

**JORDAN RIVER FOUNDATION
(ESTABLISHED BY A SPECIAL DECREE)**

FINANCIAL STATEMENTS

31 DECEMBER 2011

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**Independent Auditor's Report
To the Board of Trustees of Jordan River Foundation**

Report on the Financial Statements

We have audited the accompanying financial statements of Jordan River Foundation which comprise the statement of financial position as at 31 December 2011 and the statements of financial performance, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Jordan River Foundation as at 31 December 2011, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other Matter

The financial statements of the Foundation for the year ended 31 December 2010 were audited by another auditor whose report dated 7 August 2011, expressed an unmodified opinion on those statements.

PricewaterhouseCoopers "Jordan"

Osama Marouf
License No. (477)

Amman, Jordan
30 July 2012

**JORDAN RIVER FOUNDATION
STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2011**

	<u>Note</u>	<u>2011</u>	<u>2010</u>
		JD	JD
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,515,991	2,402,732
Cheques under collection – long term		-	26,250
		<u>2,515,991</u>	<u>2,428,982</u>
CURRENT ASSETS			
Inventories	6	381,871	367,854
Trade receivables	7	107,405	193,533
Other debit balances	8	272,545	118,556
Cash on hand and at banks	9	10,051,327	9,205,611
		<u>10,813,148</u>	<u>9,885,554</u>
TOTAL ASSETS		<u>13,329,139</u>	<u>12,314,536</u>
NET ASSETS AND LIABILITIES			
NET ASSETS			
Net assets		<u>1,998,587</u>	<u>2,795,847</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	238,854	576,733
Unearned revenue and restricted funds	11	11,091,698	8,941,956
TOTAL LIABILITIES		<u>11,330,552</u>	<u>9,518,689</u>
TOTAL NET ASSETS AND LIABILITIES		<u>13,329,139</u>	<u>12,314,536</u>

The attached notes from 1 to 14 are an integral part of these financial statements

**JORDAN RIVER FOUNDATION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>Note</u>	<u>2011</u>	<u>2010</u>
		JD	JD
Revenue			
Sales		358,089	560,974
Donations		705,172	575,269
Revenue from activities		9,805,771	10,917,620
Other income	12	616,129	734,583
Total revenue		<u>11,485,161</u>	<u>12,788,446</u>
Expenses			
Cost of sales	13	(406,633)	(451,601)
Operating expenses	14	(11,875,788)	(12,030,742)
Total expenses		<u>(12,282,421)</u>	<u>(12,482,343)</u>
(Deficit) surplus for the year		<u>(797,260)</u>	<u>306,103</u>

The attached notes from 1 to 14 are an integral part of these financial statements

**JORDAN RIVER FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>Net assets</u>
	JD
2011	
Balance at 1 January 2011	2,795,847
Deficit for the year	<u>(797,260)</u>
Balance at 31 December 2011	<u><u>1,998,587</u></u>
2010	
Balance at 1 January 2010	2,489,744
Surplus for the year	<u>306,103</u>
Balance at 31 December 2010	<u><u>2,795,847</u></u>

The attached notes from 1 to 14 are an integral part of these financial statements

**JORDAN RIVER FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	JD	JD
Operating activities		
(Deficit) surplus for the year	(797,260)	306,103
Adjustments for:		
Depreciation	185,243	148,532
Provision for slow moving item	-	2,325
Loss from sale of property, plant and equipment	1,334	4,091
Changes in working capital:		
Inventories	(14,017)	11,361
Trade receivables and other debit balances	(41,611)	26,571
Trade and other payables	(337,879)	355,831
Unearned revenue and restricted funds	2,149,742	(1,626,285)
Net cash flows from (used in) operating activities	<u>1,145,552</u>	<u>(771,471)</u>
Investing activities		
Purchase of property, plant and equipment	(306,789)	(1,363,779)
Proceeds from disposal of property, plant and equipment	6,953	274,470
Net cash used in investing activities	<u>(299,836)</u>	<u>(1,089,309)</u>
Net change in cash and cash equivalents	845,716	(1,860,780)
Cash and cash equivalents at 1 January	<u>9,205,611</u>	<u>11,066,391</u>
Cash and cash equivalents at 31 December	<u><u>10,051,327</u></u>	<u><u>9,205,611</u></u>

The attached notes from 1 to 14 are an integral part of these financial statements

(1) GENERAL INFORMATION

Jordan River Foundation "the Foundation" is a voluntary not-for-profit organization, established on 11 May 1998 as a result of the merger between Jordan Development Foundation and Jordan River for Development Projects, registered in accordance with the Social Societies and Agencies Law number (33) of 1966.

