

## Questions raised during the information meeting

**Question 1:** What is meant exactly by the financial statement? and does it have to be audited or not??

- *A financial statement is a document that provides a comprehensive view of a company's financial activities during a specific accounting period.*

*Types of Financial Statements:*

*Balance Sheet: This statement offers an overview of a company's assets, liabilities, and shareholders' equity at a specific point in time. It provides a snapshot of the company's financial position.*

*Income Statement (Profit and Loss Statement): The income statement focuses on a company's revenues and expenses during a particular period. After subtracting expenses from revenues, it reveals the company's net income or profit.*

*Cash Flow Statement: The cash flow statement tracks how a company uses its cash to pay debts, fund operating expenses, and invest. It provides insights into cash inflows and outflows.*

*Statement of Changes in Equity: This statement shows changes in shareholders' equity over time, including contributions, distributions, and retained earnings.*

**Question 2:** For tenderers registered in Israel, we will need to add VAT 17%. Shall we submit our prices with VAT? and how will this impact the evaluation of our offers??

- *All tenderers (registered in Israel or Palestine) should not include the VAT in their prices in the tender forms. If VAT is applicable, Enabel will be paying the VAT on top of the VAT-free price indicated by the tenderer.*
- *When making payments, VAT will be charged by Israel to Enabel for contracts awarded to tenderers registered in Israel, while contracts awarded to tenderers registered in Palestine will be exempted from it. When evaluating the tenderer's price offers, Enabel will compare the prices as per how the actual costs will incur. Therefore, it will compare the prices of companies registered in Palestine without VAT with prices of companies registered in Israel after adding the applicable VAT to them. However, the evaluation does not depend only on the price but also on other qualifications and financial capacities in which lower prices offers may be rejected before the financial evaluation of the tenderers.*