

JUMPSTART INTERNATIONAL CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2006

AND INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

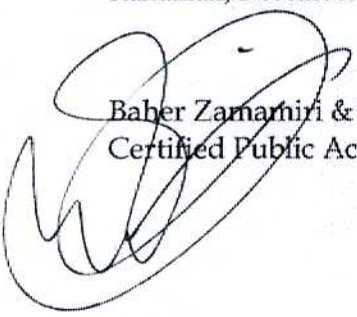
**TO Ms. Anne O'Sullivan
Executive Director
JumpStart International**

We have audited the accompanying consolidated statement of financial position of JumpStart International Corporation and affiliates (the "Organization") as of December 31, 2006 and the related consolidated statement of activities and consolidated statement of cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2006 and the results of its operations and cash flows for the year then ended on the basis of accounting described in note (2).

Ramallah, December 29, 2008



Baber Zamani & Co.
Certified Public Accountants

JumpStart International Corporation

Consolidated financial statements for the year ended December 31, 2006

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts in U.S. Dollars)

| | <u>Note</u> | <u>2006</u> | <u>2005</u> |
|--|-------------|----------------|----------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | (3) | 855,524 | 777,269 |
| Accounts receivable and other current assets | (4) | - | 39,386 |
| Total current assets | | 855,524 | 816,655 |
| | | | |
| Fixed assets, net | (5) | 17,252 | 14,100 |
| Total assets | | 872,776 | 830,755 |
| | | | |
| Liabilities and Net Assets | | | |
| Current liabilities | | | |
| Due to banks | (6) | 3,587 | 7,728 |
| Accounts payable | (7) | 357 | 35,524 |
| Accounts payable and other current liabilities | (8) | 477 | 2,321 |
| Total current liabilities | | 4,421 | 45,573 |
| | | | |
| Net Assets | | 868,355 | 785,182 |
| | | | |
| Total Liabilities and Net Assets | | 872,776 | 830,755 |

Notes to the financial statements form an integral part of it

MS. ANNE S. O'SULLIVAN
Executive Director

JumpStart International Corporation

Consolidated financial statements for the year ended December 31, 2006

CONSOLIDATED STATEMENT OF ACTIVITIES

(All amounts in U.S. Dollars)

| | <u>Note</u> | <u>2006</u> | <u>2005</u> |
|---|-------------|----------------|------------------|
| Grants and other revenues: | | | |
| Grants and revenues | (9) | 521,887 | 513,183 |
| Donated services and goods | | 66,577 | |
| Investment earnings and interest | | 23,762 | |
| Other earned revenues | (10) | | 353,827 |
| Total grants and other revenues | | <u>612,226</u> | <u>867,010</u> |
| Expenses: | | | |
| Program services | | | |
| Direct program services | (11) | 301,630 | 1,463,140 |
| Program administration | (12) | 155,514 | 106,233 |
| Total program expenses | | <u>457,144</u> | <u>1,569,373</u> |
| Supporting services | | | |
| Management and general expenses | (13) | 147,390 | 209,356 |
| Fund raising expenses | | 4,544 | - |
| Total supporting services expenses | | <u>151,934</u> | <u>209,356</u> |
| Total expenses | | <u>609,078</u> | <u>1,778,729</u> |
| Changes in net assets for the year | | <u>3,148</u> | <u>(911,719)</u> |
| Net assets, beginning of year | | 785,182 | 1,696,901 |
| Prior period adjustment | (14) | 80,025 | - |
| Net assets, end of year | | <u>868,355</u> | <u>785,182</u> |

Notes to the financial statements form an integral part of it