On 11 May 1998, the Minister of Social Development approved the Board of Trustees' decision to change the name of the organization to "Jordan River Foundation" from "Jordan River for Development Projects".

On 10 June 2001 the Foundation continued its operations under the same name in accordance with the Jordan River Foundation Decree number (33) for year 2001, which considered the Foundation as the legal and natural successor to "Jordan River for Development Projects". The assets and liabilities of the predecessor entity were transferred to the Foundation formed under the new Decree, at their net book values as of 1 October 2000.

The Foundation's registered address is Abdoun, Amman – Jordan, fax 5933210, telephone 5933211 and its mailing address is P.O. Box 2943, Amman 11181, Jordan.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Jordan River Foundation have been prepared in accordance with the International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Jordanian Dinar

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Foundation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

2.2 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Foundation:

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2011. Those standards and amendments had no impact on the Foundation's financial position or results.

- IAS 24, 'Related party disclosures' (revised 2009)

- Improvements to International Financial Reporting Standards 2010:
 - IFRS 7, 'Financial instruments'
 - IAS 1, 'Presentation of financial statements'
- (b) **The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted:**
 - IFRS 13, 'Fair value measurement', effective 1 January 2013.
 - Amendments to IFRS 7, 'Financial instruments: Disclosures' on derecognition, effective 1 July 2011.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Jordanian Dinar (JD), which is the Foundation's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance.

Translation differences on non-monetary financial assets and liabilities are recognised in the statement of financial performance as part of the income and expense resulted from fair value.

2.4 Property, plant and equipment

Property, plant and equipment are shown at historical cost, less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

	<u>Annual Depreciation</u>
Building	2%
Renovation	10 – 20 %
CSP center and QRCCE buildings	2%
Furniture and fixtures	2,5 – 15%
Vehicles	15%
Software	15%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount and is recognised in the statement of financial performance (Note 2.5).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of financial performance.

2.5 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labor, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.7 Trade receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets, if not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment (Note 2.15).

2.8 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, at banks, deposits held at call and cheques under collection, with original maturities of three months or less.

2.9 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.10 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the merchandise sale and services rendered in the ordinary course of the Foundation's activities. Revenue is shown net of discounts.

The foundation recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Fixed assets donations

Donations received as fixed assets are stated at the value of the donation as indicated by the donor and recorded as deferred revenues, and depreciated according to the straight-line method based on the estimated useful life of those assets. Furthermore, an amount equal to the depreciation expense is taken from deferred revenue and recorded in the statement of financial performance.

Unrestricted donations

Unrestricted donations include all resources available for the general purposes of the Foundation as stated in the bylaws of the organization.

Cash donations

Donations received are recognized only when there is reasonable assurance that the Foundation will comply with any conditions attached to the donation and that the donation will be received. The donation is recognized over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

2.11 Income tax

According to the Jordan River Foundation Decree No. (33) for the year 2001, the Foundation is exempt for all types of Government taxes and fees, including sales tax.

2.12 Provisions

Provisions are recognized when the Foundation has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate of the amount can be made.

2.13 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease.

2.14 Financial assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the date of the statement of financial position. These are classified as non-current assets. Loans and receivables are classified as trade receivables (Note 2.7).

Loans and receivables are recognized at amortized cost using the effective interest method.

2.15 Impairment of financial assets

The Foundation reviews the recognised values of financial assets at the date of the financial statements to determine whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of the existence of such indicators, the recoverable amount is estimated to determine the impairment loss.

The amount of impairment is determined as follows:

- Impairment of loans and receivables: A provision for impairment of trade receivables is established when there is objective evidence that the Foundation will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial performance. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other income in the statement of financial performance.

