make an impairment in the affected subsidiary company.

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MID HOLDING CO UK LTD

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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Future developments**

The Company's future prospects are positive. The Mid Group is focused on strengthening its foothold in its key jurisdictions over the coming period. Each of the three main areas of operation are presenting good opportunities, which the business is well placed to capitalise on.

In 2017, the UK business continues to grow and was successful in obtaining a contract of £8M at the end of 2016 to build Stonebridge Primary School, commencing in June 2017. The UK business has also signed a £4.5m contract to build a new secondary school in Barking, East London.

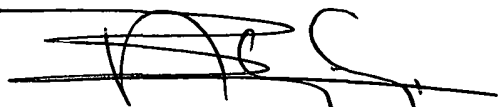
The UK development business, Sterling Living Limited, is currently purchasing land, with a view to developing residential property for sale. This will create an additional £9m construction contract for the contracting business.

Mid Contracting and Consulting Ltd is also in the final tender process of various other tenders with existing and new clients.

The Jordanian and KSA businesses have been awarded new contracts in early 2017. The Jordanian business has secured a major new project in Aqaba for the construction of several, large grain silos, as well as the award of an infrastructure project at the Zaatari Refugee camp.

In 2017 the Mid Group is focused on realising its investment in Building Information Modelling ("BIM"), through ensuring that all of its projects are delivered using BIM. This will have the benefit of improving quality and reducing risk, which will ultimately assist the Mid Group in winning more work and increasing profitability.

This report was approved by the board on 21/06/2017 and signed on its behalf.



**S A Majali Esq**  
Director

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## MID HOLDING CO UK LTD

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present their report and the financial statements for the year ended 31 December 2016.

#### Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Results and dividends

The profit for the year, after taxation and minority interests, amounted to £6,185,241 (2015 - £3,646,191).

The directors have not recommended the payment of an ordinary dividend.

#### Directors

The directors who served during the year were:

S A Majali Esq  
S S Majali Esq  
A B O Al Masri Esq  
A D Shepherd Esq  
A G S Yakhout Esq

#### Going concern

Mid Group has had another profitable year and with a strong forward order book, there is confidence that the Company and Group continue to be a going concern.

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MID HOLDING CO UK LTD

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Disclosure of information to auditors**

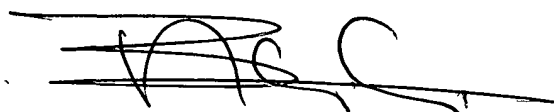
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**Auditors**

Under section 487(2) of the Companies Act 2006, Barnes Roffe LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 21 06 2017 and signed on its behalf.



**S A Majali Esq**  
Director

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## MID HOLDING CO UK LTD

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MID HOLDING CO UK LTD

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We have audited the financial statements of MID Holding Co UK Ltd for the year ended 31 December 2016, set out on pages 7 to 34. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Directors and Auditors**

As explained more fully in the Directors' responsibilities statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Group's and the parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 December 2016 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



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MID HOLDING CO UK LTD

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MID HOLDING CO UK LTD  
(CONTINUED)

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**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report and the Directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mario Ciantanni (Senior statutory auditor)

For and on behalf of

**Barnes Roffe LLP**

Chartered Accountants

Charles Lake House

Claire Causeway

Crossways Business Park

Dartford

Kent

DA2 6QA

Date: 21. June 2014.

MID HOLDING CO UK LTD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Turnover	4	55,275,950	46,777,816
Cost of sales		(41,878,088)	(35,510,811)
<b>Gross profit</b>		<b>13,397,862</b>	<b>11,267,005</b>
Administrative expenses		(4,714,123)	(6,933,969)
Other operating income		1,964	30,355
<b>Operating profit</b>	5	<b>8,685,703</b>	<b>4,363,391</b>
Income from participating interests		(1,115,748)	476,831
Interest receivable and similar income	9	177,516	437,134
Interest payable and expenses	10	(1,333,851)	(1,379,863)
<b>Profit before taxation</b>		<b>6,413,620</b>	<b>3,897,493</b>
Tax on profit	11	(226,182)	(251,302)
<b>Profit for the year</b>		<b>6,187,438</b>	<b>3,646,191</b>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		2,197	-
		<b>6,185,241</b>	<b>3,646,191</b>
		<b>6,187,438</b>	<b>3,646,191</b>

There were no recognised gains and losses for 2016 or 2015 other than those included in the consolidated statement of comprehensive income.

