

INJAZ-PALESTINE
Charitable- Non-Profit Association
Ramallah – Palestine

Independent Auditors' Report &
Financial Statements
For the year ended June 30, 2018

Talal Abu-Ghazaleh & Co.
Certified Public Accountants



INJAZ-PALESTINE
Charitable- Non-Profit Association
Ramallah – Palestine

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Independent Auditors' Report

To the Chairman and Members of the General Assembly
INJAZ-PALESTINE
Charitable- Non-Profit Association
Ramallah – Palestine

Report on the Audit of the Financial Statement

Opinion

We have audited the financial statements of INJAZ-PALESTINE – Pages 4 to 14, which comprise the statement of financial position as of June 30, 2018, and the statement of activities, change in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the Association as of June 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of 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 Statements section of our report.

We are independent of the company in accordance with the Code of Ethics for Professional Accountants registered under Board of Auditing Profession, which are in conformity with the code of ethics of accountants registered under Palestinian Association of Certified Public Accountants, in line with the ethical requirements related to our audit of the financial statements in Palestine, and we have fulfilled our other ethical responsibilities in accordance with those requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and requirements of Palestinian Societies and Benevolence Law number 1 for the year 2000', 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 the Association ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Management is responsible for overseeing the Association's financial reporting process.

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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- 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.

We communicate with the management 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.

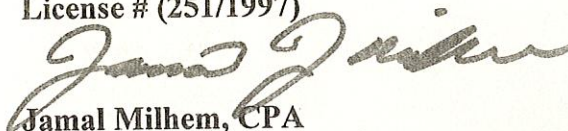
Report on Other Legal and Regulatory Requirements.

The Association maintains properly organized accounting records, we believe that the audit evidence we have obtained is sufficient and appropriate and present fairly in all material respects.

The engagement partner on the audit resulting in this independent auditor's report is the Executive Director, Jamal Milhem.

Talal Abu-Ghazaleh & Co.

License # (251/1997)

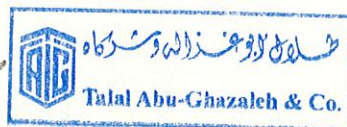


Jamal Milhem, CPA

Certified Accountant License # (100/98)

Ramallah – Palestine

August 9, 2018



INJAZ-PALESTINE
Charitable- Non-Profit Association
Ramallah – Palestine

Statement of Financial Position as of June 30, 2018 Exhibit "A"

| | <u>Notes</u> | <u>June 30,</u> <u>2018</u> <u>USD</u> | <u>June 30,</u> <u>2017</u> <u>USD</u> |
|--|--------------|--|--|
| <u>Assets</u> | | | |
| <u>Current assets</u> | | | |
| Cash in hand and at banks | (3) | 11,190 | 81,160 |
| Checks under collection within three months | | 3,500 | -- |
| Prepaid expenses | (4) | 41,790 | 21,092 |
| Total current assets | | 56,480 | 102,252 |
| <u>Fixed assets</u> | | | |
| At cost | (5) | 149,091 | 197,225 |
| Accumulated depreciation | | (117,045) | (142,075) |
| Net book value of fixed assets | | 32,046 | 55,150 |
| Lands | (5,b) | 538,450 | 538,450 |
| Building under construction – Injaz Building | (6) | 491,789 | 491,789 |
| Total assets | | 1,118,765 | 1,187,641 |
| <u>Liabilities and net assets</u> | | | |
| <u>Current liabilities</u> | | | |
| Post dated checks within three month | | 62,472 | 24,315 |
| Related parties – payable | (7) | 41,997 | 96,453 |
| Accrued expenses & other payables | (8) | 46,600 | 1,685 |
| Total Current liabilities | | 151,069 | 122,453 |
| <u>Non current liabilities</u> | | | |
| Provision for end of service indemnity | (9) | 48,515 | 76,492 |
| Total non current liabilities | | 48,515 | 76,492 |
| Total liabilities | | 199,584 | 198,945 |
| <u>Net assets</u> | | | |
| Net assets – end of year - Exhibit "B" | | 919,181 | 988,696 |
| Total liabilities and net assets | | 1,118,765 | 1,187,641 |

"The accompanying notes constitute an integral part of this statement"

