

Juzoor for Health and Social Development (JUZOOR)

**Financial Statements and
Independent Auditor's Report
For the Year Ended December 31, 2021**

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)
Ramallah, 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, 2021, statement of activities, statement of changes in net assets, statement of cash flows and the statement of functional expenses 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, 2021, 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.

Samir Sahhar, CPA
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Ramallah - Palestine

May 24, 2022



Juzoor for Health and Social Development (JUZOOR)
Statement of Financial Position
As of December 31, 2021

Statement - A

	Note	2021 USD	2020 USD
Assets			
Current Assets			
Cash on Hand and at Banks	5	813,299	669,495
Grants Receivable	6	232,576	855,848
Advances to Employees	7	89,908	41,953
Prepaid Expenses		8,523	440
Total Current Assets		1,144,306	1,567,736
Non-Current Assets			
Property and Equipment, Net	8	72,942	27,072
Land	9	87,500	87,500
Right of use assets	12	69,121	103,681
Total Non-Current Assets		229,563	218,253
Total Assets		1,373,869	1,785,989
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable and Accruals	10	650,144	662,717
Lease Liabilities- Short term	12	34,560	34,560
Total Current Liabilities		684,704	697,277
Non-Current Liabilities			
Reserve for Severance Pay	11	354,957	300,291
Lease Liabilities- Long term	12	34,561	69,121
Total Non-Current Liabilities		389,518	369,412
Total Liabilities		1,074,222	1,066,689
Net Assets			
Unrestricted (Deficit)		(30,988)	(52,742)
Temporary Restricted		170,193	657,470
Investment in Land, Property and Equipment		160,442	114,572
Total Net Assets		299,647	719,300
Total Liabilities and Net Assets		1,373,869	1,785,989

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, 2021

Statement - B

	Note	Total			
		Unrestricted USD	Temporary Restricted USD	2021 USD	2020 USD
Grants and Revenues					
Restricted Contributions	13	-	2,755,885	2,755,885	3,510,521
Unrestricted Contributions		13,657	-	13,657	-
Service Contracts		232,798	-	232,798	123,010
Other Revenues	14	312,111	-	312,111	81,484
Total Grants and Revenues		558,566	2,755,885	3,314,451	3,715,015
Net Assets Released from Restrictions	13	3,221,510	(3,221,510)	-	-
		3,780,076	(465,625)	3,314,451	3,715,015
Expenses					
Program Expenses					
Policy and Advocacy Unit		40,935	-	40,935	59,418
Continuous Professional Education Unit		1,656,164	-	1,656,164	976,097
Community Development Unit		2,090,780	-	2,090,780	1,902,854
Total Program Expenses		3,787,879	-	3,787,879	2,938,369
Currency exchange (gain) loss		(82,046)	21,652	(60,394)	(10,811)
Depreciation Expense		6,619	-	6,619	9,699
Total Expenses		3,712,452	21,652	3,734,104	2,937,257
(Decrease)/ Increase in net assets during the year		67,624	(487,277)	(419,653)	777,758

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, 2021

Statement - C

	Unrestricted (Deficit)	Temporary Restricted	Investment in Land, Property and Equipment	Total
	USD	USD	USD	USD
Balance as of January 1, 2021	(52,742)	657,470	114,572	719,300
Adjustment	-	-	-	-
Change in Net Assets During the Year (Statement-B)	67,624	(487,277)	-	(419,653)
Property, Equipment and Land, net	(45,870)	-	45,870	-
Balance as of December 31, 2021 (Statement-A)	(30,988)	170,193	160,442	299,647

	Unrestricted (Deficit)	Temporary Restricted	Investment in Land, Property and Equipment	Total
	USD	USD	USD	USD
Balance as of January 1, 2020	(109,317)	26,400	121,023	38,106
Adjustments	(96,564)	-	-	(96,564)
Change in Net Assets During the Year (Statement-B)	146,688	631,070	-	777,758
Property, Equipment and Land, net	6,451	-	(6,451)	-
Balance as of December 31, 2020 (Statement-A)	(52,742)	657,470	114,572	719,300

