

Juzoor for Health and Social Development (JUZOOR)

**Financial Statements and
Independent Auditor's Report
For the Year Ended December 31, 2019**

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 (hereinafter "JUZOOR")**, which comprise the statement of financial position as of December 31, 2019, 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 as of December 31, 2019, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 represent 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.

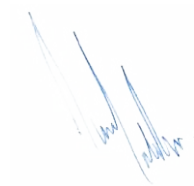
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Deloitte & Touche (M.E.)

Ramallah - Palestine

Samir Sahhar, CPA

License no. (109/2001)



August 12, 2020



Juzoor for Health and Social Development (JUZOOR)
Statement of Financial Position
As of December 31, 2019

Statement - A

	Note	2019 USD	2018 USD
Assets			
Current Assets			
Cash on Hand and at Banks	5	322,401	347,849
Grants Receivable	6	442,344	354,591
Advances to Employees	7	35,405	27,888
Prepaid Expenses		6,798	6,124
Right of use assets- Short term	2	34,560	-
Total Current Assets		841,508	736,452
Non-Current Assets			
Property and Equipment, Net	8	33,523	48,644
Land	9	87,500	87,500
Right of use assets- Long term	2	103,681	-
Total Non-Current Assets		224,704	136,144
Total Assets		1,066,212	872,596
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable and Accruals	10	637,680	290,082
Lease Liabilities- Short term	2	34,560	-
Total Current Liabilities		672,240	290,082
Non-Current Liabilities			
Reserve for Severance Pay	11	249,395	189,358
Lease Liabilities- Long term	2	103,681	-
Total Non-Current Liabilities		353,076	189,358
Total Liabilities		1,025,316	479,440
Net Assets			
Unrestricted (Deficit)		(109,317)	(215,286)
Temporary Restricted		29,190	472,298
Investment in Land, Property and Equipment		121,023	136,144
Total Net Assets		40,896	393,156
Total Liabilities and Net Assets		1,066,212	872,596

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, 2019

Statement - B

		Total		
	Unrestricted	Temporary Restricted	2019	2018
Note	USD	USD	USD	USD
Grants and Revenues				
Restricted Contributions	12	-	2,249,562	1,978,206
Unrestricted Contributions		2,868	-	8,571
Service Contracts		4,632	-	4,140
Other Revenues	13	87,089	-	36,246
Total Grants and Revenues		94,589	2,249,562	2,027,163
Net Assets Released From Restrictions	12	2,602,300	(2,602,300)	-
Reclassification of Temporary Restricted Fund	12	67,631	(67,631)	-
		2,764,520	(420,369)	2,344,151
Expenses				
Program Expenses				
Policy and Advocacy Unit		89,716	-	89,716
Continuous Professional Education Unit		1,001,206	-	1,348,792
Community Development Unit		1,511,378	-	719,320
Total Program Expenses		2,602,300	-	2,068,112
General and Administrative Expenses		17,120	-	78,423
Currency exchange loss		35,583	22,739	35,047
Depreciation Expense		18,669	-	18,935
Total Expenses		2,673,672	22,739	2,200,517
(Decrease) in net assets during the year		90,848	(443,108)	(173,354)

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, 2019

Statement - C

	Unrestricted (Deficit) USD	Temporary Restricted USD	Investment in Land, Property and Equipment USD	Total USD
Balance as of January 1, 2019	(215,286)	472,298	136,144	393,156
Change in Net Assets During the Year (Statement-B)	90,848	(443,108)	-	(352,260)
Property, Equipment and Land, net	15,121	-	(15,121)	-
Balance as of December 31, 2019 (Statement-A)	(109,317)	29,190	121,023	40,896

	Unrestricted (Deficit) USD	Temporary Restricted USD	Investment in Land, Property and Equipment USD	Total USD
Balance as of January 1, 2018	(140,284)	553,215	153,579	566,510
Change in Net Assets During the Year (Statement-B)	(92,437)	(80,917)	-	(173,354)
Property, Equipment and Land, net	17,435	-	(17,435)	-
Balance as of December 31, 2018 (Statement-A)	(215,286)	472,298	136,144	393,156

