Independent Auditor's Report

105180969

To The Shareholders of
Partners Jordan for Training
Non-Profit Limited Liability Company
Amman-The Hashemite Kingdom of Jordan

We have audited the accompanying financial statements of **Partners Jordan for Training (Non-Profit Limited Liability Company),** which comprise the statement of financial position as at December 31, 2011, and the statement of revenues and expenses, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 is necessary to enable the preparation 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 financial statements present fairly, in all material respects the financial position of **Partners Jordan for Training (Non-Profit Limited Liability Company)** as of December 31, 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 for the year ended December 31, 2010 were audited by another auditor who expressed an unqualified opinion over them on February 14, 2011.

Talal Abu-Ghazaleh & Co. International

Steve Karadsheh
(License # 756)

Amman, March 28, 2012

Partners Jordan for Training
Non-Profit Limited Liability Company
Amman-The Hashemite Kingdom of Jordan

Statement of financial position as at December 31, 2011

ASSETS	Notes	2011	2010
Current Assets		JD	JD
Cash and cash equivalents	3	106,344	83,553
Other debit balances	4	5,806	10,208
Total Current Assets		**112,150**	**93,761**
Non - Current Assets			
Property and equipment	5	3,955	5,271
TOTAL ASSETS		**116,105**	**99,032**
LIABILITIES AND EQUITY			
Current Liabilities			
Other credit balances		11,904	3,993
Equity			
Capital	6	30,000	30,000
Statutory reserve		916	-
Retained surplus		73,285	65,039
Total Equity		**104,201**	**95,039**
TOTAL LIABILITIES AND EQUITY		**116,105**	**99,032**

Partners Jordan for Training
Non-Profit Limited Liability Company
Amman-The Hashemite Kingdom of Jordan

Statement of revenues and expenses for the year ended December 31, 2011

	Notes	2011	2010
Revenues		JD	JD
Projects	7	305,309	110,174
Other		440	-
Grants		-	95,032
Total revenues		**305,749**	**205,206**
Expenses			
Projects	7	268,774	237,167
Administrative	8	27,813	29,576
Total expenses		**296,587**	**266,743**
Surplus (shortage)		**9,162**	**(61,537)**

Partners Jordan for Training
Non-Profit Limited Liability Company
Amman-The Hashemite Kingdom of Jordan

Statement of changes in equity for the year ended December 31, 2011

	Capital	Statutory reserve	Retained surplus	Total
	JD	JD	JD	JD
Balance as at January 1, 2010	30,000	-	126,576	156,576
Shortage	-	-	(61,537)	(61,537)
Balance as at December 31, 2010	**30,000**	**-**	**65,039**	**95,039**
Surplus	-	-	9,162	9,162
Statutory reserve	-	916	(916)	-
Balance as at December 31, 2011	**30,000**	**916**	**73,285**	**104,201**

Partners Jordan for Training
Non-Profit Limited Liability Company
Amman-The Hashemite Kingdom of Jordan

Statement of cash flows for the year ended December 31, 2011

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES	JD	JD
Surplus (shortage)	9,162	(61,537)
Adjustment for :		
Depreciation	2,196	3,014
Changes in operating assets and liabilities:		
Other debit balances	4,402	18,633
Other credit balances	7,911	(6,098)
Net cash from operating activities	**23,671**	**(45,988)**
Cash Flows from Investing Activities		
Purchase of property and equipment	(880)	(79)
Net cash from investing activities	**(880)**	**(79)**
Net change in cash and cash equivalents	**22,791**	**(46,067)**
Cash and cash equivalents - beginning of the year	83,553	129,620
Cash and cash equivalents - end of the year	**106,344**	**83,553**

Notes to the financial statements

1. Legal status and activities

- The company was established and registered in the Ministry of Industry and Trade as a non-profit limited liability company under number (105) on October 24, 2005.
- The main activity of the company is to hold training courses to support and strengthen the civil society role.

2. Summary of significant accounting policies

- **Financial statements preparation framework**

  The financial statements have been prepared in accordance with International Financial Reporting Standards.

- **Measurement bases used in preparing the financial statements**

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

- **Financial instruments**

  Financial instrument is any contract that gives rise to a financial asset of one entity and financial liabilities or equity instrument of another entity.