The notes on pages 14 to 34 form part of these financial statements.

**MID HOLDING CO UK LTD**  
**REGISTERED NUMBER: 09045035**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Intangible assets	14	191,022	208,877
Tangible assets	15	4,678,189	6,374,091
Investments	16	5,264,177	6,379,925
		<u>10,133,388</u>	<u>12,962,893</u>
<b>Current assets</b>			
Stocks		15,297,272	14,428,836
Debtors: amounts falling due within one year	18	49,756,092	36,491,292
Cash at bank and in hand	19	3,660,650	10,653,973
		<u>68,714,014</u>	<u>61,574,101</u>
Creditors: amounts falling due within one year	20	<u>(63,351,641)</u>	<u>(64,937,325)</u>
<b>Net current assets/(liabilities)</b>		<u>5,362,373</u>	<u>(3,363,224)</u>
<b>Total assets less current liabilities</b>		<u>15,495,761</u>	<u>9,599,669</u>
Creditors: amounts falling due after more than one year	21	(107,575)	(398,921)
<b>Net assets</b>		<u><u>15,388,186</u></u>	<u><u>9,200,748</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	1,000	1,000
Merger reserve		9,348,269	9,348,269
Profit and loss account		6,036,720	(148,521)
<b>Equity attributable to owners of the parent Company</b>		<u>15,385,989</u>	<u>9,200,748</u>
Non-controlling interests		2,197	-
		<u><u>15,388,186</u></u>	<u><u>9,200,748</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21/06/2017.

**S A Majali Esq**  
Director

The notes on pages 14 to 34 form part of these financial statements.

MID HOLDING CO UK LTD  
REGISTERED NUMBER: 09045035

COMPANY BALANCE SHEET  
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Intangible assets	14	11,297	12,744
Tangible assets	15	12,700	13,120
Investments	16	9,349,469	9,349,469
		<u>9,373,466</u>	<u>9,375,333</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	18	277,865	277,135
		<u>277,865</u>	<u>277,135</u>
Creditors: amounts falling due within one year	20	(351,502)	(302,734)
<b>Net current liabilities</b>		<u>(73,637)</u>	<u>(25,599)</u>
<b>Total assets less current liabilities</b>		<u>9,299,829</u>	<u>9,349,734</u>
<b>Net assets</b>		<u>9,299,829</u>	<u>9,349,734</u>
<b>Capital and reserves</b>			
Called up share capital	23	1,000	1,000
Merger reserve		9,348,269	9,348,269
Profit and loss account		(49,440)	465
		<u>9,299,829</u>	<u>9,349,734</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21/04/2017



**S A Majali Esq**  
Director

The notes on pages 14 to 34 form part of these financial statements.

MID HOLDING CO UK LTD

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Merger reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£	£
At 1 January 2016	1,000	9,348,269	(148,521)	9,200,748	-	9,200,748
Profit for the year	-	-	6,185,241	6,185,241	2,197	6,187,438
<b>At 31 December 2016</b>	<b>1,000</b>	<b>9,348,269</b>	<b>6,036,720</b>	<b>15,385,989</b>	<b>2,197</b>	<b>15,388,186</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital	Merger reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 January 2015	1,000	9,348,269	(259,712)	9,089,557	9,089,557
Profit for the year	-	-	3,646,191	3,646,191	3,646,191
Dividends: Equity capital	-	-	(3,535,000)	(3,535,000)	(3,535,000)
<b>At 31 December 2015</b>	<b>1,000</b>	<b>9,348,269</b>	<b>(148,521)</b>	<b>9,200,748</b>	<b>9,200,748</b>

The notes on pages 14 to 34 form part of these financial statements.