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, 2019

Statement - D

	2019	2018
	USD	USD
Operating Activities		
Grants contribution	1,763,316	1,843,089
Service contracts and other revenues	94,589	48,957
Cash paid to employees and suppliers	(1,845,245)	(1,996,187)
Net Cash Flows Generated from (Used in) Operating Activities	12,660	(104,141)
Cash Flows from Investing Activities		
Procurement of property, plant and equipment	(3,548)	(1,500)
Net Cash Flows (Used in) Investing Activities	(3,548)	(1,500)
Cash Flows from Financing Activities		
Interest expense on lease liabilities	5,440	-
Repayment of lease liabilities	(40,000)	-
Net Cash Flows (Used in) Financing Activities	(34,560)	-
(Decrease) in cash on hand and deposits with banks	(25,448)	(105,641)
Cash on hand and deposits with banks at Beginning of Year	347,849	453,490
Cash on hand and deposits with banks at End of Year	322,401	347,849
Adjustments		
Change in net assets	(352,260)	(173,354)
Provision for staff benefits, net of indemnities paid	60,037	14,983
Depreciation of property and equipment	18,669	18,935
Depreciation of right of use assets	34,560	-
(Increase) in grants receivable	(87,753)	(135,117)
(Increase) in employees advances	(7,517)	(2,942)
(Increase) Decrease in prepaid expenses	(674)	3,049
Increase in payables and accruals	347,598	170,305
Net Cash Flows Generated from (Used in) Operating Activities	12,660	(104,141)

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, 2019

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	2019 USD
Salaries and related expenses	82,236	176,402	482,919	741,557	6,180	747,737
Repair and maintenance	-	-	218,780	218,780	-	218,780
Occupancy cost	6,600	6,600	6,600	19,800	-	19,800
Meeting, workshops and conferences	-	46,769	259,126	305,895	-	305,895
Training costs	-	684,961	200,127	885,088	-	885,088
Professional and consultancy fees	-	37,453	109,841	147,294	2,286	149,580
Printing, stationery, documentation and supplies	-	6,831	51,994	58,825	-	58,825
Media and advertising	-	6,000	3,015	9,015	-	9,015
Communication and internet	-	2,500	10,665	13,165	3,448	16,613
Transportation and international travel	-	3,940	30,983	34,923	3,195	38,118
Hospitality - Training and Workshops	-	2,890	29,385	32,275	-	32,275
Insurance	880	1,760	16,692	19,332	-	19,332
Schools support costs	-	3,000	87,820	90,820	-	90,820
Interest and bank charges	-	-	-	-	2,011	2,011
Other expenses	-	22,100	3,431	25,531	-	25,531
Grand Total	89,716	1,001,206	1,511,378	2,602,300	17,120	2,619,420

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, 2018

Statement - E

(2/2)

For the Year Ended December 31, 2018	Policy and Advocacy Unit USD	Continuous Professional Education Unit USD	Community Development Unit USD	Total Program Expenses USD	General and Administrative USD	2018 USD
Salaries and related expenses	-	319,449	252,092	571,541	48,721	620,262
Repair and maintenance	-	186,820	400	187,220	6,865	194,085
Occupancy cost	-	5,600	1,590	7,190	-	7,190
Meeting, workshops and conferences	-	86,408	261,320	347,728	5,323	353,051
Training costs	-	284,942	149,218	434,160	-	434,160
Professional and consultancy fees	-	102,578	8,048	110,626	4,262	114,888
Printing, stationery, documentation and supplies	-	36,631	14,400	51,031	-	51,031
Media and advertising	-	32,972	-	32,972	3,450	36,422
Communication and internet	-	7,807	300	8,107	2,390	10,497
Transportation and international travel	-	56,820	23,393	80,213	-	80,213
Hospitality - Training and Workshops	-	40,471	8,559	49,030	3,451	52,481
Insurance	-	-	-	-	3,011	3,011
Schools support costs	-	188,294	-	188,294	-	188,294
Interest and bank charges	-	-	-	-	500	500
Other expenses	-	-	-	-	450	450
Grand Total	-	1,348,792	719,320	2,068,112	78,423	2,146,535

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, 2019**

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, 2019.

Impact of initial application of IFRS 16 Leases

In the current year, JUZOOR has applied IFRS 16 (as issued by the IASB in January 2016) that is effective for annual periods that begin on or after 1 January 2019.

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The impact of the adoption of IFRS 16 on the JUZOOR's financial statements is described below.

The date of initial application of IFRS 16 for JUZOOR is 1 January 2019. JUZOOR has applied IFRS 16 using the simple modified approach.