  - **Financial assets**

    - A financial asset is any asset that is:
      (a) Cash; or
      (b) An equity instrument of another entity; or
      (c) A contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity or.
      (d) A contract that will or may be settled in the entity's own equity instruments.
    - Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.
    - All recognized financial assets are subsequently measured either at amortized cost or fair value, on the basis of both:
      (a) The entity's business model for managing the financial assets, and
      (b) The contractual cash flow characteristics of the financial assets.
    - A financial asset is measured at amortized cost if both of the following conditions are met:
      (a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
      (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
    - All other financial assets are subsequently measured at fair value.
    - A gain or loss on a financial asset that is measured of fair value and is not part of a hedging relationship is recognized in profit or loss unless the financial asset is an investment in an equity instrument and the entity has elected to present gains and losses on that investment in other comprehensive income.

  Cash and cash equivalents

  - Cash comprises cash on hand, current accounts and demand deposits with banks.
  - Cash equivalents are short- term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables

- Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- Trade receivables are stated at invoices amount net of allowance for doubtful receivables which represents the collective impairment of receivables.

Impairment of financial assets

- Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each year.
- The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets, the amount of the impairment loss shall be recognized as loss.

- **Financial liabilities**

  - A financial liability is any liability that is:
    (a) A contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
    (b) A contract that will or may be settled in the entity's own equity instruments.
  - Financial liabilities are initially recognized at fair value plus transaction costs, directly attributable to the acquisition or issue of those liabilities, except for the financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Trade payables and accruals

Trade payables and accruals are liabilities to pay for goods or services that have been received or supplied and have been either invoiced or formally agreed with the suppliers or not.

- **Property and equipment**

  - Property and equipment are initially recognized at their cost being their purchase price plus any other costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.
  - After initial recognition, the property and equipment are carried, in the statement of financial position, at their cost less any accumulated depreciation and any accumulated impairment.
  - The depreciation charge for each period is recognized as expense. Depreciation is calculated on a straight line basis, which reflects the pattern in which the asset's future economic benefits are expected to be consumed over the estimated useful life of the assets using the following rates:

Category	Depreciation rate
Computers	25%
Furniture and decorations	15%
Machines and equipment	15%

  - The estimated useful lives are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.
  - The carrying values of property, plant and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
  - On the subsequent derecognition (sale or retirement) of the property, plant and equipment, the resulting gain or loss, being the difference between the net disposal proceed, if any, and the carrying amount, is included in profit or loss.

- **Impairment of assets**

  - At each statement of financial position date, management reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired.

- 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, being the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of asset's fair value less costs to sell and the value in use. The asset's fair value is the amount for which that asset could be exchanged between knowledgeable, willing parties in arm's length transaction. The value in use is the present value of the future cash flows expected to be derived from the asset.
- An impairment loss is recognized immediately as loss.
- Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognized in prior years. A reversal of an impairment loss is recognized immediately as income.

- **Statutory reserve**

Statutory reserve is allocated according to the Jordanian Companies Law by deducting 10% of the annual net profit until the reserve equals of the Company's subscribed capital. Such reserve is not available for dividends distribution.

- **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services

- Revenue from a contract to provide services is recognized by reference to the stage of completion of the transaction at the statement of financial position date.
- The outcome of the transaction can be estimated reliably when all the following conditions are satisfied:
  - The amount of revenue can be measured reliably.
  - It is probable that the economic benefits will flow to the entity.
  - The stage of completion at the statement of financial position date can be measured reliably.
  - The costs incurred, or to be incurred, in respect of the transaction can be measured reliably.

- **Foreign currencies**

- The financial statements are presented in the Jordanian Dinar (functional currency).
- In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement date (closing rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.
- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise.

- **Accounting judgments**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised. Accounting adjustments has no retrospective effects.

3. **Cash and cash equivalents**

	2011	2010
	JD	JD
Bank deposit - Jordanian Dinar	67,584	77,764
Current accounts - Jordanian Dinar	36,661	5,789
Current account - foreign currencies	2,099	-
Total	**106,344**	**83,553**

4. **Other debit balances**

	2011	2010
	JD	JD
Prepaid expenses	5,333	6,653
Refundable deposits	273	273
Petty cash	200	-
Accrued revenues	-	3,130
Others	-	152
Total	**5,806**	**10,208**