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**MID HOLDING CO UK LTD**

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	1,000	9,348,269	465	9,349,734
Loss for the year	-	-	(49,905)	(49,905)
<b>At 31 December 2016</b>	<b>1,000</b>	<b>9,348,269</b>	<b>(49,440)</b>	<b>9,299,829</b>

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2015	1,000	9,348,269	(111,643)	9,237,626
Profit for the year	-	-	3,647,108	3,647,108
Dividends: Equity capital	-	-	(3,535,000)	(3,535,000)
<b>At 31 December 2015</b>	<b>1,000</b>	<b>9,348,269</b>	<b>465</b>	<b>9,349,734</b>

The notes on pages 14 to 34 form part of these financial statements.

MID HOLDING CO UK LTD

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	6,187,438	3,646,191
<b>Adjustments for:</b>		
Amortisation of intangible assets	18,121	55,659
Depreciation of tangible assets	1,741,213	961,182
Profit on disposal of tangible assets	(341,273)	(130,108)
Interest paid	1,333,851	1,395,805
Interest received	(177,516)	(437,134)
Taxation charge	226,182	251,302
Increase in stocks	(868,436)	(8,100,632)
Decrease/(increase) in debtors	1,075,257	(4,616,111)
Decrease in amounts owed by groups	1,239,458	-
Increase in amounts owed by joint ventures and associates	(15,579,515)	-
(Decrease)/increase in creditors	(10,810,099)	1,385,120
Increase in amounts owed to groups	21,482,158	1,495,658
Increase in amounts owed to joint ventures and associates	850,916	-
Share of operating profit/(loss) in joint ventures	1,115,748	(476,833)
Taxation paid	(148,872)	(217,450)
<b>Net cash generated from operating activities</b>	<b>7,344,631</b>	<b>(4,787,351)</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(266)	(13,560)
Purchase of tangible fixed assets	(635,078)	(612,502)
Sale of tangible fixed assets	931,040	252,772
Interest received	177,516	437,134
<b>Net cash from investing activities</b>	<b>473,212</b>	<b>63,844</b>

MID HOLDING CO UK LTD

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
<b>Cash flows from financing activities</b>		
Repayment of loans	(13,050,371)	5,826,368
Repayment of finance leases	(222,737)	(283,106)
Dividends paid	-	(3,535,000)
Interest paid	(1,333,851)	(1,395,805)
<b>Net cash used in financing activities</b>	<b>(14,606,959)</b>	<b>612,457</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(6,789,116)</b>	<b>(4,111,050)</b>
Cash and cash equivalents at beginning of year	9,170,541	13,281,591
<b>Cash and cash equivalents at the end of year</b>	<b>2,381,425</b>	<b>9,170,541</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	3,660,650	10,653,973
Bank overdrafts	(1,279,225)	(1,483,432)
	<b>2,381,425</b>	<b>9,170,541</b>

The notes on pages 14 to 34 form part of these financial statements.



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## MID HOLDING CO UK LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. General information

Mid Holding Co UK Limited ("the Company") is a company limited by shares and incorporated in England and Wales. The address of the registered office is given in the company information page of these financial statements.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the exemption in S408 of the Companies Act 2006 not to present its individual profit and loss account and related notes that form a part of these approved financial statements.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the merger accounting method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### 2.3 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in joint ventures and associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)**

**2.4 Revenue recognition**

The Group principally operates through fixed price contracts. If the outcome of such contract can be reliably measured, revenue associated with the construction contract is recognised by reference to the stage of completion of the contract activity at the period end (the percentage completion method).

The outcome of a construction contract can be reliably measured when i) the total contract revenue can be reliably measured; ii) it is probable that the economic benefits associated with the contract will flow to the entity; iii) the cost to complete the contract and the stage of completion can be measured reliably so that the actual contract costs incurred can be compared with prior estimates. When the outcome of a construction contract cannot be reliably estimated contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable.