2.16 Financial instruments by category

	2011	2010
	JD	JD
Assets as per statement of financial position		
Loans and receivables		
Trade receivables and other debit balances (excluding prepayments)	369,640	296,863
Cash on hand and at banks	10,051,327	9,205,611
	<u>10,420,967</u>	<u>9,502,474</u>
Liabilities as per statement of financial position		
Financial liabilities at amortized cost		
Trade and other payables (excluding statutory liabilities)	<u>147,519</u>	<u>552,494</u>

2.17 Employee benefits

For defined contribution plans, the Foundation pays contributions to publicly administered pension insurance plans on a mandatory basis which managed by governmental corporation (Social Security Corporation). The Foundation has no further payment obligations once the contributions have been paid. The contributions are recognised as social security expense when they are due.

(3) FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Foundation's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk and liquidity risk. The Foundation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Foundation's financial performance.

a. Market risk

- Foreign exchange risk

The majority of the Foundation's transactions are in JD or USD. The exchange rate of USD is fixed against JD and therefore, foreign exchange risk is immaterial.

- Price risk

The Foundation has little exposure to price risk due to prices of goods.

b. Credit risk

Credit risk arises from cash and cash equivalents, trade receivables and other current assets. The Foundation deals only with high rated financial institutions. The Foundation applies a clear credit policy for all customers.

c. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash.

The table below summarises the maturities of the Foundation's undiscounted financial liabilities at 31 December 2011, based on contractual payment dates and current market interest rates.

	<u>Less than 1 year JD</u>
31 December 2011	
Trade and other payables	238,854
31 December 2010	
Trade and other payables	576,733

3.2 Fair value estimation

The carrying values of trade receivables less impairment provision and trade payables are assumed to approximate to their fair values.

(4) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Foundation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

A) Provision for impairment of inventories

The Foundation establishes a provision for impairment of inventories, in accordance with the accounting policy stated in note 2.6. The recoverable amount of the inventories is compared to the carrying amount of the inventories to determine the amount of impairment. These calculations require the use of estimates.

B) Provision for impairment of trade receivables

The Foundation establishes a provision for impairment of trade receivables, in accordance with the accounting policy stated in notes 2.7 and 2.15. The recoverable amount of the trade receivables is compared to the carrying amount of the receivables to determine the amount of impairment. These calculations require the use of estimates.

**JORDAN RIVER FOUNDATION
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(5) PROPERTY, PLANT AND EQUIPMENT

	Land	Building	Renovation	CSP center building	Furniture & fixtures	Vehicles	Software	QRCCE building	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
2011									
Cost									
At 1 January 2011	13,486	138,165	307,395	830,655	888,553	273,247	28,229	1,018,573	3,498,303
Additions	-	-	-	-	144,850	10,000	226	151,713	306,789
Disposals	-	-	-	-	(19,325)	(1)	-	-	(19,326)
At 31 December 2011	13,486	138,165	307,395	830,655	1,014,078	283,246	28,455	1,170,286	3,785,766
Accumulated depreciation									
At 1 January 2011	-	25,689	302,767	57,610	545,613	155,850	8,042	-	1,095,571
Additions	-	2,763	2,232	16,609	106,322	32,030	2,840	22,447	185,243
Disposals	-	-	-	-	(11,038)	(1)	-	-	(11,039)
At 31 December 2011	-	28,452	304,999	74,219	640,897	187,879	10,882	22,447	1,269,775
Net book value									
At 31 December 2011	13,486	109,713	2,396	756,436	373,177	95,367	17,573	1,147,839	2,515,991
2010									
Cost									
At 1 January 2010	13,486	96,308	307,395	598,042	792,820	219,170	24,995	373,068	2,425,284
Additions	-	41,857	-	232,613	95,823	70,277	3,234	919,975	1,363,779
Disposals	-	-	-	-	(90)	(16,200)	-	(274,470)	(290,760)
At 31 December 2010	13,486	138,165	307,395	830,655	888,553	273,247	28,229	1,018,573	3,498,303
Accumulated depreciation									
At 1 January 2010	-	23,236	301,143	45,653	443,876	139,896	5,434	-	959,238
Additions	-	2,453	1,624	11,957	101,739	28,151	2,608	-	148,532
Disposals	-	-	-	-	(2)	(12,197)	-	-	(12,199)
At 31 December 2010	-	25,689	302,767	57,610	545,613	155,850	8,042	-	1,095,571
Net book value									
At 31 December 2010	13,486	112,476	4,628	773,045	342,940	117,397	20,187	1,018,573	2,402,732

JORDAN RIVER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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(6) INVENTORIES