INJAZ-PALESTINE
Charitable- Non-Profit Association
Ramallah – Palestine
Statement of Activities and Change in Net assets
for the period from July 1, 2017 till June 30, 2018 *Exhibit "B"*

| | <u>Notes</u> | <u>For the period</u> <u>from July 1,</u> <u>2017 till June</u> <u>30, 2018</u> USD | <u>For the period</u> <u>from July 1,</u> <u>2016 till June</u> <u>30, 2017</u> USD |
|--|--------------|---|---|
| <u>Revenues</u> | | | |
| Members Contributions (BOD and G.A.) | (10) | 190,606 | 172,166 |
| Grants received | (11) | 214,202 | 344,294 |
| Injaz Building – released from Restriction | (12) | -- | 398,029 |
| Other Revenues | (13) | 144,350 | 145,981 |
| Total revenues | | 549,158 | 1,060,470 |
| <u>Expenses</u> | | | |
| Program expenses and general & administrative expenses | (14) | (596,239) | (566,152) |
| Depreciation | (5) | (14,972) | (17,401) |
| Gain (Loss) Currency differences | | (7,462) | (3,284) |
| Total expenses | | (618,673) | (586,837) |
| Change in net assets for the year | | (69,515) | 473,633 |
| Change in net assets – beginning of the year | | 988,696 | 515,063 |
| Net assets – End of the year – Exhibit "A" | | 919,181 | 988,696 |

"The accompanying notes constitute an integral part of this statement"

INJAZ-PALESTINE
Charitable- Non-Profit Association
Ramallah – Palestine
Statement of Cash Flows
for the period from July 1, 2017 till June 30, 2018 Exhibit "C"

| | <u>Notes</u> | <u>For the period from July 1, 2017 till June 30, 2018 USD</u> | <u>For the period from July 1, 2016 till June 30, 2017 USD</u> |
|--|--------------|--|--|
| Cash flows from operating activities | | | |
| Change in net assets | | (69,515) | 473,633 |
| Adjustments to reconcile net assets to net cash flows from operation activities | | | |
| Depreciation of fixed assets | (5) | 14,972 | 17,401 |
| End of service benefits | (9) | 18,989 | 24,394 |
| Gains from disposal of Fixed Assets | | (16,892) | |
| Total | | <u>(52,446)</u> | <u>515,428</u> |
| Change in current assets and liabilities | | | |
| (Increase) decrease in prepaid expenses | | (20,698) | 980 |
| (Decrease) Increase in related parties – Credit | | (54,456) | 32,550 |
| Increase (Decrease) in accrued expenses and other payable | | 44,915 | (3,003) |
| End of service Paid to employee's | (9) | (46,966) | (15,487) |
| Deferred revenue-UNDP | | -- | (55,390) |
| Net cash flows used in operating activities | | <u>(77,205)</u> | <u>(40,350)</u> |
| Cash flows from investing activities: | | | |
| Procurement of fixed assets | | (1,746) | -- |
| INJAZ building under construction | | -- | (4,421) |
| Proceeds from sale fixed assets | | 26,770 | (398,029) |
| Net cash flows provided from (used in) investing activities | | <u>25,024</u> | <u>(402,450)</u> |
| Cash flows from Financing activities: | | | |
| Bank of Palestine/Loan | | -- | (39,903) |
| Net cash flows (used in) financing activities | | <u>--</u> | <u>(39,903)</u> |
| Net (decrease) increase in cash and cash equivalents during the year | | <u>(104,627)</u> | <u>32,725</u> |
| Cash and cash equivalents at beginning of year | | 56,845 | 24,120 |
| Cash and cash equivalents - end of year | (g 2) | <u>(47,782)</u> | <u>56,845</u> |
| Cash in hand and at banks | | 11,190 | 81,182 |
| Checks under collection within three months | | 3,500 | -- |
| Post dated checks maturing within three months | | (62,472) | (24,315) |
| Total | | <u>(47,782)</u> | <u>56,845</u> |

"The accompanying notes constitute an integral part of this statement"

INJAZ-PALESTINE
Charitable- Non-Profit Association
Ramallah – Palestine
Notes to the Financial Statements

1. Background:

INJAZ-PALESTINE-Palestine charitable Non-Governmental Organization (NGO) was established in June 4, 2007 and registered at the General Department of Cooperation-Ministry of Interior and National Security according to the Law of Charities and NGOs No. 1 for the year 2000, certificate No. RA22510E.