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, 2021

Statement - D

	2021	2020
	USD	USD
Operating Activities		
Grants contribution	2,755,885	2,238,379
Service contracts and other revenues	558,566	204,494
Cash paid to employees and suppliers	<u>(3,083,598)</u>	<u>(2,057,971)</u>
Net Cash Flows Generated from Operating Activities	<u>230,853</u>	<u>384,902</u>
Cash Flows from Investing Activities		
Procurement of property, plant and equipment	<u>(52,489)</u>	<u>(3,248)</u>
Net Cash Flows (Used in) Investing Activities	<u>(52,489)</u>	<u>(3,248)</u>
Cash Flows from Financing Activities		
Interest expense on lease liabilities	5,440	5,440
Repayment of lease liabilities	<u>(40,000)</u>	<u>(40,000)</u>
Net Cash Flows (Used in) Financing Activities	<u>(34,560)</u>	<u>(34,560)</u>
Increase in cash on hand and deposits with banks	143,804	347,094
Cash on hand and deposits with banks at Beginning of Year	<u>669,495</u>	<u>322,401</u>
Cash on hand and deposits with banks at End of Year	<u>813,299</u>	<u>669,495</u>
Adjustments		
Change in net assets	(419,653)	777,758
Prior year Adjustment	-	(96,564)
Provision for staff benefits, net of indemnities paid	54,666	50,896
Depreciation of property and equipment	6,619	9,699
Depreciation of right of use assets	34,560	34,560
Decrease/ (Increase) in grants receivable	623,272	(416,294)
(Increase) in employees advances	(47,955)	(6,548)
(Increase)/ Decrease in prepaid expenses	(8,083)	6,358
(Decrease)/ Increase in payables and accruals	<u>(12,573)</u>	<u>25,037</u>
Net Cash Flows Generated from Operating Activities	<u>230,853</u>	<u>384,902</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, 2021

Statement - E
(1/2)

	Policy and Advocacy Unit	Continuous Professional Education Unit	Community Development Unit	Total Program Expenses	General and Administrative	2021
	USD	USD	USD	USD	USD	USD
Communication and internet	-	6,300	14,629	20,929	-	20,929
Hospitality - Training and Workshops	-	6,564	209,092	215,656	-	215,656
Insurance	450	1,776	1,776	4,002	-	4,002
Interest and bank charges	-	350	-	350	-	350
Media and advertising	-	10,259	17,762	28,021	-	28,021
Meeting, workshops and conferences	1,200	6,127	593,604	600,931	-	600,931
Occupancy	1,000	23,412	12,172	36,584	-	36,584
Other expenses	-	161,930	1,500	163,430	-	163,430
Printing, stationery, documentation and supplies	-	126,696	43,176	169,872	-	169,872
Professional and consultancy fees	-	30,965	86,781	117,746	-	117,746
Repair and maintenance	-	5,535	8,378	13,913	-	13,913
Salaries and related expenses	38,285	306,481	426,345	771,111	-	771,111
Schools support / Community costs	-	511,585	542,567	1,054,152	-	1,054,152
Training costs	-	454,706	111,768	566,474	-	566,474
Transportation and international travel	-	3,478	21,230	24,708	-	24,708
	40,935	1,656,164	2,090,780	3,787,879 *	-	3,787,879

*This amount includes USD 574,817 that has been expensed on core fund and the amount of USD 3,213,062 that has been covered by the released amounts from the temporarily restricted grants.

Juzoor for Health and Social Development (JUZOOR)
Statement of Functional Expenses
For the Year Ended December 31, 2020

Statement - E
(2/2)

	Policy and Advocacy Unit	Continuous Professional Education Unit	Community Development Unit	Total Program Expenses	General and Administrative	2020
	USD	USD	USD	USD	USD	USD
Communication and internet	-	4,400	28,975	33,375	-	33,375
Hospitality - Training and Workshops	-	40,923	210,592	251,515	-	251,515
Insurance	-	-	-	-	-	-
Interest and bank charges	-	-	3,248	3,248	-	3,248
Media and advertising	-	3,471	11,038	14,509	-	14,509
Meeting, workshops and conferences	-	3,538	62,211	65,749	-	65,749
Occupancy	-	6,363	765	7,128	-	7,128
Other expenses	-	-	54,981	54,981	-	54,981
Printing, stationery, documentation and supplies	-	17,161	66,907	84,068	-	84,068
Professional and consultancy fees	-	27,134	118,117	145,251	-	145,251
Repair and maintenance	-	-	12,002	12,002	-	12,002
Salaries and related expenses	59,418	148,694	604,816	812,928	-	812,928
Schools support / Community costs	-	227,099	404,207	631,306	-	631,306
Training costs	-	497,314	303,765	801,079	-	801,079
Transportation and international travel	-	-	21,230	21,230	-	21,230
	59,418	976,097	1,902,854	2,938,369	-	2,938,369

**Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2021**

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. Adoption of New and Revised International Financial Reporting Standards (IFRSs)

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, 2021.