When it is probable that total contract costs will exceed total contract revenue than the expected loss is recognised as an expense immediately.

**2.5 Bid and pre-contract costs**

Costs incurred with bidding for construction contracts are written off as incurred and it is only once the Group and its subsidiaries are reasonably certain that the contract will be secured that these costs are capitalised.

**2.6 Intangible assets**

Intangible assets acquired through business combination are recorded at fair value on that date.

Goodwill represents amounts arising on the acquisition of subsidiaries and jointly controlled entities and amounts to the difference between the fair value of the acquisition and the fair value of the net assets acquired. Goodwill is stated at fair value less any accumulated impairment losses. Goodwill is allocated to cash generating units and is not amortised but tested annually for impairment. Impairment losses are taken to the profit and loss account.

Other intangible assets are measured on initial recognition at cost. Intangible assets with finite lives are amortised over their useful economic life. Intangible assets include computer software and programs. These intangibles are amortised over their estimated useful economic lives.

**2.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets (continued)**

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	-	7% - 10% per annum
Motor vehicles	-	7% per annum
Office equipment	-	5% - 10% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

**2.8 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.9 Stocks and work in progress**

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.12 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)**

**2.14 Foreign currency translation**

**Functional and presentation currency**

The Group's functional and presentational currency is GBP sterling.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.15 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.16 Leased assets**

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)**

**2.17 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**2.18 Taxation**

Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

No significant judgements have had to be made by the Group in preparing these financial statements.

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MID HOLDING CO UK LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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**4. Turnover**

The whole of the turnover is attributable to the principal activity, which is design and construction services.

The Group operates in three principal geographical areas, and its turnover, all from continuing operations is detailed below.

Analysis of turnover by country of destination:

	2016 £	2015 £
United Kingdom	3,143,282	627,832
Jordan	46,605,466	36,829,260
Kingdom of Saudi Arabia	5,527,202	9,320,724
	<u>55,275,950</u>	<u>46,777,816</u>

**5. Operating profit**

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	1,741,213	961,182
Amortisation of intangible assets, including goodwill	18,121	55,659
	<u>1,759,334</u>	<u>1,016,841</u>

**6. Auditors' remuneration**

	2016 £	2015 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>30,000</u>	<u>41,000</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
All other services	-	3,350
	<u>-</u>	<u>3,350</u>

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	8,470,300	8,492,428
Social security costs	2,010,057	563,268
Cost of defined contribution pension scheme	5,803	-
	<u>10,486,160</u>	<u>9,055,696</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Administrative and managerial	647	308
Operational	1,071	1,050
Directors of the parent	5	5
	<u>1,723</u>	<u>1,363</u>

**8. Directors' remuneration**

	2016 £	2015 £
Directors' emoluments	348,421	472,643
	<u>348,421</u>	<u>472,643</u>

The highest paid director received remuneration of £250,000 (2015 - £250,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2015 - £NIL).

**9. Interest receivable**

	2016 £	2015 £
Other interest receivable	177,516	437,134
	<u>177,516</u>	<u>437,134</u>

MID HOLDING CO UK LTD

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**10. Interest payable and similar charges**

	2016 £	2015 £
Bank interest payable	1,333,851	1,379,863
	<u>1,333,851</u>	<u>1,379,863</u>

**11. Taxation**

	2016 £	2015 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	4,096
Adjustments in respect of previous periods	(4,096)	-
<b>Foreign tax</b>		
Foreign tax on income for the year	230,278	247,206
<b>Total current tax</b>	<u>226,182</u>	<u>251,302</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	6,413,620	3,897,493
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	1,282,724	779,499
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	555	7,044
Depreciation for year in excess of capital allowances	427	(1,995)
Higher rate taxes on overseas subsidiaries	(1,106,795)	(811,053)
Adjustments to tax charge in respect of prior periods	(4,096)	4,096
Unrelieved tax losses carried forward	53,367	273,711
<b>Total tax charge for the year</b>	<u>226,182</u>	<u>251,302</u>



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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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**11. Taxation (continued)**

**Factors that may affect future tax charges**

The Company has unused corporation tax losses carried forward of £288,044 (2015: £240,632).

