

Juzoor for Health and Social Development (JUZOOR)

**Financial Statements
And
Independent Auditor's Report
For the Year Ended December 31, 2016**

Juzoor for Health and Social Development (JUZOOR)

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Independent Auditor's Report

To the General Assembly Juzoor for Health and Social Development (JUZOOR) Palestine

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Juzoor for Health and Social Development (JUZOOR)**, which comprise the statement of financial position as of December 31, 2016, statement of activities, statement of changes in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Juzoor for Health and Social Development (JUZOOR)** as of December 31, 2016, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, presentation of financial statements – Not for Profit Entities.

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 Financial Statement section of our report. We are independent of JUZOOR in accordance with the ethical requirements that are relevant to our audit of the financial statement in areas under the jurisdiction of Palestinian Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing JUZOOR'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 JUZOOR or to cease operations, or has no realistic alternative but to do so.

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



Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

As part of an audit in accordance with ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also,

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
2. 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 internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 JUZOOR'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 financial statements or, if such disclosure 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 JUZOOR to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance 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.

Deloitte & Touche

**Deloitte & Touche (M.E.)
Ramallah - Palestine
August 5, 2017**



Juzoor for Health and Social Development (JUZOOR)

Statement of Financial Position
As of December 31, 2016

Statement - A

	Notes	2016 USD	2015 USD
Assets			
Current Assets			
Cash on Hand and at Banks	5	85,895	64,261
Grants Receivable	6	189,986	141,725
Advances to Employees	7	9,226	-
Prepaid Expenses		6,151	3,497
Total Current Assets		291,258	209,483
Property and Equipment, Net	8	80,255	103,155
Land	9	87,500	87,500
Total Assets		459,013	400,138
Liabilities and Net Assets			
Liabilities			
Accounts Payable and Accruals	10	147,040	157,155
Reserve for Severance Pay	11	98,211	52,522
Total Liabilities		245,251	209,677
Net Assets			
Unrestricted (Deficit)		(107,599)	(201,140)
Temporary Restricted		153,606	200,946
Investment in Land, Property and Equipment		167,755	190,655
Total Net Assets		213,762	190,461
Total Liabilities and Net Assets		459,013	400,138

The Accompanying Notes Form an Integral Part of These Financial Statements

Juzoor for Health and Social Development (JUZOOR)

Statement of Activities
For the Year Ended December 31, 2016

Statement - B

	Notes	Unrestricted USD	Temporarily Restricted USD	2016 USD	2015 USD
Grants and Revenues					
Restricted Contributions	12	-	1,112,092	1,112,092	1,137,717
Unrestricted Contributions		-	-	-	6,561
Service Contracts		3,680	-	3,680	8,131
Other Revenues	13	150,779	-	150,779	84,651
Total Grants and Revenues		154,459	1,112,092	1,266,551	1,237,060
Net Assets Released From Restrictions	12	1,164,299	(1,164,299)	-	-
Total Grants and Revenues		1,318,758	(52,207)	1,266,551	1,237,060
Expenses					
Program Expenses					
Policy and Advocacy Unit		243,829	-	243,829	9,009
Continuous Professional Education Unit		655,216	-	655,216	489,724
Community Development Unit		284,556	-	284,556	582,464
Total Project Expenses		1,183,601	-	1,183,601	1,081,197
General and Administrative Expenses		22,866	-	22,866	22,787
Total Expenses		1,206,467	-	1,206,467	1,103,984
Excess of grants and revenues over expenses		112,291	(52,207)	60,084	133,076
(Loss) Gain on Currency Fluctuation		(18,750)	4,867	(13,883)	(14,783)
Depreciation Expense		(22,900)	-	(22,900)	(24,340)
Increase (Decrease) in net assets during the year		70,641	(47,340)	23,301	93,953

The Accompanying Notes Form an Integral Part of These Financial Statements

Juzoor for Health and Social Development (JUZOOR)

**Statement of Changes in Net Assets
For the Year Ended December 31, 2016**

Statement - C

	Unrestricted	Temporary Restricted	Investment in Land, Property and Equipment	Total
Year Ended 31 December 2016				
Balances at Beginning of Year	(201,140)	200,946	190,655	190,461
Change in Net Assets During the Year (Statement-B)	70,641	(47,340)	-	23,301
Property, Equipment and Land, net	22,900	-	(22,900)	-
Net Assets at End of Year (Statement-A)	<u>(107,599)</u>	<u>153,606</u>	<u>167,755</u>	<u>213,762</u>
Year Ended 31 December 2015				
Balances at Beginning of Year	(184,008)	65,521	214,995	96,508
Change in Net Assets During the Year (Statement-B)	(41,472)	135,425	-	93,953
Property, Equipment and Land, net	24,340	-	(24,340)	-
Net Assets at End of Year (Statement-A)	<u>(201,140)</u>	<u>200,946</u>	<u>190,655</u>	<u>190,461</u>

