

My School Pulse

**Independent Auditor's Report
and Statement of Operations
for the year ended 31 December 2019**

My School Pulse

Audit report for the year ended 31 December 2019

Table of contents	Page
INDEPENDENT AUDITOR'S REPORT	1
STATEMENT OF OPERATIONS	3
NOTES TO THE STATEMENT OF OPERATIONS	5



INDEPENDENT AUDITOR'S REPORT

To the Management Committee
of My School Pulse,

Report on the Audit of the Financial Statements

Opinion

We have audited the statement of operations of **My School Pulse** (the Association), as at 31st December 2019.

In our opinion, the accompanying statement of operations present fairly, in all material respects, the financial position of the Company as at 31st December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Lebanon, 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.

Going Concern

The Association financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. As part of our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the Association's financial statements is appropriate.

Management has not identified a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, and accordingly none is disclosed in the financial statements. Based on our audit of the financial statements, we also have not identified such a material uncertainty. However, neither management nor the auditor can guarantee the Association's ability to continue as a going concern.

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

Management of the Association is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs 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. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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.

My School Pulse

Independent auditor's report for the year ended 31 December 2019

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 are required to 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 are also required to 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.

The engagement partner on the audit resulting in this independent auditor's report is Nadim A. Daher.

DAHER & PARTNERS

Civil Professional Company - LACPA registration number 70/2009

Mazda center - Boukather building - Jal El Dib highway - Jal El Dib - Lebanon

Beirut, 25th January 2020



My School Pulse

Statement of operations for the year ended 31 December 2019

STATEMENT OF OPERATIONS

My School Pulse

Statement of operations for the year ended 31 December 2019

STATEMENT OF OPERATIONS	31-Dec-19		31-Dec-18		
	In USD	In LBP	In USD	In LBP	
Sources of funds:					
Donations	100,485	151,481,518	169,523	255,555,954	
Events revenues (net)	13,834	20,854,135	65,132	98,186,700	
Financial revenues	23,361	35,217,238	18,779	28,309,116	
Total sources of funds	137,680	207,552,891	253,434	382,051,770	
Disbursements:					
Lessons at hospital	(136,520)	(205,804,045)	(138,988)	(209,524,300)	
E-learning	(719)	(1,084,000)	-	-	
Teaching equipment and materials	(100)	(150,750)	(1,604)	(2,418,726)	
Total schooling costs	(137,339)	(207,038,795)	(140,592)	(211,943,026)	
Other operating expenses	(55,761)	(84,060,511)	(53,816)	(81,128,001)	
Website costs	(6,215)	(9,369,113)	(6,215)	(9,369,113)	
Total operating costs	(61,976)	(93,429,624)	(60,031)	(90,497,114)	
Fixed assets	(130)	(195,975)	(1,065)	(1,605,485)	
Negative difference of exchange	(2)	(3,222)	(2,652)	(3,997,730)	
Bank commissions and charges	(1,656)	(2,497,350)	(2,689)	(4,053,177)	
Taxes	(1,700)	(2,562,931)	(1,315)	(1,981,639)	
Total disbursements	(202,803)	(305,727,897)	(208,344)	(314,078,171)	
Surplus / (Deficit)	(65,123)	(98,175,006)	45,090	67,973,599	
Bank & cash opening balance	553,383	834,226,954	508,293	766,253,355	
Surplus / (Deficit) of the year	(65,123)	(98,175,006)	45,090	67,973,599	
Bank & Cash Ending balance	488,260	736,051,948	553,383	834,226,954	
Cash and cash equivalents					
	Note	31-Dec-19		31-Dec-18	
		In USD	In LBP	In USD	In LBP
Banks	6	478,334	721,088,154	551,052	830,710,845
Cash		8,430	12,707,669	200	301,409
Cheques for collection		1,497	2,256,125	2,132	3,214,700
Total cash and cash equivalents		488,260	736,051,948	553,383	834,226,954

NOTES TO THE STATEMENT OF OPERATIONS

My School Pulse

Notes to the Statement of operations for the year ended 31 December 2019

1. Establishment and operations

My School Pulse Association operates as such under Ministry of Interior notification number 1088 dated 29th June 2010 as a non-profit organisation whose primary aim is to provide children in Lebanon, suffering from a life-threatening illness, with the opportunity to continue their school education and engage in certain extracurricular activities, while undergoing treatment.

2. Objectives and activities

- To help children stricken with cancer or any other severe illness, pursue their education uninterrupted, by offering them free lessons at the hospital or at home during the treatment period.
- To minimize their feelings of exclusion from normal life while fighting their illness.
- To help ensure they resume school as smoothly as possible as soon as they recover.
- When needed, to improve a family's material circumstances in order for education to be possible in the first place.

3. Address

Mount Lebanon – Metn – New Naccache – Zone 2 – street 2 – Nassif building.

4. Representative of the Association

Mr. Philippe Paul Yared is the representative of the association to the government.
Mrs. Mireille Robert Nassif is the president–director, Miss Danielle Wajdy Diab and Mr. Philippe Paul Yared are members of the board of directors.

5. Main accounting principles

The financial statements and accompanying notes are prepared in accordance with International Financial Reporting Standards (IFRS) applied in Lebanon on a cash basis.

a) Consistency

In order for users to be able to compare the performance of the foundation in between periods, consistent accounting policies and procedures are applied by the foundation from one period to another. This does not mean that the foundation cannot change accounting policies if it changes in its activities, however, the cumulative effect of the change must be accounted for and disclosed in the financial statements.

b) Going concern assumption

It is presumed (subject to rebuttal by evidence to the contrary) that the foundation will continue to operate in the foreseeable future.

My School Pulse

Notes to the Statement of operations for the year ended 31 December 2019

6. Banks

The balance of this caption represents the cash available at banks, detailed as follows:

Description	Curr.	31-Dec-19		31-Dec-18	
		In Curr.	In LBP	In Curr.	In LBP
Union Bancaire Privee, UBP SA - Genève	USD	351,321	529,616,408		-
Bank Audi SAL	USD	117,872	177,691,497	550,301	829,578,984
Bank Audi SAL	GBP	5,971	11,810,464	72	136,473
Bank Audi SAL	LBP	-	1,924,661	-	856,116
Bank Audi SAL	EUR	27	45,124	81	139,272
Total			721,088,154		830,710,845