**12. Dividends**

	2016 £	2015 £
Equity dividends	-	3,535,000
	<u>-</u>	<u>3,535,000</u>

**13. Parent company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The loss after tax of the parent Company for the year was £49,905 (2015 - profit £3,647,108).

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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14. Intangible assets

Group

	Computer software £
<b>Cost</b>	
At 1 January 2016	311,905
Additions	266
At 31 December 2016	<u>312,171</u>
<b>Amortisation</b>	
At 1 January 2016	103,028
Charge for the year	18,121
At 31 December 2016	<u>121,149</u>
<b>Net book value</b>	
At 31 December 2016	<u>191,022</u>
At 31 December 2015	<u>208,877</u>

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NOTES TO THE FINANCIAL STATEMENTS  
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14. Intangible assets (continued)

Company

	Computer software £
<b>Cost</b>	
At 1 January 2016	13,560
Additions	266
At 31 December 2016	<u>13,826</u>
<b>Amortisation</b>	
At 1 January 2016	816
Charge for the year	1,713
At 31 December 2016	<u>2,529</u>
<b>Net book value</b>	
At 31 December 2016	<u><u>11,297</u></u>
At 31 December 2015	<u><u>12,744</u></u>

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NOTES TO THE FINANCIAL STATEMENTS  
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15. Tangible fixed assets

Group

	Land £	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2016	1,893,756	13,971,164	1,762,273	1,040,139	18,667,332
Additions	-	543,259	72,044	19,775	635,078
Disposals	(582,204)	(179,528)	(92,710)	(1,026)	(855,468)
At 31 December 2016	1,311,552	14,334,895	1,741,607	1,058,888	18,446,942
<b>Depreciation</b>					
At 1 January 2016	-	10,180,691	1,300,245	812,305	12,293,241
Charge for the year on owned assets	-	1,444,761	220,130	76,322	1,741,213
Disposals	-	(174,632)	(90,864)	(205)	(265,701)
At 31 December 2016	-	11,450,820	1,429,511	888,422	13,768,753
<b>Net book value</b>					
At 31 December 2016	1,311,552	2,884,075	312,096	170,466	4,678,189
At 31 December 2015	1,893,756	3,790,473	462,028	227,834	6,374,091

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NOTES TO THE FINANCIAL STATEMENTS  
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15. Tangible fixed assets (continued)

Company

	Office equipment £
<b>Cost or valuation</b>	
At 1 January 2016	16,621
Additions	2,475
At 31 December 2016	<u>19,096</u>
<b>Depreciation</b>	
At 1 January 2016	3,501
Charge for the year on owned assets	2,895
At 31 December 2016	<u>6,396</u>
<b>Net book value</b>	
At 31 December 2016	<u>12,700</u>
At 31 December 2015	<u>13,120</u>

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NOTES TO THE FINANCIAL STATEMENTS  
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16. Fixed asset investments

Group

	Unlisted investments £	Investment in joint ventures £	Total £
<b>Cost or valuation</b>			
At 1 January 2016	141,359	6,238,566	6,379,925
Share of profit/(loss)	-	(1,115,748)	(1,115,748)
At 31 December 2016	141,359	5,122,818	5,264,177
<b>Net book value</b>			
At 31 December 2016	141,359	5,122,818	5,264,177
At 31 December 2015	141,359	6,238,566	6,379,925

**Unlisted Investments**

The investment represents a minority shareholding in El Essra Hospital, a private hospital based in Jordan. The percentage held represents 0.67% of the ordinary share capital. This is a long term holding of the group.