	2011	2010
	JD	JD
Raw materials	165,484	167,561
Work in process	32,108	44,034
Finished goods	200,208	172,188
	397,800	383,783
Less: provision for slow moving items	(15,929)	(15,929)
	<u>381,871</u>	<u>367,854</u>

The movement on the provision for slow moving items is as follows:

	2011	2010
	JD	JD
Balance at 1 January	15,929	13,604
Addition to the provision for the year	-	2,325
Balance at 31 December	<u>15,929</u>	<u>15,929</u>

(7) TRADE RECEIVABLES

	2011	2010
	JD	JD
Trade receivables	184,399	259,167
Less: provision for impairment of trade receivables	(86,969)	(86,969)
	97,430	172,198
Employees' receivable	9,975	21,335
	<u>107,405</u>	<u>193,533</u>

Details of gross exposure of trade receivable are as follows:

	2011	2010
	JD	JD
Neither past due nor impaired	20,210	52,145
Past due not impaired	77,220	120,053
Impaired	86,969	86,969
	<u>184,399</u>	<u>259,167</u>

As per credit policy of the Foundation, customers are extended a credit period up to 30 days in the normal course of business. As of 31 December 2011, amounts due from trade receivables of JD 77,220 (2010: JD 120,053) were past due but not impaired and not provided for in the financial statements. These receivables relate to trusted customers for who there is no recent history of default. The Foundation's management believes that these amounts will be collected in full.

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The ageing analysis of these amounts is as follows:

	2011	2010
	JD	JD
Within 30 days	20,210	52,145
From 31 days to 60 days	11,695	15,687
From 61 days to 90 days	5,782	48,754
From 91 days to 364 days	146,712	142,581
	<u>184,399</u>	<u>259,167</u>

The movement on the provision for impairment of trade receivables as follows:

	2011	2010
	JD	JD
Balance at 1 January	86,969	87,364
Additions to the provision for the year	-	-
Recoveries from provision for doubtful debt	-	(395)
Balance at 31 December	<u>86,969</u>	<u>86,969</u>

(8) OTHER DEBIT BALANCES

	2011	2010
	JD	JD
Prepaid expense	10,310	15,226
Refundable deposits	220,000	76,496
Others	42,235	26,834
	<u>272,545</u>	<u>118,556</u>

(9) CASH ON HAND AND AT BANKS

	2011	2010
	JD	JD
Cash on hand	38,628	18,425
Current and saving accounts *	870,434	461,082
Deposits *	9,142,265	8,681,104
Cheques under collection – short term	-	45,000
	<u>10,051,327</u>	<u>9,205,611</u>

The Foundation keeps deposits with banks with interest rates ranges between 0.5% to 4%.

* This items includes an amount of JD 9,972,874 as of 31 December 2011 (2010: JD 7,733,930) which is related to the restricted funds in (Note 11).

JORDAN RIVER FOUNDATION
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(10) TRADE AND OTHER PAYABLES

	2011	2010
	JD	JD
Trade payables	102,739	327,293
Down payments	44,780	88,861
Sales tax withholdings	-	18,549
Income tax withholdings	-	2,257
Social security	-	3,433
Accrued expenses	91,335	117,224
Other	-	19,116
	<u>238,854</u>	<u>576,733</u>

(11) UNEARNED REVENUE AND RESTRICTED FUNDS

	2011	2010
	JD	JD
Unearned revenue	1,118,824	1,208,026
Restricted funds	9,972,874	7,733,930
	<u>11,091,698</u>	<u>8,941,956</u>

(12) OTHER INCOME

	2011	2010
	JD	JD
Interest income	477,579	691,591
Commission from goods on consignment	-	13,927
Design revenue	2,328	-
Others	136,222	29,065
	<u>616,129</u>	<u>734,583</u>

(13) COST OF SALES

	2011	2010
	JD	JD
Purchases	72,302	152,562
Raw materials at 1 January	167,561	136,522
Raw materials at 31 December	(165,484)	(167,561)
Raw materials used	74,379	121,523
Direct labor	64,081	115,331
Direct overhead	284,267	172,347
Total manufacturing costs	422,727	409,201
Work in process at 1 January	44,034	54,152
Work in process at 31 December	(32,108)	(44,034)
Cost of goods manufactured	434,653	419,319
Finished goods at 1 January	172,188	204,470
Finished goods at 31 December	(200,208)	(172,188)
Cost of goods sold	<u>406,633</u>	<u>451,601</u>