The Accompanying Notes Form an Integral Part of These Financial Statements

Juzoor for Health and Social Development (JUZOOR)

Statement of Cash Flows For the Year Ended December 31, 2016

Statement - D

	2016 USD	2015 USD
Operating Activities		
Grants received from contributors	1,063,831	1,094,378
Service contracts and other revenues	154,459	92,782
Cash paid to employees and suppliers	<u>(1,196,656)</u>	<u>(1,131,431)</u>
Cash Flows Generated from Operating Activities	<u>21,634</u>	<u>55,729</u>
Increase in cash on hand and deposits with banks	21,634	55,729
Cash on hand and deposits with banks at Beginning of Year	<u>64,261</u>	<u>8,532</u>
Cash on hand and deposits with banks at End of Year	<u>85,895</u>	<u>64,261</u>
Adjustments		
Change in net assets	23,301	93,953
Provision for staff benefits, net of indemnities paid	45,689	(172,604)
Depreciation	22,900	24,340
(Increase) in grants receivable	(48,261)	(43,339)
(Increase) Decrease in employees advances	(9,226)	17,400
(Increase) Decrease in prepaid expenses	(2,654)	22,694
(Decrease) Increase in payables and accruals	<u>(10,115)</u>	<u>113,285</u>
Net Cash Generated from operating activities	<u>21,634</u>	<u>55,729</u>

The Accompanying Notes Form an Integral Part of These Financial Statements

Juzoor for Health and Social Development (JUZOOR)

Statement of Functional Expenses
For the Year Ended December 31, 2016

Statement - E
(1/2)

	Policy and Advocacy Unit USD	Continuous Professional Education Unit USD	Community Development Unit USD	Total Program Expenses USD	General and Administrative USD	Total 2016 USD
Salaries and related expenses	49,242	379,005	148,824	577,071	-	577,071
Repair and maintenance	-	1,967	905	2,872	1,565	4,437
Occupancy cost	-	54,497	28,144	82,641	10,349	92,990
Meeting , workshops and conferences	-	16,802	12,562	29,364	188	29,552
Training costs	188,587	77,939	27,329	293,855	-	293,855
Professional and consultancy fees	6,000	52,835	20,128	78,963	-	78,963
Printing, stationery, documentation and supplies	-	31,399	20,597	51,996	315	52,311
Media and advertising	-	-	-	-	503	503
Communication and internet	-	1,932	660	2,592	-	2,592
Transportation and international travel	-	27,979	22,126	50,105	663	50,768
Hospitality	-	3,692	2,135	5,827	1,194	7,021
Insurance	-	2,196	484	2,680	5,470	8,150
Schools support costs	-	4,973	662	5,635	-	5,635
Interest and bank charges	-	-	-	-	1,008	1,008
Other expenses	-	-	-	-	1,611	1,611
Grand Total	243,829	655,216	284,556	1,183,601	22,866	1,206,467

The Accompanying Notes Form an Integral Part of These Financial Statements

Juzoor for Health and Social Development (JUZOOR)

Statement of Functional Expenses
For the Year Ended December 31, 2015

Statement - E
(2/2)

	Policy and Advocacy Unit USD	Continuous Professional Education Unit USD	Community Development Unit USD	Total Program Expenses USD	General and Administrative USD	Total 2015 USD
Salaries and related expenses	-	234,484	266,965	501,449	-	501,449
Repair and maintenance	-	3,527	11,580	15,107	150	15,257
Occupancy cost	-	4,827	30,694	35,521	12,854	48,375
Meeting , workshops and conferences	-	119,885	54,189	174,074	-	174,074
Training costs	6,414	67,270	60,119	133,803	20	133,823
Professional and consultancy fees	-	15,950	50,288	66,238	-	66,238
Printing, stationery, documentation and supplies	-	2,245	6,925	9,170	224	9,394
Media and advertising	-	-	2,805	2,805	-	2,805
Communication and internet	-	5,148	6,492	11,640	-	11,640
Transportation and international travel	2,595	8,942	12,861	24,398	2,223	26,621
Hospitality	-	-	4,819	4,819	993	5,812
Insurance	-	1,719	6,030	7,749	2,609	10,358
Schools support costs	-	-	64,966	64,966	-	64,966
Interest and bank charges	-	-	-	-	1,243	1,243
Other expenses	-	25,727	3,731	29,458	2,471	31,929
Grand Total	9,009	489,724	582,464	1,081,197	22,787	1,103,984

The Accompanying Notes Form an Integral Part of These Financial Statements

**Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)**

1. The Foundation

JUZOOR is a Palestinian Professional foundation based in Jerusalem is devoted to action in reform and asset mobilization in the health and social sectors. The mission of JUZOOR is working towards healthy Communities. JUZOOR is registered with the Palestinian Ministry of Interior under registration number QR-1243.