IFRS 16 changes how JUZOOR accounts for leases previously classified as operating leases under IAS 17, which were off balance sheet. Applying IFRS 16, for all leases, JUZOOR:

- a. Recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;
- b. Recognises depreciation of right-of-use assets and interest on lease liabilities in the statement of income;
- c. Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cash flows.

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2019

2. Application of new and revised International Financial Reporting Standards ("IFRSs") (Continued)

Impact of initial application of IFRS 16 Leases (continued)

The right-of-use assets presented in the statement of financial position consists of the following:

	December 31, 2019
	USD
Office Rent	33,786
	<u>33,786</u>

The movement on the right-of-use assets and lease liability during the year was as illustrated below:

	Right-of-Use Assets USD	Lease Liability USD
Beginning Balance as at January 01, 2019	172,801	172,801
Interest on Lease Liability	-	5,440
Payment of the lease liability during the year	-	(40,000)
Amortization on the right of use during the year	(34,560)	-
Ending Balance as at December 31, 2019	<u>138,241</u>	<u>138,241</u>

3. Summary of Significant Accounting Policies

Statement of compliance

The financial statements have been prepared in accordance with relevant International Financial Reporting Standards (IFRS).

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2019

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.

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, 2019

3. Summary of 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 lives are 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.

**Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2019**

3. Summary of Significant Accounting Policies (Continued)

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 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 of accounting estimates is recognized in the period of the revision 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 are depreciated over the estimated useful life, which is based on the expected usage of the asset and the expected physical wear and tear.

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2019

5. Cash on Hand and at Banks

	2019	2018
	USD	USD
Cash on Hand	579	609
Deposits with banks in US Dollar	134,483	325,624
Deposits/(Overdrawn) with banks in NIS	170,114	1,161
Deposits/(Overdrawn) with banks in EURO	16,967	20,455
Deposits with banks in Jordanian Dinar	258	-
	<u>322,401</u>	<u>347,849</u>

6. Grants Receivable

	2019	2018
	USD	USD
Save the Children – SRHR	18,455	14,706
Arab Fund for Economic and Social Development HS /02	30,978	102,556
Palestine International Institute	-	9,751
World Bank	-	46,353
The University of Bristol	-	17
American Consulate General - Jerusalem	-	46,660
Dan Church Aid	-	17,080
UNICEF Neonatal Protocols Review	34,456	14,788
UNICEF-Nutrition	-	61,420
Augusta Victoria Hospital (AVH) Training	12,873	37,446
UNRWA-Reproductive Health and GBV	-	3,814
Amplify Change	24,304	-
Portland Trust	45	-
Welfare Association - Tawoon	196,298	-
Netherlands Representative Office	1,430	-
UNRWA - Training Family Protection	5,829	-
MSD	39,387	-
Oxfam	4,307	-
Wafa	36,913	-
World Vision	4,117	-
War Child Otcha	3,713	-
UNFPA	29,239	-
	<u>442,344</u>	<u>354,591</u>

7. Advances to Employees

	2019	2018
	USD	USD
Advances to Employees	35,405	27,888
	<u>35,405</u>	<u>27,888</u>

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2019

8. Property and Equipment, Net

	<u>Furniture USD</u>	<u>Equipment USD</u>	<u>Vehicles USD</u>	<u>Total USD</u>
<u>Cost</u>				
Balance as of 1/1/2019	77,711	122,743	80,252	280,706
Additions	2,765	783	-	3,548
Balance as of 31/12/2019	80,476	123,526	80,252	284,254
<u>Accumulated Depreciation</u>				
Balance as of 1/1/2019	51,855	115,362	64,845	232,062
Depreciation	4,139	2,492	12,038	18,669
Balance as of 31/12/2019	55,994	117,854	76,883	250,731
Net Book Value	24,482	5,672	3,369	33,523
<u>Cost</u>				
Balance as of 1/1/2018	77,711	121,243	80,252	279,206
Additions	-	1,500	-	1,500
Balance as of 31/12/2018	77,711	122,743	80,252	280,706
<u>Accumulated Depreciation</u>				
Balance as of 1/1/2018	47,337	112,983	52,807	213,127
Depreciation	4,518	2,379	12,038	18,935
Balance as of 31/12/2018	51,855	115,361	64,845	232,062
Net Book Value	25,856	7,381	15,407	48,644