At the date of these financial statements, there were a combination of standards and amendments to IFRSs that are applicable in subsequent years. The management believes that these standards and their interpretations will be applied in the financial statements of the center according to the dates of their effectiveness, and that this application has no effect on the financial statements of the center in the initial application stage.

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, 2021

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, 2021

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, 2021**

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, 2021

5. Cash on Hand and at Banks

	2021 USD	2020 USD
Cash on Hand	963	760
Deposits with banks in US Dollar	265,712	437,873
Deposits with banks in NIS	175,783	38,936
Deposits with banks in EURO	3	171,973
Deposits with banks in Jordanian Dinar*	370,838	19,953
	813,299	669,495

* Cash at banks includes USD 370,838 as at December 31, 2021 as restricted balances in respect of employees' end-of-service benefits.

6. Grants Receivable

	2021 USD	2020 USD
Save the Children – SRHR	31,036	23,913
Arab Fund for Economic and Social Development HS /02	-	215,129
UNICEF Neonatal Protocols Review	-	15,006
UNICEF-Nutrition	-	22,137
Portland Trust	-	26,585
Welfare Association - Tawoon	-	89,884
MSD	-	298,533
Oxfam	19,318	-
Wafa	-	85,076
World Vision	30,225	-
UN Women- PALESTINE - empowering Women	30,835	-
Lions	16,866	-
WHO	18,778	-
War Child Otcha	-	2,290
MIFTAH	5,813	-
WFP	1,568	-
Canadian	-	7,308
CRS - COVID-19 EMERGENCY REPONSE	37,371	20,000
USA Consulate	13,339	-
YMCA	15,500	-
France	-	7,051
Palestinian Education for Employment Foundation	-	42,936
UNFPA	11,927	-
	232,576	855,848

7. Advances to Employees

	2021 USD	2020 USD
Advances to Employees	89,908	41,953
	89,908	41,953

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2021

8. Property and Equipment, Net

<u>2021</u>	<u>Furniture USD</u>	<u>Equipment USD</u>	<u>Vehicles USD</u>	<u>Total USD</u>
<u>Cost</u>				
Balance as of 1/1/2021	80,476	126,774	80,252	287,502
Additions	22,228	4,370	25,891	52,489
Balance as of 31/12/2021	102,704	131,144	106,143	339,991
<u>Accumulated Depreciation</u>				
Balance as of 1/1/2021	59,711	120,467	80,252	260,430
Depreciation	2,242	3,962	415	6,619
Balance as of 31/12/2021	61,953	124,429	80,667	267,049
Net Book Value	40,751	6,715	25,476	72,942
<u>2020</u>				
<u>Cost</u>				
Balance as of 1/1/2020	80,476	123,526	80,252	284,254
Additions	-	3,248	-	3,248
Balance as of 31/12/2020	80,476	126,774	80,252	287,502
<u>Accumulated Depreciation</u>				
Balance as of 1/1/2020	55,994	117,854	76,883	250,731
Depreciation	3,717	2,613	3,369	9,699
Balance as of 31/12/2020	59,711	120,467	80,252	260,430
Net Book Value	20,765	6,307	-	27,072

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2021

9. Land

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

	2021 USD	2020 USD
Accrued expenses	241,545	252,283
Accrued vacations	34,248	20,593
Due to employees	-	27,685
Outstanding Checks	374,351	362,156
	650,144	662,717

11. Reserve for Severance Pay

	2021 USD	2020 USD
Balance at beginning of year	300,291	249,395
Provision for the year	67,637	59,186
Payments during the year	(21,971)	(8,290)
Balance at end of year	354,957	300,291

12. Leases

	Right-of-Use Assets USD	Lease Liability USD
Beginning Balance as at January 01, 2021	103,681	103,681
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, 2021	69,121	69,121

Juzoor for Health and Social Development (JUZOOR)
Notes to the Financial Statements
For the Year Ended December 31, 2021

12. Leases (continued)

	Right-of-Use Assets	Lease Liability
	USD	USD
Beginning Balance as at January 01, 2020	138,241	138,241
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, 2020	103,681	103,681

	Lease Liability
	USD
Lease Liabilities- Short term	34,560
Lease Liabilities- Long term	34,561
	69,121