The main activities of the association are:

- a. Prepare training and educational courses for the development of skills and abilities of young people toward society.
 - b. Preparing proposals about the development of the educational system commensurate with the needs of the labor market and prepare a report of recommendations to the Ministry of Education and relevant ministries and the vocational training center.
- The financial statements of INJAZ-Palestine for the year ended June 30, 2018 were authorized for final issuance from management of the association on December 9, 2018.

2. Significant accounting policies:

- The financial statements of INJAZ-Palestine have been prepared in accordance with International Financial Reporting Standards (IFRS).
- The financial statements have been presented in USD, which is the main currency of the INJAZ-Palestine.
- The accounting policies adopted are consistent with those of the previous financial year.

a. Basis of preparation

The financial statements have been prepared under the historical cost basis.

b. Revenues:

1. Revenues from BOD contributions:

Each member is committed to pay his annual contribution even in the absence of membership for the member in that year.

Contributions are of two kinds:

- a. Board of Directors (BOD) contributions of USD 10,000 annually as a minimum.
- b. General Assembly (G.A.) contributions of USD 5,000 annually as a minimum.

2. Members' fees and donations.

3. Unconditional donations and revenues of association's activities.

c. Foreign currencies translations:

Transactions in foreign currencies are translated at the rate prevailing at the time of transaction. Monetary assets and liabilities in other currencies are translated into USD at exchange rates prevailing at the financial position date. Exchange differences arising from these translations are recorded in the statement of activities and change in net assets.

d. Fixed assets:

Fixed assets are recorded at cost. Depreciation is calculated by using the straight-line method over the estimated useful lives of the assets at the following estimated annual rates:

- Computers and software 10%-25%
- Vehicles 10%-15%
- Office equipment 10%-33%
- Furniture 10%-25%
- Improvements on head office 7%

e. End of service benefits:

Employee's end of service is calculated to cover contractual and legal services commitments of the employee's in accordance with the internal control system of the association.

f. Provident Fund:

The main financial sources of the provident funds consist of 3 Percent of permanent staff basic salary including cost of living, the Institution Contributes of 6 percent of permanent staff basic salary including cost of living.

During the year, the fund account was considered to be a separate independent legal entity, with separate accounting books and bank accounts, which are audited by the organization external auditor.

g. Cash and Cash Equivalents:

For the purpose of preparing cash flow statement; cash and cash equivalents consist of: cash in hand, bank balances, short term deposits maturing within three months or less deducting post dated checks maturing within three months.

3. Cash in hand and at banks:

This item consists of:

| | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|---|----------------------|----------------------|
| | USD | USD |
| <u>Cash in hand and at banks</u> | | |
| Cash in hand | 1,669 | 2,824 |
| Cash at banks | 9,521 | 78,336 |
| Total | <u>11,190</u> | <u>81,160</u> |

4. Prepaid Expenses:

This item consists of:

| | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|----------------------------|----------------------|----------------------|
| | USD | USD |
| Prepaid rent expenses | 13,579 | 11,283 |
| Prepaid rent car expenses | 18,611 | -- |
| Prepaid insurance expenses | 9,600 | 8,257 |
| Others | -- | 1,551 |
| Total | <u>41,790</u> | <u>21,092</u> |

5. Fixed assets:

a. This item consists of:

| | <u>Computers and Software</u> | <u>Vehicles</u> | <u>Office equipment</u> | <u>Furniture</u> | <u>Improvement's on head office</u> | <u>Total</u> |
|---------------------------------|---------------------------------------|-----------------|-----------------------------|------------------|---|----------------|
| <u>COST</u> | <u>USD</u> | <u>USD</u> | <u>USD</u> | <u>USD</u> | <u>USD</u> | <u>USD</u> |
| Balance as at 30/6/2017 | 17,721 | 49,880 | 63,589 | 27,923 | 38,112 | 197,225 |
| Additions | 1,000 | -- | 164 | 582 | -- | 1746 |
| Disposal | -- | (49,880) | -- | -- | -- | (49,880) |
| Balance as at 30/6/2018 | 18,721 | -- | 63,753 | 28,505 | 38,112 | 149,091 |
| <u>Accumulated depreciation</u> | | | | | | |
| Balance as at 30/6/2017 | (10,671) | (39,207) | (57,745) | (21,635) | (12,817) | (142,075) |
| Depreciation | (3,560) | (795) | (5,218) | (1,591) | (3,808) | (14,972) |
| Disposal | -- | 40,002 | -- | -- | -- | 40,002 |
| Balance at 30/6/2018 | 14,231 | -- | 62,963 | 23,226 | 16,625 | 117,045 |
| <u>Net book value as at:</u> | | | | | | |
| 30/6/2018 | 4,490 | -- | 790 | 5,279 | 21,487 | 32,046 |
| 30/6/2017 | 7,050 | 10,673 | 5,844 | 6,288 | 25,295 | 55,150 |

b. Lands:

According to the Board of Directors meeting dated February 23, 2014, INJAZ has purchased a plot of land on July 13, 2014 holding the No. 201 of Basin No. 3 with a value of 520,000 USD at the territory of "Abu Qash village –Ramallah district", using irrevocable power of attorney, the cost amount was paid through accrued bank checks after obtaining a long-term loan from Bank of Palestine.

In addition, broker fees and a purchase commission of USD 18,450 was charged and added to the cost of the land, therefore the total cost balance of land has amounted to 538,450 USD.

6. Building under construction – Injaz building:

As per the minutes of the board meeting on Oct 5th 2015, it was agreed to confirm the grant offered by the Arab Fund for Social and Economic Development with a value of 120,000 KD, and to be undertaken by the association to provide any needed financial amounts to cover any additional estimated costs of the project, as well as other obligations contained in the signed agreement between both parties on Sep 15th 2015. 25% of the grant was transferred which is equal to 30,000 KD equivalent to 98,043 USD during the years of 2015/2016. During the year 2016/2017, as part of pursuing efforts on completing "Injaz Building" project, which has finished its first phase of construction, funded by the "Arab Fund for Economic and Social Development"; With the completion of the remaining 75% of the first grant; 90,000 KD. An additional amount of 30,000 KD was required to complete the work on the project with a total of 120,000 KD which equivalent to 398,029 USD (note 13 of the project account). The Arab Fund has ensured the provision of the additional costs through another grant of 150,000 KD, from which 30,000 KD was deducted of; in order to proceed on the rest of the project construction phases, and it was agreed to spend the rest of the grant for the implementation of Injaz regular programs for the year of 2016/2017. And the whole spent amount up to date has reached 491,789 USD. and they are as follows:

| | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|--|----------------------|----------------------|
| | USD | USD |
| Injaz Building | 384,705 | 384,705 |
| Engineering fees | 12,000 | 12,000 |
| Water and Electricity Fees | 1,324 | 1,324 |
| Engineering services and designs – Engineers Union | 29,954 | 29,954 |
| Land test fees | 1,692 | 1,692 |
| First phase building tender fees | 353 | 353 |
| Municipality License (Surda and Abu Qash) | 23,234 | 23,234 |
| Civil defense fees | 403 | 403 |
| INJAZ Building – excavation expenses | 38,070 | 38,070 |
| Others | 54 | 54 |
| Total | 491,789 | 491,789 |

7. **Related parties-payables:**

This item consists of:

| | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|---|----------------------|----------------------|
| | USD | USD |
| Ripples of Happiness project – a | 41,997 | 46,453 |
| Public schools rehabilitation project – c | -- | 50,000 |
| Total | 41,997 | 96,453 |

- a. In cooperation with the “National Beverage Company Coca-Cola / Cappi”, Injaz has implemented “Ripples of Happiness” program supported by International Coca-Cola Foundation for the academic year of 2017/2018, during which 450 students participated and were trained on how to implement social entrepreneurial projects that can contribute positively on the local community through addressing deficiency aspects in the surrounding environment. The amount of 41,997 \$ represents an installment of the project that was assumed for the winner students from several Palestinian universities, who got the first places of the competition over the MENA region countries, this amount will be disbursed for the students later on; In order to proceed on their projects ideas.
- b. The first payment for the fourth subsequent year is sponsored by the Arab Bank “School Adoption Program” in cooperation with INJAZ Palestine and aims at improving the schools environment of five public schools in (Tamoun, Bedia, Qebia, Nablus & Hebron) through the construction of the main vital facilities. The project’s budget is USD 150,000 covering six months starting from signing of agreement at June 6, 2017.