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2019

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

	2019	2018
	USD	USD
Accrued expenses	186,760	58,195
Accrued vacations	20,405	10,834
Due to employees	28,132	58,286
Outstanding Checks	402,383	162,767
	637,680	290,082

11. Reserve for Severance Pay

	2019	2018
	USD	USD
Balance at beginning of year	189,358	174,375
Provision for the year	73,646	56,039
Payments during the year	(13,609)	(41,056)
Balance at end of year	249,395	189,358

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12. Net Assets Released From Restrictions

The movement in the temporary restricted contributions during the year ended December 31, 2019 was as follows:

	Unexpended Grants as of 1 January 2019	Grants Received During the Year	Grants Receivable	Restricted Grants for 2019	Available Grants 2019	Releases			Funds Released in 2019	Unexpended Grants as of 31 December 2019
						Expenses	Reclassification of Temporary Restricted	Currency Variance		
Save the Children	-	129,281	18,455	147,736	147,736	147,736	-	-	147,736	-
Amplify Change	-	-	24,304	24,304	24,304	24,304	-	-	24,304	-
British Council	-	15,550	-	15,550	15,127	15,127	-	423	15,550	-
Portland Trust	-	60,000	45	60,045	60,045	60,045	-	-	60,045	-
Arab Fund for Economic and Social Development HS /02	35,000	-	-	-	35,000	-	35,000	-	35,000	-
Taawon - Subspecialty for Palestinian Doctors	53,864	655,669	196,298	851,967	905,831	905,831	-	-	905,831	-
World Bank	32,739	25,104	-	25,104	57,843	25,212	32,631	-	57,843	-
Netherlands Representative Office	54,089	82,405	1,430	83,835	137,924	137,924	-	-	137,924	-
Dan Church Aid	-	92,458	-	92,458	92,458	87,623	-	-	87,623	4,835
UNRWA - Training Family Protection	-	32,978	5,829	38,807	38,807	19,553	-	19,254	38,807	-
Palestine International Institute	3,927	-	-	-	3,927	-	-	3,927	3,927	-
Candian	15,500	18,930	-	18,930	34,430	33,434	-	996	34,430	-
MSD	265,016	75,030	39,387	114,417	379,433	379,433	-	-	379,433	-
Oxfam	6,339	-	4,307	4,307	10,646	10,646	-	-	10,646	-
Wafa	5,824	61,000	36,913	97,913	103,737	103,737	-	-	103,737	-
World Vision	-	29,734	4,117	33,851	33,851	33,851	-	-	33,851	-
WarChild	-	13,998	-	13,998	13,998	6,607	-	-	6,607	7,391
WarChild Otcha	-	-	3,713	3,713	3,713	3,713	-	-	3,713	-
UNICEF Neonatal Protocols Review	-	88,846	34,456	123,302	123,302	123,302	-	-	123,302	-
UNICEF-Nutrition	-	449,064	-	449,064	449,064	432,100	-	-	432,100	16,964
UNFPA	-	9,180	29,239	38,419	38,419	38,419	-	-	38,419	-
Rand	-	6,907	-	6,907	6,907	6,918	-	(11)	6,907	-
Augusta Victoria Hospital (AVH) Training	-	-	-	-	-	1,850	-	(1,850)	-	-
PALCH - Palestine's Children/Frida	-	4,935	-	4,935	4,935	4,935	-	-	4,935	-
UNRWA-Reproductive Health and GBV	-	-	-	-	-	-	-	-	-	-
	472,298	1,851,069	398,493	2,249,562	2,721,860	2,602,300	67,631	22,739	2,692,670	29,190

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13. Other Revenues

	2019	2018
	USD	USD
Revenues from hall rent	2,000	1,400
Revenues from courses	51,072	31,162
Revenue from member subscriptions	515	352
Tender Fees Revenue	2,341	
Others	31,161	3,332
	87,089	36,246

14. Risk Management

- **Operational Risk**
Donors through donations significantly finance the costs of the programs, administrative as well as fixed assets procurement. The management believes that the funding level in the year 2019 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's 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's 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's 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.

15. Subsequent Events

The existence of Novel Coronavirus (COVID-19) was confirmed in January 2020 and has subsequently spread to many other countries around the world. This event was declared by the World Health Organization as a global pandemic. This pandemic is expected to have several economic effects during the year 2020 on all economic sectors including the Non-For-Profit Organizations. Management considers this event to be a non-adjusting event after the reporting period and therefore has not made any adjustments to the financial statements as a result of this matter.