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Registered Office	Holding	Principal activity
Mid Contracting and Consulting Ltd	England and Wales	100%	Building contractor
Sterling Living Limited	England and Wales	100%	Property developer
Sterling Living (Aynhoe) Limited (1)	England and Wales	100%	Property developer
Mid Global Investment Group PSC	Jordan	100%	Holding company
Mid Contracting Company LLC (2)	Jordan	100%	Building contractor
Finan Facility Management Company (2)	Jordan	100%	Facility management
Group One for Telecommunication (2)	Jordan	100%	Communication services
Mid Information Technology (3)	Jordan	85%	Software developer
Mid Arabia Contracting (4)	Kingdom of Saudi Arabia	100%	Building contractor
Sterling Comfort Limited	England and Wales	100%	Interior fit out

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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**16. Fixed asset investments (continued)**

(1) Sterling Living (Aynhoe) Limited is wholly owned subsidiary of Sterling Living Limited.

(2) Mid Contracting Company LLC ("MCC"), Finan Facility Management Company and Group One for Telecommunication are wholly owned subsidiaries of Mid Global Investment Goup PSC.

(3) Mid Information Technology is a wholly owned subsidiary of MCC.

(4) Mid Arabia Contracting operates as a branch of MCC, operating in the Kingdom of Saudi Arabia.

**Participating interests**

**Joint ventures**

Name	Country of incorporation	Holding	Principal activity
Group Five Construction Limited and Mid Contracting Company LLC	Jordan	50%	Construction of Amman Ring Road, Phase 1
Masar United Contracting Company Limited, Mid Contracting LLC and Bab Al-Fayha's Gulf Contracting and Construction Company	Jordan	50%	Electro-mechanical works for Abdali Development project, the Boulevard, Phase 2
Masar United Contracting Company Limited and Mid Contracting Company LLC	Jordan	50%	Constructing of a pedestrian walkway for Abdali Development project, the Boulevard, Phase 2
OHL Industrial S.L. and Mid Contracting Company LLC	Jordan	40%	Construction of an Amman strategic reserve terminal for petroleum products

MID HOLDING CO UK LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

16. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2016	9,349,469
At 31 December 2016	9,349,469
<b>Net book value</b>	
At 31 December 2016	9,349,469
At 31 December 2015	9,349,469

17. Stocks

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Raw materials and consumables	15,180,770	14,245,134	-	-
Long term contract balances	116,502	183,702	-	-
	<u>15,297,272</u>	<u>14,428,836</u>	<u>-</u>	<u>-</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Long term contract balances consist of:

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Costs to date less provision for losses	116,502	183,702	-	-
	<u>116,502</u>	<u>183,702</u>	<u>-</u>	<u>-</u>



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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

18. Debtors

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Trade debtors	12,989,124	21,127,651	-	-
Retentions due from customers	5,372,841	4,027,460	-	-
Advances to suppliers and subcontractors	4,133,036	2,563,410	-	-
Amounts recoverable on long term contracts	3,306,582	113,572	-	-
Amounts owed by group undertakings	256,200	1,495,658	256,200	256,200
Amounts owed by joint ventures and associated undertakings	17,461,611	1,882,096	-	-
Other debtors	6,008,410	5,150,619	21,665	20,935
Prepayments and accrued income	228,288	130,826	-	-
	<u>49,756,092</u>	<u>36,491,292</u>	<u>277,865</u>	<u>277,135</u>

19. Cash and cash equivalents

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Cash at bank and in hand	3,660,650	10,653,973	-	-
Less: bank overdrafts	(1,279,225)	(1,483,432)	-	-
	<u>2,381,425</u>	<u>9,170,541</u>	<u>-</u>	<u>-</u>

MID HOLDING CO UK LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

20. Creditors: Amounts falling due within one year

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Bank overdrafts	1,279,225	1,483,432	-	-
Bank loans	10,094,460	23,144,831	-	-
Trade creditors	10,151,651	15,805,836	102,820	32,577
Payments received on account	4,057,605	10,459,567	-	-
Amounts due to subcontractors	2,210,962	2,540,203	-	-
Retentions due to subcontractors	1,992,608	1,059,930	-	-
Amounts owed to associates	4,209,888	3,358,972	-	-
Amounts owed to group undertakings	21,482,158	-	187,182	136,657
Corporation tax	291,794	214,484	-	-
Other taxation and social security	587,009	395,381	-	-
Obligations under finance lease and hire purchase contracts	427,783	351,405	-	-
Other creditors	4,576,472	3,945,612	-	-
Accruals and deferred income	1,990,026	2,177,672	61,500	133,500
	<u>63,351,641</u>	<u>64,937,325</u>	<u>351,502</u>	<u>302,734</u>