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(14) OPERATING EXPENSES

	2011	2010
	JD	JD
Salaries	2,589,005	2,158,952
Employees benefits	12,106	20,845
Social security contribution	282,501	215,011
Staff health insurance	74,775	48,330
Travel and transportation	225,707	248,228
Training	19,728	24,790
Casual labor	76,000	48,254
Utilities	122,110	73,450
Professional and service fees	245,552	247,003
Sales commissions	13,029	21,187
Advertising expenses	156,654	204,530
Exhibitions and events	527,745	618,319
Depreciation of property and equipment	185,243	148,533
Rent	113,151	66,482
Bank commissions	31,862	8,197
Communications and postage	46,686	44,559
Printing	18,363	19,745
Insurance	11,007	10,745
Maintenance	86,163	51,073
Activity expense	-	8,634
Supplies	125,315	92,371
Shipping and freight out	1,407	1,132
Packaging labels	5,823	4,566
Interest on credit card sales	4,693	6,133
Organic Farm Project expenses	44,149	21,928
Poverty pockets project expenses	284,136	8,080
Qudrate 2 project expenses	45,338	177,490
Southern Ghour Project QRO & MOP expenses	20,550	225,668
Ajloun homes / king initiative	-	500
Personal care expense	2,551	35,864
Property and equipment expenses	80,211	80,375
Center direct production support cost	566	14,411
Center direct material	33,794	53,843
Provision for slow moving items	-	2,325
Provision for doubtful debts	-	-
Tenders with the Ministry of Public Works and Housing	3,845,615	4,284,114
Safe schools expenses	-	-
Rasoun Project expenses	13,688	32,057
UNHCR Project expenses	17,426	-
Madrasati School programs	525,904	408,246
Madrasati South offices expenses	8,970	12,582
Medical Herbs Projects expenses	22,628	53,821
Poverty pockets 2 project expenses	317,393	1,006,085
Debben Project expenses	187,635	542,075
Tafileh QRO and MOP Project expenses	581,157	142,150
Ahl Al – Hemeh Initiative expenses	73,433	145,080
Biren Project expenses	24,972	24,187
Hospitality	75,686	122,985
Other special project expenses	-	2,291
YID IYF – grants	267,117	128,433
YID IYF – capacity building for CNBO's	54,197	15,759
QRFCC projects expenses	83,627	78,536
CEP – revolving loan expense	120,000	-
CEP – royal initiatives expense	51,642	-
Others	118,778	20,788
	<u>11,875,788</u>	<u>12,030,742</u>

**JORDAN RIVER FOUNDATION
AMMAN - JORDAN
STATEMENTS OF ACTIVITIES**

Sales															
	Marketing and Design Department	Jordan		Wadi		Social		QRFCC		Jordan		Business Development		Family Support Unit	Total
		Design	River	Al-Rayan Project	Bani Hamida	Productivity Program	Naser Prevention Center	Foundation	Center	Project	Intervention Center	Services Project	Special Projects		
Revenue:	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Sales	30,920	223,182		20,372	70,692	12,923	-	-	-	-	-	-	-	358,089	560,974.00
Donations	-	7,560		514	5,819	718	60,807	421,957	165,501	5,520	240	20,662	15,874	705,172	575,269.00
Revenue from activities	-	46,139		2	-	138,125	888,737	151,285	282	264,052	3,125,302	173,965	-	9,805,771	10,917,620.00
Other revenue	2,328	1,103		93	(48)	2,396	10,782	482,669	-	30	6,155	-	-	616,129	734,583.00
Total Revenue	33,248	277,984		20,981	76,463	154,162	960,325	1,055,911	165,783	269,602	3,131,697	194,627	15,874	11,485,161	12,788,446
Expenses:															
Cost of sales	-	239,224		23,269	144,140	-	-	-	-	-	-	-	-	406,633	451,601.00
Operating expenses	248,916	26,703		-	-	133,963	1,195,652	889,296	481,628	307,701	3,161,642	207,719	216,103	11,875,787	12,030,742.00
Total Expenses	248,916	265,926		23,269	144,140	133,963	1,195,652	889,296	481,628	307,701	3,161,642	207,719	216,103	12,282,419	12,482,343
Net Income (Loss) for the Year	(215,668)	12,057		(2,288)	(67,677)	20,199	(235,327)	166,615	(315,845)	(38,099)	(29,945)	(13,092)	(200,229)	(797,258)	306,103
Net assets-beginning of the year	(1,105,540)	285,673		23,140	(223,891)	(60,938)	390,412	3,796,230	(864,415)	102,722	165,468	4,594	(238,829)	2,780,333	-
Net Assets - End of the Year	(1,321,208)	297,730		20,852	(291,568)	(40,739)	155,085	3,962,845	(1,180,260)	64,623	135,523	(8,498)	(439,058)	1,983,075	306,103