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	Unexpended Grants as of 1 January 2021	Grants Received During the Year	Grants Receivable	Restricted Grants for 2021	Available Grants 2021	Releases		Currency Variance	Unexpended Grants as of 31 December 2021	
						Expenses	Property and Equipment			
Save the Children	-	134,284	31,036	165,320	165,320	165,320	-	165,320	-	
Amplify Change	240,808	55,845	-	55,845	296,653	284,467	1,327	285,794	10,859	
Arab Fund for Economic and Social Development HS /18-07	-	227,427	-	227,427	227,427	227,937	-	227,937	(510)	
Taawon - 2020 Covid 19 Hospital Needs	164,949	295,007	-	295,007	459,956	461,794	-	461,794	(1,838)	
MSD	5,766	-	-	-	5,766	-	-	-	5,766	
Wafa	-	106,190	-	106,190	106,190	100,311	-	100,311	5,879	
UNICEF Neonatal Protocols Review 2020-2021	-	187,805	-	187,805	187,805	183,914	-	183,914	3,891	
UNICEF Neonatal Protocols Review 2021- 2022	-	113,882	-	113,882	113,882	113,488	-	113,488	394	
UNICEF-Nutrition 2021	-	243,760	-	243,760	243,760	243,760	-	243,760	-	
UNICEF-Nutrition 2021-2022	-	154,701	-	154,701	154,701	123,392	-	123,392	-	
UNFPA	-	211,898	11,927	223,825	223,825	223,825	-	223,825	-	
CRS - COVID-19 EMERGENCY RESPONSE	-	3,980	37,371	41,351	41,351	41,351	-	41,351	-	
Swiss Tropical & Public Health Institute - 2020 - 2021	13,498	-	-	-	13,498	14,051	-	14,051	(553)	
Swiss Tropical & Public Health Institute- 2021	-	16,411	-	16,411	16,411	16,411	-	16,411	-	
UN Women- PALESTINE - empowering Women	4,595	108,348	30,835	139,183	143,778	142,892	-	142,892	-	
UN Women- PALESTINE - Advancing the Women, Peace and Security	13,381	70,518	-	70,518	83,899	83,390	-	83,390	509	
World Diabetes Foundation	217,263	270,000	-	270,000	487,263	379,499	-	379,499	-	
WDF - Evaluation	-	25,600	-	25,600	25,600	4,210	-	4,210	-	
Palestinian Education for Employment Foundation	-	38,897	-	38,897	38,897	38,897	-	38,897	-	
Lions	-	53,586	16,866	70,452	70,452	70,452	-	70,452	-	
Oxfam	-	23,512	19,318	42,830	42,830	42,830	-	42,830	-	
WHO West bank	-	22,737	-	22,737	22,737	22,737	-	22,737	-	
WHO Gaza	-	-	18,778	18,778	18,778	18,778	-	18,778	-	
Moftah	-	8,293	5,813	14,106	14,106	14,106	-	14,106	-	
Frida	-	5,277	-	5,277	5,277	5,277	-	5,277	-	
WFP	-	86,895	1,568	88,463	88,463	88,463	-	88,463	-	
USA Consulate	-	-	13,339	13,339	13,339	13,339	-	13,339	-	
Consulate General of Italy	-	8,844	-	8,844	8,844	-	-	-	8,844	
World Vision	-	-	30,225	30,225	30,225	30,225	-	30,225	-	
YMCA	-	6,500	15,500	22,000	22,000	22,000	-	22,000	-	
Royal Collage	-	9,697	-	9,697	9,697	2,576	7,121	9,697	-	
Portland Trust	-	33,415	-	33,415	33,415	33,370	-	33,370	45	
	660,260	2,523,309	232,576	2,755,885	3,416,145	3,213,062	8,448	3,221,510	24,442	170,193

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13. Net Assets Released From Restrictions:

The movement in the temporary restricted contributions during the year ended December 31, 2020 was as follows:

	Unexpended Grants as of 1 January 2020	Grants Received During the Year	Grants Receivable	Restricted Grants for 2020	Available Grants 2020	Expenses	Releases Property and Equipment	Funds Released in 2020	Currency Variance	Unexpended Grants as of 31 December
Save the Children	-	126,673	23,913	150,586	150,586	150,586	-	150,586	-	-
Save the Children - Covid 19	-	26,444	-	26,444	26,444	26,444	-	26,444	-	-
Amplify Change	-	453,191	-	453,191	453,191	212,383	-	212,383	-	240,808
Portland Trust	-	-	26,585	26,585	26,585	26,585	-	26,585	-	-
Arab Fund for Economic and Social Development HS /17-13	-	60,800	182,308	243,108	243,108	243,108	-	243,108	-	-
Arab Fund for Economic and Social Development HS /18-07	-	-	32,821	32,821	32,821	32,821	-	32,821	-	-
Taawon - Subspecialty for Palestinian Doctors	-	380,031	81,863	461,894	461,894	461,894	-	461,894	-	-
Taawon - 2020 Covid 19 Hospital Needs	-	164,949	-	164,949	164,949	-	-	-	-	164,949
Taawon - 2020 Covid 19- Protecting people with disabilities and battered women from the dangers of the Corona pandemic in Palestine	-	71,979	8,021	80,000	80,000	77,814	-	77,814	2,186	-
Netherlands Representative Office	-	46,564	-	46,564	46,564	44,859	-	44,859	1,705	-
Dan Church Aid	4,835	33,508	-	33,508	38,343	37,909	425	38,334	9	-
UNRWA - Training Family Protection	-	33,164	-	33,164	33,164	33,301	-	33,301	(137)	-
Candian	-	29,274	7,308	36,582	36,582	36,582	-	36,582	-	-
MSD	-	-	298,533	298,533	298,533	289,884	2,823	292,707	60	5,766
Wafa	-	-	85,076	85,076	85,076	85,076	-	85,076	-	-
WarChild	7,391	12,440	-	12,440	19,831	20,596	-	20,596	(765)	-
WarChild Otcha	-	76,107	2,290	78,397	78,397	78,397	-	78,397	-	-
UNICEF Neonatal Protocols Review 2020	-	14,446	15,006	29,452	29,452	29,314	-	29,314	138	-
UNICEF-Nutrition 2020	16,964	157,529	22,137	179,666	196,630	208,292	-	208,292	(11,662)	-
UNFPA	-	149,540	-	149,540	149,540	148,043	-	148,043	1,497	-
Rand	-	22,567	-	22,567	22,567	22,563	-	22,563	4	-
CRS - COVID-19 EMERGENCY RESPONSE	-	307,486	20,000	327,486	327,486	327,486	-	327,486	-	-
France	-	-	7,051	7,051	7,051	7,051	-	7,051	-	-
Imperial College Of Science MRC	-	110,637	-	110,637	110,637	104,976	-	104,976	5,661	-
Kit - UNICEF	-	39,996	-	39,996	39,996	40,024	-	40,024	(28)	-
Swiss Tropical & Public Health Institute	-	42,104	-	42,104	42,104	28,606	-	28,606	-	13,498
UN Women- PALESTINE - empowering Women	-	10,344	-	10,344	10,344	5,749	-	5,749	-	4,595
UN Women- PALESTINE - Advancing the Women, Peace and Security	-	44,900	-	44,900	44,900	31,519	-	31,519	-	13,381
World Diabetes Foundation	-	240,000	-	240,000	240,000	22,737	-	22,737	-	217,263
Palestinian Education for Employment Foundation	-	-	42,936	42,936	42,936	42,936	-	42,936	-	-
	29,190	2,654,673	855,848	3,510,521	3,539,711	2,877,535	3,248	2,880,783	(1,332)	660,260

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14. Other Revenues

	2021	2020
	USD	USD
Revenues from student	141	-
Revenues from courses	247,080	69,802
Tender Fees Revenue	2,012	232
Others	57,700	11,450
	325,768	81,484

15. 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 2022 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.

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16. COVID-19 Pandemic

The World Health Organization (WHO) confirmed the Corona Virus at the beginning of 2020 as a pandemic. Its spread over the world led to the disruption of commercial and economic activities in most countries of the world including Palestine. The spread of the virus in Palestine led to many closures in the markets and movement restrictions because of the preventive measures taken by the government to limit the spread.

JUZOOR management took into consideration the exceptional circumstances that could have a material impact on JUZOOR's operations and the risks of exposure to JUZOOR. As a result, the management concluded that the main effects on the operations and liquidity could arise from the following:

- Ability to recover and receive grants from donors.
- Ability to be able to sign new agreements with partners and donors.
- Shortage of staff and ability to implement activities.

The management comes to an end that there is no significant impact on center operation as of the date of the accompanying financial statements.

17. Approval of Financial Statements

These financial statements were approved by the management for issue on May 17, 2022.