The main objectives of JUZOOR are as follows:

- To build the institutional capacity of health and social organizations through the development of human resources and to promote and support sustainable systems. As well as enhance networking and partnership among these organizations.
- To provide a platform for discussions and dialogue and enable a conducive environment for policy formulation and developmental interventions in the health and social sectors that support the deprived and marginalized communities.
- To promote an interdisciplinary, cross-sectorial approach in the health and social sector to improve the health status and well-being of the individual, family and community.
- To raise public awareness and encourage communities' participation regarding health and socio-economic issues that affects their overall well-being.
- To promote and develop regional and international cooperation to provide a facilitating environment for policy dialogue, participatory planning information and technology transfer among local and international organizations.

2. New and Amended Standards (IFRSs) and Interpretations

In the current year, JUZOOR management considered all new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of IASB, relevant to its activities, that were issued and effective for annual reporting periods ending on December 31, 2016. The application of the new standards and interpretations has no effect on the financial position or the results of operations of JUZOOR.

3. Significant Accounting Policies

Statement of compliance

The financial statements have been prepared in accordance with relevant International Financial Reporting Standards (IFRS) and the United States Statement on Financial Accounting Standards applicable to not for profit organizations.

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)

3. Summary of Significant Accounting Policies (Continued)

Basis of preparation

The financial statements have been prepared on the accrual basis of accounting and in conformity with International Financial Reporting Standards and the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, presentation of financial statements – Not for Profit Entities.

3.1 Summary of significant accounting policies are as follows

- The accounting policies adopted are consistent with those applied in the previous financial year.
- JUZOOR maintains its accounts in accordance with the principles of fund accounting under which the resources for various purposes are classified into three classes of net assets as described below:
 - **Unrestricted net assets** represent net assets whose use by JUZOOR is not subject to donor-imposed restrictions.
 - **Temporarily restricted net assets** whose use by JUZOOR is limited by donor-imposed and restrictions that either expire by passage of time or can be fulfilled and released by actions of JUZOOR pursuant to those donor-imposed stipulations.
 - **Investment in Land, Property and Equipment** represents funds invested in property and equipment and land from unrestricted net assets.

Contributions and grants

Revenues from private grants are recognized as it is earned through expenditures in accordance with the agreements. Any funding received in advance of expenditures is recorded as deferred contribution in the statement of financial position.

Contributions Receivable

Represents amounts due from funding organizations for expenditures incurred prior to receiving related funds.

Cash and cash equivalents

Consists of cash on hand and deposits with banks with maturity dates of 90 days or less.

Property and Equipment

Property and Equipment are stated in the attached financial statements based on historical cost and net of accumulated depreciation. Depreciation rates are as set below:

Component	Estimated Service Life
Office equipment	4-20 years
Office Furniture	7-17 years
Vehicle	7 years

Depreciation is computed on a straight-line basis over the estimated useful lives of the respective assets.

**Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)**

3. Significant Accounting Policies (Continued)

Property and Equipment (Continued)

When the expected recoverable amount is less than the net book value, the property, plant and equipment amount is reduced to the lower of the cost or net realizable value and the difference (if any) is included in the statement of activities.

The useful lives of property, plant and equipment are reviewed at the end of each year. In case the expected useful life is different from what was determined before, the change in estimate is recorded in the following years, being as a change in estimate. Property, plant and equipment are disposed of when there is no expected future benefit from the use of that asset.

Severance pay

The policy of JUZOOR is to provide for staff severance pay by accruing for one-month compensation for each year of service using the last salary paid during the year.

Impairment of tangible assets

At the end of each reporting period, JUZOOR reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, JUZOOR estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of activities, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of activities, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. Significant Accounting Policies (Continued)

**Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)**

Foreign Currency Transactions

The books of accounts of JUZOOR are maintained in U.S Dollar. Transactions, which are denominated in currencies other than U.S Dollar are converted into U.S Dollar equivalent at the spot exchange rate prevailing on the date of each transaction

Financial Statements in U.S Dollar

- Transactions and balances, which are originally expressed in U.S Dollar, are presented at the actual U.S Dollar received or paid.
- Balances of assets and liabilities which are expressed in currencies other than U.S Dollar are translated to U.S Dollar equivalent using the exchange rate prevailing at the date of the financial statements.
- Exchange differences arising from the translation of assets and liabilities is charged to the statement of activities.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty:

In the application of the JUZOOR's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgements in applying accounting policies

The significant judgements and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

Employees Indemnities

The provision of employees' end of service benefits is calculated in accordance with the labor law in Palestine.