JORDAN RIVER FOUNDATION
SUPPLEMENTARY INFORMATION
OPERATING EXPENSES

Account Name	BUSINESS DEVELOPMENT SERVICES PROJECT	CHILD SAFETY PROGRAM	SALES & MARKETING DESIGN DEPARTMENT	FAMILY SUPPORT UNIT	DAR AL AMAN INTERVENTION CENTER	JRF HQ	SOCIAL PRODUCTIVITY PROGRAM KITCHEN & TRAINING	JORDAN RIVER DESIGNS	MADRASATI INITIATIVE	COMMUNITY EMPOWERMENT PROJECTS	QIICC PROJECT AQABA	2011	2010
ACTIVITIES, EVENTS & EXHIBITIONS (EVENTS)	201,109.00	55,009	11,281.72	198.40	4,287.00	102,530.79	178.50	-	21,144.84	4,555.45	7,240.39	214,004.02	826,955.00
ADVERTISING, PROMOTIONAL & PUBLICATIONS EXP.	-	18,484.81	-	-	1,420.80	20,411.50	-	-	-	7,431.06	7,431.06	2,543.06	145,080.00
AKA AL-HADRA PROJECT EXP.	-	-	-	-	-	-	-	-	-	-	-	-	500.00
ALQUDAH HOMES / KING INITIATIVE	-	-	-	-	-	-	-	-	-	-	-	-	-
AUDIT (EXTERNAL, INTERNAL EXP.)	1,250.00	1,250.00	1,250.00	-	1,250.00	7,456.67	-	-	-	1,250.00	-	13,706.67	8,197.00
BANKING & CHARGES EXP.	26.47	1,335.51	223.53	-	7.00	300.73	-	-	321.30	29,635.48	-	31,652.01	24,187.00
BRIEFING PROJECT EXP.	-	-	-	-	-	-	-	-	-	42,971.99	-	42,971.99	51,841.00
CHILD CLOTHING EXP. (MATERIALS)	-	-	-	-	-	-	-	-	-	-	-	-	-
CHILD CLOTHING EXP. (MATERIALS)	-	-	-	-	-	1,593.28	-	-	-	-	-	1,593.28	-
CHILD SUPPORT & BENEFITS - MSD	-	-	-	-	-	22,079.88	-	-	-	-	-	22,079.88	-
CONSULTANTS	40,480.01	63,622.00	4,300.00	-	-	11,133.30	-	-	32,668.88	1,662.50	-	151,793.48	-
CURRENCY RE-MEASURE	5.48	-	-	-	-	17,399.46	-	-	-	-	-	17,399.46	-
DEBENT PROJECT EXP.	-	-	-	-	-	-	-	-	-	-	-	-	-
DEPRECIATION EXPENSES	2,863.46	71,885.09	4,355.67	17,985.79	13,520.01	22,271.20	960.32	-	15,037.88	1,117.32	25,405.41	154,488.81	542,075.00
EMPLOYEE SALARY COMMISSION EXP.	-	-	172.14	-	-	3,814.07	110.00	-	-	-	42,990.65	42,990.65	148,531.00
EQUIPMENT & TOOLS MAINTENANCE EXP.	541.00	658.33	980.00	-	340.08	1,616.00	25,426.71	-	-	-	-	3,814.07	21,187.00
FUEL ASSETS EXPENSE	-	4,462.50	-	-	1,397.00	-	-	-	3,597.08	68,805.00	3,595.10	135,980.29	80,375.00
GALA DINNER	-	-	-	-	-	-	-	-	-	-	-	-	-
GUIDE COMMISSION EXP.	-	-	1,235.43	-	-	2,670.50	-	-	-	-	6,972.00	2,670.50	-
HOSPITALITY	-	59,613.00	347.08	-	-	1,741.92	-	-	-	-	-	8,187.43	-
INFRASTRUCTURE PROJECTS	2,425.74	-	-	-	85.69	-	-	-	1,135.12	1,112.43	985.57	66,951.90	122,985.00
INSURANCE (PROPERTY, LIABILITY & VEHICLES EXP.)	-	195.40	-	-	-	5,471.18	26,587.71	-	-	-	-	26,587.71	10,745.00
