

**Association for Women and Child Protection (AISHA)**  
**Gaza – Palestine**

**Financial Statements**  
**and Independent Auditor's Report**  
**for the Year Ended December 31, 2015**

**Talal Abu Ghazaleh & Co. International**  
**Certified Public Accountants**



**Association for Women and Child Protection (AISHA)**  
**Gaza – Palestine**

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## Independent Auditor's Report

Messrs. Members of the General Assembly  
Association for Women and Child Protection (AISHA)  
Gaza - Palestine

We have audited the accompanying financial statements of Association for Women and Child Protection (AISHA), which comprise the statement of financial position as at December 31, 2015 and the statement of activities and statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Financial Statements**

(AISHA) Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial and accounting policies described in note (2). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

### **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 **Association for Women and Child Protection (AISHA)**, as of December 31, 2015 and its financial performance and changes in net assets and cash flows for the year then ended in accordance with the financial and accounting policies described in note (2).

Talal Abu - Ghazaleh & Co. International  
License No. 251/97

  طلال أبو غزالة وشركاه  
Talal Abu-Ghazaleh & Co.  
مكتب غزة غزة OFFICE  
Muneer M. "Alihassan" IACPA  
Certified Accountant License # (130/2003)  
Gaza on April 28, 2016

Association for Women and Child Protection (AISHA)

Gaza - Palestine

Statement of Financial Position as of December 31, 2015

Exhibit (A)

(Amounts are expressed in NIS)

		<u>December 31</u>	
	<u>Note</u>	<u>2015</u>	<u>2014</u>
<u>Assets</u>			
<u>Current Assets</u>			
Cash and Cash Equivalents	3	1,414,502.41	1,119,381.79
Accrued Revenues	4	381,054.60	32,784.85
Other Assets	5	48,758.80	16,712.39
<b>Total Current Assets</b>		<b><u>1,844,315.81</u></b>	<b><u>1,168,879.03</u></b>
<u>Non-Current Assets</u>			
Property, Plant and Equipment, Net	6	150,405.84	138,694.36
<b>Total Non-Current Assets</b>		<b><u>150,405.84</u></b>	<b><u>138,694.36</u></b>
<b>Total Assets</b>		<b><u>1,994,721.65</u></b>	<b><u>1,307,573.39</u></b>
<u>Liabilities and Net Assets</u>			
<u>Current Liabilities</u>			
Accrued Liabilities	7	9,113.62	103,980.77
Deferred Revenue	8	1,008,363.03	--
<b>Total Current Liabilities</b>		<b><u>1,017,476.65</u></b>	<b><u>103,980.77</u></b>
<u>Non - Current Liabilities</u>			
Provision for End of Service Indemnity	9	233,631.60	185,889.60
<b>Total Non - Current Liabilities</b>		<b><u>233,631.60</u></b>	<b><u>185,889.60</u></b>
<b>Total Liabilities</b>		<b><u>1,251,108.25</u></b>	<b><u>289,870.37</u></b>
<u>Net Assets</u>			
Net Assets - Beginning of the Year	15	384,942.13	472,353.55
Net Assets for the Year - Exhibit (B)		358,671.27	545,349.47
<b>Net Assets - End of The Year -Exhibit (C)</b>		<b><u>743,613.40</u></b>	<b><u>1,017,703.02</u></b>
<b>Total Liabilities and Net Assets</b>		<b><u>1,994,721.65</u></b>	<b><u>1,307,573.39</u></b>

The accompanying notes constitute an integral part of these financial statements

**Association for Women and Child Protection (AISHA)**  
**Gaza - Palestine**  
**Statement of Activities for the Year Ended December 31, 2015**      **Exhibit (B)**  
**(Amounts are expressed in NIS)**