Property and Equipment

Property and equipment is depreciated over the estimated useful life, which is based on expected usage of the asset and expected physical wear and tear.

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)

5. Cash on Hand and at Banks

	2016	2015
Cash on Hand	98	784
Deposits with banks in US Dollar	92,543	17,277
Deposits with banks in NIS (Overdrawn)	(42,404)	12,225
Deposits with banks in EURO	35,658	29,357
Deposits with banks in Jordanian Dinar	-	4,618
	<u>85,895</u>	<u>64,261</u>

6. Grants Receivable

	2016	2015
Save the Children – SRHR	21,857	33,000
MAP - UK	7,979	-
Arab Fund for Economic and Social Development HS /02	35,000	-
IMC-Health Matter	56,307	-
Portland Trust Fund	2,085	-
EPJP	11,065	-
Jerusalem Media & Communication Centre	1,447	-
IntraHealth International	18,508	11,907
Consulate General of Italy	16,381	2,194
Royal College	11,457	8,453
Palestine International Institute	7,900	-
Augusta Victoria Hospital	-	1,548
Oxfam Novib	-	58,137
Save Youth Future Society	-	2,146
World Health Organization	-	7,896
Ministry Of Health - ALSO	-	8,000
PCRF	-	8,444
	<u>189,986</u>	<u>141,725</u>

7. Advances to Employees

	2016	2015
Advances to Employees	9,226	-
	<u>9,226</u>	<u>-</u>

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)

8. Property and Equipment, Net

	<u>Furniture</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Total</u>
Year Ended 31 December 2016				
Cost				
Beginning 2016	77,711	115,359	80,252	273,322
Additions	-	-	-	-
Ending 2016	<u>77,711</u>	<u>115,359</u>	<u>80,252</u>	<u>273,322</u>
Accumulated Depreciation				
Beginning 2016	37,752	103,717	28,698	170,167
Depreciation	4,810	6,019	12,071	22,900
Ending 2016	<u>42,562</u>	<u>109,736</u>	<u>40,769</u>	<u>193,067</u>
Net Book Value 31 December 2016	<u>35,149</u>	<u>5,623</u>	<u>39,483</u>	<u>80,255</u>
Year Ended 31 December 2015				
Beginning 2015	77,711	115,359	80,252	273,322
Additions	-	-	-	-
Ending 2015	<u>77,711</u>	<u>115,359</u>	<u>80,252</u>	<u>273,322</u>
Accumulated Depreciation				
Beginning 2015	32,955	96,212	16,660	145,827
Depreciation	4,797	7,505	12,038	24,340
Ending 2015	<u>37,752</u>	<u>103,717</u>	<u>28,698</u>	<u>170,167</u>
Net Book Value 31 December 2015	<u>39,959</u>	<u>11,642</u>	<u>51,554</u>	<u>103,155</u>

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)

9. Lands

During 2009, JUZOOR acquired one fourth of a piece of land in partnership with another three local NGOs; these NGOs intend to construct a building for their use.

The share of JUZOOR from the total cost amounted to U.S Dollar 87,500 which was entirely settled in 2009 and was financed from the Unrestricted Funds.

10. Accounts Payable & Accruals

	2016	2015
Accounts payable	408	2,355
Accrued expenses	7,980	17,540
Accrued vacations	14,368	8,423
Due to employees	112,278	110,064
Accrued Taxes	12,006	18,773
	<u>147,040</u>	<u>157,155</u>

11. Reserve for Severance Pay

	2016	2015
Balance at beginning of year	52,522	255,126
Provision for the year	45,689	26,923
Payments during the year	-	(229,527)
Balance at end of year	<u>98,211</u>	<u>52,522</u>

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)

12. Net Assets Released From Restrictions

The movement in the temporary restricted contributions during the year ended December 31, 2016 was as follows:

	Unexpended Grants as of 1 January 2016	Grants Received During the Year	Grants Receivable	Restricted Grants for 2016	Available Grants 2016	Releases		Unexpended Grants as of 31 December 2016
						Expenses	Currency Variance	
Consulate General of Italy - POSIT 2	2,186	-	16,381	16,381	18,567	19,787	(1,220)	-
Consulate General of Italy - WLEDO	2,107	14,690	-	14,690	16,797	16,751	46	-
RCPCH	-	8,006	11,457	19,463	19,463	19,463	-	-
Save the Children	-	90,646	21,857	112,503	112,503	112,587	(84)	-
General Consulate of France	30,392	-	-	-	30,392	27,488	2,904	-
Canada Funds	-	15,927	-	15,927	15,927	20,588	(4,661)	-
MAP - UK	-	35,529	7,979	43,508	43,508	43,508	-	-
Arab Fund for Economic and Social Development HS /02	-	-	35,000	35,000	35,000	35,000	-	-
Be link	-	18,918	-	18,918	18,918	19,500	(582)	-
Arab Fund for Economic and Social Development - 9/NGO/14	156,531	65,713	-	65,713	222,244	222,244	-	-
IntraHealth International	-	194,882	18,508	213,390	213,390	213,390	-	-
World Bank	-	58,483	-	58,483	58,483	55,001	-	3,482
IMC-Health Matter	-	130,432	56,307	186,739	186,739	186,739	-	-
FRIDA 2016	-	4,958	-	4,958	4,958	4,958	-	-
UNICEF	-	28,181	-	28,181	28,181	25,258	-	2,923
Portland Trust Fund	-	14,986	2,085	17,071	17,071	17,071	-	-
EPJP	-	17,957	11,065	29,022	29,022	29,022	-	-
UNRWA - Training Family Protection	951	16,690	-	16,690	17,641	16,647	994	-
MAP - UK -Supspecialty	-	12,485	-	12,485	12,485	14,749	(2,264)	-
American Consulate General - Jerusalem	-	45,460	-	45,460	45,460	20,361	-	25,099
Welfare Association	-	112,500	-	112,500	112,500	23,676	-	88,824
Representative Office of Finland - Ramallah	-	35,663	-	35,663	35,663	2,385	-	33,278
Jerusalem Media & Communication Centre	-	-	1,447	1,447	1,447	1,447	-	-
Palestine International Institute	-	-	7,900	7,900	7,900	7,900	-	-
MENA HPF	7,060	-	-	-	7,060	7,060	-	-
Austrian	315	-	-	-	315	315	-	-
Euromed	1,404	-	-	-	1,404	1,404	-	-
	200,946	922,106	189,986	1,112,092	1,313,038	1,164,299	(4,867)	153,606

The Accompanying Notes Form an Integral Part of These Financial Statements

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Amounts are presented in U.S Dollar)

13. Other Revenues

	2016	2015
Travel reimbursements	2,124	4,775
Revenues from hall rent	6,697	3,310
Revenues from courses	118,498	76,266
Others	23,460	300
	<u>150,779</u>	<u>84,651</u>

14. Risk Management

• **Operational Risk**

The costs of the programs, administrative as well as fixed assets procurement are significantly financed by donors through donations. The management believes that the funding level in the year 2017 will be sufficient to finance all of its disbursements and will be consistent with the funding level in the prior years. Furthermore, the management believes that the political and economic conditions prevailing in the area will not materially affect its operations.

• **Fair Values of Financial Assets and Liabilities**

The carrying book value of financial assets and liabilities are not materially different from their fair values at the date of the statement of financial position.

• **Credit Risk**

JUZOOR credit risk is primarily attributable to its liquid funds and receivables. The credit risk on liquid funds is limited because they are placed with reputable financial institutions. The Receivables are stated in the statement of financial position net of allowances for doubtful debts, if any, which is estimated by JUZOOR management based on prior experience and the current economic environment.

• **Interest Rate Risk**

JUZOOR interest rate risk arises from the possibility that changes in market interest rates may affect the value of its interest bearing assets. The management of JUZOOR usually monitors the fluctuation in interest rates in every individual currency in order to maximize the benefits from placements.

• **Liquidity Risk**

Liquidity risk is represented by the inability of JUZOOR to provide the necessary funding to meet its obligations in due dates. In order to prevent this type of risk, JUZOOR management is to diversify sources of funding and management of assets and liabilities. This policy concentrates on analyzing the maturities of the assets and liabilities to achieve congruence monitor liquidity risk and control gaps. It is also concerned with maintaining adequate cash in coordination with the donating parties to meet obligations and withdrawals.

• **Foreign Currency Risk**

Currency risk arises from the possibility that changes in the exchange rates may affect negatively the value of the financial assets and liabilities in case JUZOOR does not hedge its currency exposure by means of hedging instruments. The management usually distributes its liquid assets over its functional currencies to minimize any possible loss from currency rates fluctuation.