INTEREST ON CREDIT CARDS SALES EXP.	319.05	3,899.50	340.45	-	1,324.17	2,560.10	-	-	-	1,756.02	-	10,931.28	6,131.00
ISLAMIC BANK (EQUITY) EXPENSES	-	-	5,823.05	-	-	-	-	-	-	-	-	44,149.22	-
JORDAN RIVER DESIGN (JRD) EXPENSES	-	-	-	-	-	-	-	26,494.42	-	-	-	26,494.42	-
JRF MANAGEMENT FEES	-	-	-	-	-	-	-	-	34,942.52	29,655.00	-	34,942.52	-
KARAK PROJECT EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
KITCHEN WARE & SUPPLIES EXP.	1,580.02	5,350.00	9,774.17	-	5,680.41	9,636.72	198.99	-	-	-	-	35,275.00	-
LABORATORY EQUIPMENT & SUPPLIES EXP.	781.41	195.40	-	-	195.40	5,471.18	-	-	-	1,471.14	1,191.85	7,279.40	-
MEDICAL REPAIR PROJECT EXP.	-	-	-	-	-	-	-	-	-	65,485.54	-	65,485.54	-
MISCELLANEOUS	-	170.20	10,412.27	-	11,767.30	86.96	370.00	-	-	2,759.88	-	25,535.61	53,831.00
NON-UNIFORM LOCAL STAFF COSTS	-	17,424.89	-	-	-	-	-	-	-	-	-	17,424.89	-
OCCUPANCY (RENT) EXP.	720.00	-	25,259.12	-	65,242.36	2,120.00	-	-	15.73	-	-	93,257.40	66,482.00
OFFICE SUPPLIES EXP.	4,222.13	27,998.82	1,325.46	-	2,706.35	6,865.74	74.93	-	5,941.74	4,802.24	11,966.67	92,371.00	21,924.00
ORGANIC TANN PROJECT	-	-	-	-	-	-	-	-	-	-	-	-	-
SPECIAL PROJECTS EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHERS	-	693.34	693.34	-	-	836.52	-	208.16	-	-	-	901.40	-
PACKAGING & LABELS	-	723.25	435.80	-	2,551.38	178.77	-	-	-	-	1,944.83	3,504.60	4,566.00
PERSONAL CARE & REHABILITATION	-	-	-	-	-	-	-	-	-	-	-	-	-
POSTAGE LOCAL & INTERNATIONAL	47.00	334.55	98.00	-	157.20	-	-	-	-	35.78	332.00	983.40	35,864.00
POVERTY POCKETS 2 PROJECT EXPENSES	-	-	-	-	-	349,661.26	-	-	-	-	-	349,661.26	1,006,085.00
POVERTY POCKETS 3 PROJECT EXPENSES	-	-	-	-	-	388,489.43	-	-	-	-	-	388,489.43	-
POVERTY POCKETS 4 PROJECT EXPENSES	-	-	-	-	-	35.78	-	-	-	-	-	35.78	-
PRINTING	261.58	6,875.16	7,695.35	-	3,233.81	2,487.44	91.50	-	-	1.30	-	35.78	8,060.00
PRODUCTION SUPPORT COST	3,022.00	71,150	2,567.00	-	-	9,901.11	-	-	1,350.00	70.00	-	17,521.10	39,245.00
PROVISION FOR SLOW MOVING ITEMS	-	-	7,086.22	-	-	-	130.50	-	-	-	-	7,216.72	14,411.00
QUDRAZ 2 EXPENSES	-	-	-	-	-	-	-	-	-	170.00	-	170.00	2,325.00
REGISTRATIONS - SUBSCRIPTION FEES & MAGAZINES	505.00	808.94	180.00	-	-	5,595.97	-	-	-	13,488.54	-	13,488.54	17,749.00
RENTAL OF EQUIPMENT	-	-	-	-	-	-	-	-	-	3,019.62	-	10,110.12	-
ROYAL INITIATIVES EXP.	-	-	-	-	-	51,647.14	-	-	-	320,000.00	-	51,647.14	-
SCHOOL ACTIVITIES - OTHER	-	-	-	-	-	-	-	-	560,426.97	-	-	560,426.97	-