8. Accrued expenses & other payables:

This item consists of:

| | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|---------------------|----------------------|----------------------|
| | USD | USD |
| Staff vacations | 3,074 | 1,685 |
| Due to pension fund | 17,936 | -- |
| Accrued salaries | 16,198 | -- |
| Rent payable-PRCS | 4,567 | -- |
| Injaz Alarab | 4,563 | -- |
| Others | 262 | -- |
| Total | <u>46,600</u> | <u>1,685</u> |

9. Provision for end of service indemnity:

This item consists of:

| | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|--------------------------|----------------------|----------------------|
| | USD | USD |
| Beginning balance | 76,492 | 67,585 |
| Additions for the period | 18,989 | 24,394 |
| Benefits paid to staff | (46,966) | (15,487) |
| Ending balance | <u>48,515</u> | <u>76,492</u> |

10. Members Contributions (BOD and G.A.):

This item consists of:

| | <u>For the period</u> <u>from July</u> <u>1, 2017 till</u> <u>June 30, 2018</u> | <u>For the period</u> <u>from July 1,</u> <u>2015 till</u> <u>June 30, 2017</u> |
|--|--|--|
| | USD | USD |
| Jamal Alhorani – Arab Bank | 10,000 | 10,000 |
| Imad Al-Laham – Paltel Group | 26,606 | 17,175 |
| Zahi Anabtawi – Al-Arz Company | 5,000 | -- |
| Imad Hende- National Beverage Company | | |
| Coca-Cola/ Cappy | 10,000 | 10,000 |
| Bassam Walweel – Golden Wheat Mills | | |
| Company (GMC) | 10,000 | 10,000 |
| Durgham Mari – Wataniya Mobile | -- | 5,000 |
| Ali El Akkad - Arab Palestinian Investment | | |
| Company (APIC) | 20,000 | 20,000 |
| Atef Alawneh - Arab Islamic Bank | 5,000 | 5,000 |
| Rowan Joha – Palestine Development & | | |
| Investment Company (PADICO) | 15,000 | 15,000 |
| Imad al-Sa'adi – Palestine Islamic Bank | 5,000 | 5,000 |
| Hashim Shawwa – Bank of Palestine | 30,000 | 30,000 |
| Salah Hidmi – Quds Bank | 5,000 | 4,991 |
| Bashar Hawamdah – Mena Itech Company | -- | 5,000 |
| Jamal Melhem – Talal Abu-Ghazaleh & Co. | 5,000 | 5,000 |

| | | |
|---|----------------|----------------|
| Mohamed Musa – Raya FM | 5,000 | 5,000 |
| Mohanad Assaf – Ittqan Attorneys At Law | 14,000 | 10,000 |
| Fawaz Al-Idrissi - Abu Issa Holding | 10,000 | 10,000 |
| Mohammad Alamor- Alamor co | -- | 5,000 |
| Amer Ayoub - 4 Design | 5,000 | -- |
| Omar Anibtawi – Near East CO | 5,000 | -- |
| Josef Nesnas – Cairo Amman Bank | 5,000 | -- |
| Total | 190,606 | 172,166 |

Ajjawi Company Group had withdrawn from general assembly during the year.

11. Grants received:

This item consists of:

| | <u>For the period</u> <u>from July 1,</u> <u>2017 till</u> <u>June 30, 2018</u> <u>USD</u> | <u>For the period</u> <u>from July</u> <u>1, 2016 till</u> <u>June 30, 2017</u> <u>USD</u> |
|--|---|---|
| Kuwait Arab Fund | -- | 122,233 |
| UNICEF | 112,276 | -- |
| United Nations Development Programme | | |
| UNDP | -- | 173,490 |
| Canadian Project | 15,968 | -- |
| Arab Bank | 29,816 | 22,676 |
| Autozone | -- | 5,000 |
| Cairo Amman Bank | -- | 3,000 |
| National Insurance co | 2,000 | 2,000 |
| National Beverage Company Coca-Cola / | | |
| Cappy | 12,642 | 895 |
| Quds Bank | -- | 5,000 |
| Jawwal Company | 10,000 | 10,000 |
| Palestine for development | 10,000 | -- |
| Al-arz ice cream | 1,500 | -- |
| Alwatania Mobile | 8,000 | -- |
| Al-jebrini Company | 2,000 | -- |
| Citroën Palestine | 5,000 | -- |
| Palestine Industrial Investment Co. (PIIC) | 5,000 | -- |
| Total | 214,202 | 344,294 |

