

24 April 2018

PRIVATE AND CONFIDENTIAL

Mr Wassim Bawab
Board Member
International College Alumni Association
Beirut
Lebanon

Dear Mr Bawab

**INTERNATIONAL COLLEGE ALUMNI ASSOCIATION
AUDIT FOR THE YEAR ENDED 31 DECEMBER 2017**

Please find enclosed four copies of the Arabic financial statements for the year ended 31 December 2017 together with the auditors' report thereon duly signed.

Yours sincerely
for Ernst & Young



Ammar Hamdan
Manager

Enclosures: As stated above.

INTERNATIONAL COLLEGE ALUMNI ASSOCIATION

FINANCIAL STATEMENTS

31 DECEMBER 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INTERNATIONAL COLLEGE ALUMNI ASSOCIATION

Opinion

We have audited the financial statements of the International College Alumni Association (the "Association"), which comprise the balance sheet as at 31 December 2017, the statement of revenues and expenses, and the statement of changes in general fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2017 and the surplus for the year then ended in accordance with the cash basis of accounting as described in note 2.

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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting, and for such internal control as the Directors determine 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, the Directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Directors are 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.

Auditor's responsibilities for the audit of the financial statements (continued)

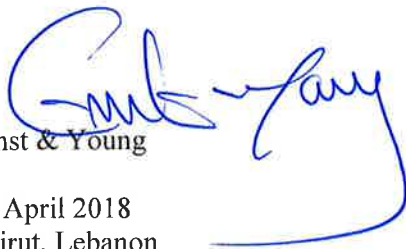
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ 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 the Directors.
- ▶ Conclude on the appropriateness of the Directors' 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 Directors 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.

Ernst & Young

22 April 2018
Beirut, Lebanon



International College Alumni Association

STATEMENT OF REVENUES AND EXPENSES

For the year ended 31 December 2017

	<i>2017</i> <i>US\$</i>
REVENUES	
Subscription income	23,080
Other income	1,161
TOTAL REVENUES	<u>24,241</u>
EXPENSES	
General and administrative expenses	(14,471)
TOTAL EXPENSES	<u>(14,471)</u>
SURPLUS FOR THE YEAR	<u><u>9,770</u></u>

The attached notes 1 to 4 form part of these financial statements.

International College Alumni Association

BALANCE SHEET

At 31 December 2017

	<i>2017</i> <i>US\$</i>
ASSETS	
Bank balances	11,285
TOTAL ASSETS	<u>11,285</u>
EQUITY	
General fund	11,285
TOTAL EQUITY	<u>11,285</u>

The financial statements were authorized for issue on behalf of the board of directors on 22 April 2018 by Mr Imad El Khalil, President, and Mr Karim Baalbaki, Treasurer.

International College Alumni Association
STATEMENT OF CHANGES IN GENERAL FUND
For the year ended 31 December 2017

	<i>US\$</i>
Balance at 1 January 2017	1,515
Surplus for the year 2017	9,770
Balance at 31 December 2017	<u><u>11,285</u></u>

The attached notes 1 to 4 form part of these financial statements.

1 CORPORATE INFORMATION

The International College Alumni Association (ICAA) (the “Association”) is a non-profit non-political association based in Lebanon. It aims to connect and empower the International College (IC) community at large including alumni, faculty and staff and continue to support IC's mission of helping build a better society.

The Association operates in Lebanon and was registered on 9 May 1980 under acknowledgment number 61. Its head office is located in Beirut, Lebanon.

2 BASIS OF ACCOUNTING

The financial statements are prepared in accordance with the cash basis of accounting. On this basis, revenue is recognized when received rather than when earned and expenses when paid rather than when incurred.

3 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the accounting principle described in note 2.

The financial statements have been presented in US Dollars (US\$).

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the balance sheet date. All differences are taken to the statement of revenues and expenses.

4 FAIR VALUES

The fair values of the financial assets are not materially different from their carrying values at the balance sheet date.