21. Creditors: Amounts falling due after more than one year

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Net obligations under finance leases and hire purchase contracts	-	299,115	-	-
Other creditors	107,575	99,806	-	-
	<u>107,575</u>	<u>398,921</u>	<u>-</u>	<u>-</u>

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FOR THE YEAR ENDED 31 DECEMBER 2016

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**22. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	<b>Group 2016 £</b>	<i>Group 2015 £</i>
Within one year	<b>427,783</b>	351,405
Between 1-2 years	-	299,115
	<b>427,783</b>	650,520

**23. Share capital**

	<b>2016 £</b>	<i>2015 £</i>
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<b>1,000</b>	1,000

**24. Pension commitments**

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £5,803 (2015 - Nil).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties by the Group in the financial period ended 31 December 2016.

	Sales to related parties £	Purchases from related parties £	Amounts owed by related parties £	Amounts owed to related parties £
<b>Joint ventures and associates:</b>				
Group Five - MCC	-	-	-	1,528,879
Masar - MCC	544,306	5,209	-	606,885
Masar - Al-Fayha'a - MCC	-	480,384	126,554	-
OHL Industrial - MCC	4,121,761	-	5,365	-
<b>Companies connected with the directors:</b>				
Al Sahal Al Arabi Contracting	-	-	17,329,692	2,771,804
Al Qudrah Company	-	-	-	1,438,084
<b>Group companies:</b>				
Mid Co Holdings Guernsey Limited	-	-	256,200	21,485,158
<b>Directors' loan accounts:</b>				
S A Majali Esq	-	-	-	193,426
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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**25. Related party transactions (continued)**

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

For the period ended 31 December 2016, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment will be undertaken at the end of each financial period through examining the financial position of the related party and the market in which the related party operates.

**Transactions with key management personnel**

*Guarantees of bank loans/overdrafts to the group*

At 31 December 2016, the directors S A Majali, A B O Al Masri and Abed Al Hadi (S A Majali's father) had issued personal guarantees in respect of bank loans to the Group with outstanding amounts of £10,094,460 (2015: £23,144,831) and in respect of bank overdrafts with outstanding amounts of £1,279,225 (2015: £1,483,432). No fees have been paid to the directors and their connected persons in respect of these guarantees.

*Rent-free accommodation*

During the year ended 31 December 2016, S A Majali provided Mid Group with rent-free accommodation in the form of the operating premises of the Group's principal operating subsidiary (Mid Contracting Company LLC) based in Jordan.

*Other property-related transactions*

Key management personnel previously transferred the beneficial ownership of certain land to a subsidiary undertaking of the Group. Arrangements are currently being made to formally transfer this land into the legal ownership of the Group. The carrying value of the land is disclosed in Note 15 to the financial statements.

**Transactions with connected companies**

Included in the table above, are amounts owed to/from companies that are under the control of the directors.

Al Sahal Al Arabi Contracting, a property development company, and Al-Qadra Ready Concrete Products Manufacturing Co Ltd, a cement manufacturer, are wholly owned by Mrs S Majali. The amounts owed to/from the Group are interest free, unsecured and with no set repayment date.

**Loans from directors**

Included in the table above are amounts owed to directors. These amounts are interest free, unsecured and have no set repayment date.

**26. Controlling party**

The Company's immediate and ultimate parent company is Mid Co Holdings Guernsey Limited, a company incorporated in Guernsey. The financial statements of Mid Co Holdings Guernsey Limited are not publicly available. The smallest and largest group for which consolidated financial statements are prepared which include the Company is that headed by the Company.

The ultimate controlling party is S A Majali Esq.