5. **Property and equipment**

	Computers	Furniture and decorations	Machines and equipment	Total
	JD	JD	JD	JD
Cost				
As at January 1, 2011	16,774	7,781	8,174	32,729
Additions	880	-	-	880
As at December 31, 2011	17,654	7,781	8,174	33,609
Accumulated depreciation				
As at January 1, 2011	16,773	4,404	6,281	27,458
Depreciation	73	895	1,228	2,196
As at December 31, 2011	16,846	5,299	7,509	29,654
Net book value				
As at December 31, 2011	808	2,482	665	3,955
As at December 31, 2010	1	3,377	1,893	5,271

6. Capital

	2011	2010
	JD	JD
Saed Darweish Yousif Karajeh	7,500	7,500
Laith Marwan Sodqi Al Qasim	7,500	7,500
Raymond Shonehltez	7,500	7,500
Reem Momdooh Abed Alrahman Abu Hassan	7,500	7,500
Total	**30,000**	**30,000**

7. Projects revenues and expenses

	Project name							
	EU	Training projects	Mediation	Other	Takafo'	MEPI	2011	2010
	JD	JD	JD	JD	JD	JD	JD	JD
Projects revenues	92,513	77,499	52,721	21,726	237	60,613	305,309	110,174
Projects expenses	126,626	31,777	50,003	-	-	60,368	268,774	237,167
Net	(34,113)	45,722	2,718	21,726	237	245	36,535	(126,993)

8. Administrative expenses

	2011	2010
	JD	JD
Company contribution to social security	6,939	7,948
Professional fees	4,060	1,740
Currency difference	3,546	21
Cleaning	2,858	3,266
Depreciation	2,196	3,014
Insurance	1,715	1,253
Travel and transportation	1,208	2,853
Salaries	1,203	-
Governmental fees	1,128	468
Subscriptions	930	1,988
Communication	747	573
Rent	576	4,441
Interest and commission	337	274
Maintenance	175	865
Stationery	154	20
Electricity and water	41	717
Promotion and publication	-	126
Miscellaneous	-	9
Total	**27,813**	**29,576**

9. Risk management

a) Capital risk

Regularly, the capital structure is reviewed and the cost of capital and the risks associated with capital are considered. In addition, capital is managed properly to ensure continuing as a going concern while maximizing the return through the optimization of the debt and equity balance.

b) Currency risk

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
- The risk arises on certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year.
- Certain procedures to manage the exchange rate risk exposure are maintained.

c) Interest rate risk

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
- The risk arises on exposure to a fluctuation in market interest rates resulting from borrowings and depositing in banks.
- The following table shows the sensitivity of profit or loss and equity to changes in interest rates received by the entity on its deposits with banks:

As of December 31, 2011	Change in interest	Effect on profit (loss)	Effect on equity
	%	JD	JD
Deposits with banks	0.5	338±	338±

d) Other price risk

- Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
- The risk arises from investing in equity investments.
- The entity is not exposed to other price risk.

e) Credit risk

- Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Regularly, the credit ratings of debtors and the volume of transactions with those debtors during the year are monitored.
- Ongoing credit evaluation is performed on the financial condition of debtors.
- The carrying amount of financial assets recorded in the financial statements represents the maximum exposure to credit risk without taking into account the value of any collateral obtained.

f) Liquidity risk

- Liquidity risk is the risk of encountering difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
- Liquidity risk is managed through monitoring cash flows and matching with maturity dates of the financial assets and liabilities.
- The following table shows the maturity dates of financial assets and liabilities as of December 31:

	Less than one year	
	2011	2010
	JD	JD
Description		
Financial assets:		
Cash and cash equivalents	106,344	83,553
Other debit balances	473	3,555
Total	**106,817**	**87,108**
Financial liabilities:		
Other credit balances	11,904	3,993
Total	**11,904**	**3,993**

10. Adoption of new and revised Standards

In the current year, the new and revised International Financial Reporting Standards (IFRSs) including the International Accounting Standards (IASs) and their interpretations that are relevant to operations and effective for annual reporting periods have been adopted. The adoption of these new and revised Standards and Interpretations has resulted in changes to the accounting policies in the following areas:

- IFRS 3 'Business combinations'. The amendments clarify that the measurement choice regarding non-controlling interests at the date of acquisition is only available in respect of non-controlling interests that are present ownership interests and that entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. All other types of non-controlling interests are measured at their acquisition-date fair value, unless another measurement basis is required by other Standards. In addition, the amendments provide more guidance regarding the accounting for share-based payment awards held by the acquiree's employees. Specifically, the amendments specify that share-based payment transactions of the acquiree that are not replaced should be measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (market-based measure).
  - **Applicable for periods beginning on July 1, 2010, and after.**

- IFRS 7 'Financial instruments: disclosures – transfers of financial assets'. The amendments are intended to provide greater transparency around risk exposures of transactions when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.
  - **Applicable for periods beginning on July 1, 2011, and after.**

- IFRS 9 'Financial instruments'. The amendments introduce new requirements for the classification and measurement of financial assets and financial liabilities and for derecognition.
  IFRS 9 requires all recognized financial assets that are within the scope of IAS 39 to be subsequently measured at amortized cost or fair value.

Debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

The amendments clarify the accounting for changes in fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.

- **Applicable for periods beginning on January 1, 2015, and after, with earlier application permitted. This standard was applied for the current period's financial statements. There is no substantial financial effect on financial statements when adopting this standard and its interpretations.**

- IAS 1 "Presentation of financial statements". The amendments clarify that an entity may choose to disclose an analysis of other comprehensive income by item in the statement of changes in equity or in the notes to the financial statements.
  - **Applicable for periods beginning on January 1, 2011, and after.**

- IAS 24 'Related party disclosures'. The amendments relax the disclosures of transactions between the governmental entities and clarify related-party definition.
  - **Applicable for periods beginning on January 1, 2011, and after.**

- IAS 32 'Financial instruments - classification of rights and issues'. The amendments address the classification of certain rights issues denominated in a foreign currency as either equity instruments or as financial liabilities. Under the amendments, rights, options or warrants issued by an entity for the holders to acquire a fixed number of the entity's equity instruments for a fixed amount of any currency are classified as equity instruments in the financial statements of the entity provided that the offer is made pro rata to all of its existing owners of the same class of its non-derivative equity instruments.
  - **Applicable for periods beginning on February 1, 2010, and after, and should be applied retrospectively.**

- IFRIC 14 "Prepayments of minimum funding requirement .The amendments now allow recognition of an asset in the form of prepaid minimum funding contributions.
  - **Applicable for periods beginning on January 1, 2011, and after.**

- IFRIC 19 'Extinguishing financial liabilities with equity instruments'. Under this interpretation, equity instruments issued under such arrangements will be measured at their fair value, and any difference between the carrying amount of the financial liability extinguished and the fair value of equity instruments issued will be recognized in profit or loss.
  - **Applicable for periods beginning on July 1, 2010, and after.**

At the date of authorization of these financial statements, the following Standards and Interpretations issued but not yet effective:

- IFRS 10 'Consolidated financial statements'. IFRS 10 replaces the parts of IAS 27 "Consolidated and separate financial statements" that deal with consolidated financial statements. SIC-12 "Consolidation - special purpose entities" has been withdrawn upon the issuance of IFRS 10. Under IFRS 10, there is only one basis for consolidation that is control. In addition, IFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns.

- IFRS 11 'Joint arrangements'. IFRS 11 replaces IAS 31 "Interests in joint ventures". IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 "Jointly controlled entities - non-monetary contributions by venturers" has been withdrawn upon the issuance of IFRS 11. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

  In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

- IFRS 12 'Disclosure of interests in other entities'. IFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than those in the current standards.
  - **The above three standards which are integrated with IAS 27 (as amended in 2011) and IAS 28 (as amended in 2011) are applicable for periods beginning on January 1, 2013, and after, with earlier application are permitted provided that all of these standards are applied at the same time.**

- IFRS 13 'Fair value measurement'. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under IFRS 7 "Financial instruments: disclosures" will be extended by IFRS 13 to cover all assets and liabilities within its scope.
  - **Applicable for periods beginning on January 1, 2013, and after, with earlier application permitted.**

- IAS 1 'Presentation of items of other comprehensive income'. The amendments require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.
  - **Applicable for periods beginning on July 1, 2012, and after. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.**

- IAS 12' Deferred tax' - Recovery of underlying assets. The amendments provide an exception to the general principles in IAS 12 that the measurement of deferred tax assets and liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, 'investment properties' that are measured using the fair value model in accordance with IAS 40 'Investment property' are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.
  - **Applicable for periods beginning on January 1, 2012, and after.**

- IAS 19 (as revised in 2011) 'Employee benefits'. The amendments change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus.
  - **Applicable for periods beginning on January 1, 2013, and after and require retrospective application with certain exceptions.**

Management anticipates that the adoption of these Standards and Interpretations in current or future periods may not have material financial impact on the financial statements.