12. **Injaz Building Grant:**

As in Note 6, INJAZ has received the amount of 120,000 DK, equivalent to the amount of US \$ 398,029 during the year 2016/2017 and this item consists of:

| | <u>For the period</u> <u>from July</u> <u>1, 2017 till</u> <u>June 30, 2018</u> <u>USD</u> | <u>For the period</u> <u>from July</u> <u>1, 2016 till</u> <u>June 30, 2017</u> <u>USD</u> |
|----------------------------------|--|--|
| Grant released from restriction | -- | 398,029 |
| Grant expensed on Injaz Building | -- | (398,029) |
| Total | <u>----</u> -- <u>=====</u> | <u>----</u> -- <u>=====</u> |

13. **Other Revenues:**

This item Consists of:

| | <u>For the period</u> <u>from July</u> <u>1, 2017 till</u> <u>June 30, 2018</u> <u>USD</u> | <u>For the period</u> <u>from July</u> <u>1, 2016 till</u> <u>June 30, 2017</u> <u>USD</u> |
|--|--|--|
| Prior year Adjustments- leaves provision | 2,611 | 4,502 |
| Bids Revenues | 1,097 | 1,269 |
| Returns from the employees provided fund | 2,201 | 5,800 |
| Arab Fund grant for INJAZ Program | 121,546 | 134,152 |
| Profit From disposal of fixed Assets | 16,892 | -- |
| Others | 3 | 258 |
| Total | <u>----</u> 144,350 <u>=====</u> | <u>----</u> 145,981 <u>=====</u> |

14. **Programs Expenses and General and Administrative Expenses:**

a. This item consists of:

| | <u>For the period</u> <u>from July 1,</u> <u>2017 till</u> <u>June 30, 2018</u> <u>USD</u> | <u>For the period</u> <u>from July</u> <u>1, 2016 till</u> <u>June 30, 2017</u> <u>USD</u> |
|------------------------------------|--|--|
| Salaries and related Expenses | 234,520 | 226,312 |
| Severance pay | 18,989 | 24,394 |
| Telephone and Post | 20,416 | 19,881 |
| Electricity and Water | 4,142 | 3,726 |
| Printing Expense | 92,584 | 107,051 |
| Stationary and Equipment | 2,451 | 1,966 |
| Cleaning supplies and Hospitality | 4,433 | 3,310 |
| Staff insurance | 14,814 | 12,126 |
| Workshops and Training | 754 | 39 |
| Workshop for one day | 7,791 | 11,074 |
| Company competition | 10,000 | 10,000 |
| Staff training and Travel expenses | 8,875 | 8,180 |
| Field Visits Expenses | 11,260 | 10,268 |

| | | |
|------------------------------|----------------|----------------|
| Rent expenses | 43,264 | 31,927 |
| Transportations | 19,540 | 13,183 |
| Volunteers incentives | 1,864 | 5,209 |
| Fuel | 799 | 2,425 |
| Car Expenses | 4,712 | 3,016 |
| Consulting Services Expenses | 5,000 | 11,000 |
| Maintenance Expenses | 7,183 | 6,276 |
| Advertising Expenses | 24,554 | 20,808 |
| External Consulting | 9,578 | 4,500 |
| JAW member fees | 11,404 | 5,012 |
| Workshops staff | 17,632 | 3,135 |
| Internet Expenses | 1,806 | 1,796 |
| Provident Fund Expenses | 11,087 | 9,221 |
| Leaves Expenses | 4,014 | 4,037 |
| Interest and bank Charges | 459 | 2,831 |
| Others | 2,314 | 3,449 |
| Total | 596,239 | 566,152 |

- b. General and administrative expenses includes an amount of USD 112,276 which represent the expenses of UNICEF project, and amount of USD 15,968 represent the expenses of Canadian Project, and both of them allocated on the various expenses items.

15. General:

- a. Injaz aims to create a generation of creative young people to be leaders of the future through different training courses and curricula. Currently, through the second half of 2018, Injaz has been able to work on a program of 296,438 students, and 7,418 volunteers, in 486 schools, 32 universities and 105 youth centers in both of the West Bank and Gaza Strip.
- b. Certain Comparative figures have been reclassified to conform to current year presentation.