	Note	December 31	
		2015	2014
<b><u>Revenues</u></b>			
Grants' and Projects' Revenues	10	2,729,479.12	4,394,397.49
Cash Donations		457,148.33	263,995.52
In-Kind Donations	11	5,881.20	30,306.00
Other Revenues	12	18,666.49	36,059.30
Currency Differences		--	35,740.57
<b>Total Revenues</b>		<b>3,211,175.14</b>	<b>4,760,498.88</b>
 <b><u>Expenses</u></b>			
Grants' and Projects' Expenses	10	2,525,057.55	3,760,458.79
General and Administrative Expenses	13	257,637.85	256,494.52
Depreciation for the Year	6	39,096.76	37,185.50
In-Kind Donations (Food Parcels)		--	30,306.00
<b>Total Expenses</b>		<b>2,821,792.16</b>	<b>4,084,444.81</b>
Net Assets for the Year from Activity		389,382.98	676,054.07
<b><u>Other Items:</u></b>			
Prior Years Adjustments	14	(30,711.71)	(130,704.60)
<b>Net Assets for the Year - Exhibit (A)</b>		<b>358,671.27</b>	<b>545,349.47</b>

The accompanying notes constitute an integral part of these financial statements

**Association for Women and Child Protection (AISHA)**  
**Gaza - Palestine**  
**Statement of Changes in Net Assets for the Year Ended December 31, 2015 Exhibit (C)**

**(Amounts are expressed in NIS)**

	General Net Assets	Investment in Property, Plant and Equipment	Total
<b>Net Assets on January 1, 2015</b>	<b>879,008.66</b>	<b>138,694.36</b>	<b>1,017,703.02</b>
Adjustments on Net Assets - Beginning of the Year	(632,760.89)	--	(632,760.89)
Net Assets for the Year - Exhibit (B)	358,671.27	--	358,671.27
Depreciation of Property, Plant and Equipment	39,096.76	(39,096.76)	--
Additions to Property, Plant & Equipment	(50,808.24)	50,808.24	--
<b>Net Assets on December 31, 2015 - Exhibit (A)</b>	<b>593,207.56</b>	<b>150,405.84</b>	<b>743,613.40</b>
<b>Net Assets on January 1, 2014</b>	<b>340,030.19</b>	<b>132,323.36</b>	<b>472,353.55</b>
Net Assets for the Year - Exhibit (B)	545,349.47	--	545,349.47
Depreciation of Property, Plant and Equipment	37,185.50	(37,185.50)	--
Additions to Property, Plant & Equipment	(43,556.50)	43,556.50	--
<b>Net Assets on December 31, 2014 - Exhibit (A)</b>	<b>879,008.66</b>	<b>138,694.36</b>	<b>1,017,703.02</b>

The accompanying notes constitute an integral part of these financial statements

**Association for Women and Child Protection (AISHA)**  
**Gaza - Palestine**  
**Statement of Cash Flows for the Year Ended December 31, 2015**      **Exhibit (D)**

**(Amounts are expressed in NIS)**

	<b>December 31</b>	
	<b>2015</b>	<b>2014</b>
<b><u>Cash Flows from Operating Activities</u></b>		
Net Assets for the Year	358,671.27	545,349.47
<b><u>Adjustments to Reconcile Net Assets for the Year to Net Cash Provided by Operating Activities</u></b>		
Depreciation of Property, Plant and Equipment	39,096.76	37,185.50
Change in Provision for End of Service Indemnity	47,742.00	185,889.60
Change in Accrued Revenues	(348,269.75)	134,980.56
Change in Other Assets	(32,046.41)	34.34
Change in Accrued Liabilities	(94,867.15)	40,928.61
Change in Deferred Revenue	1,008,363.03	--
Net Cash Flows Generated by Operating Activities	<u>978,689.75</u>	<u>944,368.08</u>
<b><u>Cash Flows from Investing Activities</u></b>		
Additions to Property, Plant and Equipment	(50,808.24)	(43,556.50)
Net Cash Flows (Used in) Investing Activities	<u>(50,808.24)</u>	<u>(43,556.50)</u>
<b><u>Cash Flows from Financing Activities</u></b>		
Adjustments on Net Assets - Beginning of the Year	(632,760.89)	--
Net Cash Flows (Used in) Financing Activities	<u>(632,760.89)</u>	<u>--</u>
Net Cash Flows Generated During the Year	295,120.62	900,811.58
Cash and Cash Equivalents, Beginning of the Year	<u>1,119,381.79</u>	<u>218,570.21</u>
<b>Cash and Cash Equivalents, End of the Year - Exhibit (A) - Note (3)</b>	<b><u>1,414,502.41</u></b>	<b><u>1,119,381.79</u></b>