SCHOOL PROGRAMS - INAZ	-	-	-	-	-	-	-	-	-	-	-	-	-
SCHOOLS TENDERS WITH MINISTRY OF PUBLIC WORKS AND HOUSING	-	-	-	-	-	-	-	-	-	-	-	-	-
SERVICE FEES	77.00	28,821.03	1,314.00	-	1,691.00	34.47	-	-	-	59.08	6,840.00	43,855.43	4,284,112.00
SHORT TERM LABOR (CASUAL LABOR)	1,200.00	29,018.84	1,392.00	-	19,697.28	9,070.33	11,244.48	-	-	7,600.00	3,107.70	13,997.57	24,700.00
SOFTWARE MAINTENANCE	-	-	-	-	-	1,175.00	-	-	-	11,000.00	-	11,000.00	48,254.00
SOUTH OFFICE	-	-	-	-	-	-	-	-	-	790.00	-	2,253.00	-
SOUTHERN GHOUR PROJECT QRO & MOP EXP.	-	-	-	-	-	-	-	-	8,970.37	-	-	8,970.37	12,581.00
STAFF BENEFITS	8,591.05	43,246.51	9,721.89	12,171.71	17,164.70	45,529.45	5,854.04	-	-	283.50	-	188,456.56	20,845.00
STAFF CAPACITY BUILDING (EMPLOYEE TRAINING)	-	1,701.08	780.00	-	7,431.70	3,612.53	-	-	-	25,972.22	-	6,078.55	24,795.00
STAFF LIFE INSURANCE	-	1,500.31	1,431.00	-	1,431.00	204.50	-	-	-	207.35	-	145.77	-
STAFF SALARIES	106,578.43	512,720.47	98,802.47	182,303.62	225,251.06	504,846.46	9,341.87	-	355,513.23	184,079.60	7,165.07	679,521.30	48,335.00
STAFF SOCIAL SECURITY	11,147.44	65,105.22	11,481.00	19,002.70	21,874.28	52,856.49	2,431.03	-	37,403.78	38,798.25	870.04	260,882.01	215,011.00
TAJELIA QRO & MOP EXP.	-	-	-	-	-	-	-	-	-	581,157.46	-	581,157.46	142,150.00
TELECOMMUNICATION	1,168.50	7,631.18	2,055.22	1,530.14	2,824.49	15,484.27	141.15	-	8,101.77	2,480.37	1,982.99	43,405.07	-
TRAINING CENTER EXPENSES	-	53.10	-	-	-	-	-	-	-	20,266.83	-	20,266.83	-
TRANSPORTATION IN JORDAN	2,273.20	51,980.00	2,775.55	-	15,741.90	6,799.33	238.50	-	25,897.52	1,428.00	6,866.99	11,526.99	248,228.00
UNIFORMS	1,881.04	26,907.80	5,786.47	1,150.00	-	1,553.62	-	-	6,942.79	6,842.20	7,632.57	76,321.57	48,335.00
UNIFORM PROJECT EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
VEHICLE OPERATING COSTS (MAINTENANCE)	1,888.00	26,539.57	12,752.48	-	27,348.60	10,532.15	436.55	-	8,204.42	4,188.40	22,678.55	118,236.42	73,450.00
UTILITIES	957.19	11,493.95	199.50	-	1,838.90	1,431.11	408.20	-	-	4,188.40	4,273.95	24,580.28	-
WAGES	-	-	2,832.65	-	-	-	3,772.59	-	-	-	-	18,984.61	-
WORKSHOP SUPPLIES	-	21,937.30	-	-	-	-	-	-	-	-	-	21,937.30	-
WTO EXPENSES	-	-	-	-	-	-	-	-	-	830,921.52	-	830,921.52	144,192.00
TOTAL	497,791.22	1,195,465.04	246,935.30	216,103.16	461,624.41	889,295.97	88,707.42	26,702.88	5,006,464.24	3,207,515.56	207,104.72	11,875,788.00	12,030,741.00