The accompanying notes constitute an integral part of these financial statements



**Association for Women and Child Protection (AISHA)**  
**Gaza - Palestine**  
**Notes to the Financial Statements**

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**(Amounts are expressed in NIS)**

**1. General Information**

**1-1 Legal Status**

Association for Women and Child Protection (AISHA) was established in Gaza Strip on September 15, 2009 and registered at the Ministry of Interior under registration no. (8136) pursuant to the Non-Profit Societies Act. No. (1) for the year 2000. The Association is seeking at providing protection to the Palestinian families from the violence, establishing the principles at socialization and targeting of women and their children particularly.

**1-2 Goals & Objectives**

Association for Women and Child Protection (AISHA) seeks towards achieving and embodiment the following objectives:

- Increase effectiveness and efficiency of women, participation in community development through enhanced access to support services and protection.
- Create a sensitive environment to safeguard and support the development of the children and their families for better future.
- Legislators and decision makers are participating in the process of empowering women and children through favorable laws and regulations.
- AISHA is a capable organization in the administrative, professional and financial fields.

**2. Summary of Significant Accounting Policies**

**2-1 Basis of Preparation**

The financial statements have been prepared on historical cost basis and the accrual basis of accounting.

**2-2 Foreign Currencies**

The financial statements are presented in the currency of the primary economic environment in which the Society operates which is the Israeli Shekel (NIS). Transactions in currencies other than the Israeli shekel are converted to Israeli Shekel (NIS) according to the exchange rates prevailing on the date of transaction. At the date of each statement of financial position monetary items denominated in other currencies are translated to the Israeli Shekel (NIS) at rates prevailing at that date (closing date). The rates on December 31, 2015 were as follows:

- US Dollar = 3.89760 N.I.S
- EUR = 4.25828 N.I.S

Differences arising are recognized in the statement of activities for the year.

### **2-3 Property, Plant and Equipment**

Property, Plant and Equipment are carried in the statement of financial position at cost less accumulated depreciation and any accumulated impairment in value. The depreciation charge for each year is recognized in the statement of activities. Depreciation is calculated on a straight-line basis according to the depreciation ratios listed in NGOs' financial and management procedures manual as illustrated in (Note 6).

<u>Category</u>	<u>Depreciation Rate</u>
Electrical Devices	20%
Computers & Printers	20%
Vehicles	15%
Furniture	10%
Generator	10%

### **2-4 Provisions**

Provisions are present obligations (legal or constructive) resulted from past events, the settlement of the obligations is probable and the amount of those obligations can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date, that is, the amount that the Society would rationally pay to settle the obligation at the statement of financial position date or to transfer it to a third party.

The Society calculates a provision for end of service indemnity for its employees in accordance with the Palestinian labor law . The provision is computed at one month salary for each year of service according to the last salary paid.

### **2-5 Projects' Expenses**

The expenses of activities that resulted from the provision of services to beneficiaries and which is the main objective of the Society.

### **2-6 General and Administrative Expenses**

The expenses which related to the management and not included within the projects' expenses.

### **2-7 Revenues and Expenses**

- Revenues are recognized when incurred.
- Expenses are recognized when incurred and recorded including V.A.T.

### **2-8 Cash and Cash Equivalents**

For the purpose of the cash flows preparation the cash and cash equivalents on December 31, 2015 comprise cash on hand and current balances and short-term deposits which matures within three months.

### **2-9 Other Liabilities**

Liabilities are recognized for amounts payable in the future for purchase or services received, whether or not claimed by the suppliers.

### 3. Cash and Cash Equivalents

	<u>December 31</u>	
	<u>2015</u>	<u>2014</u>
<b><u>Cash on Hand</u></b>		
General Cash	349.00	--
Total Cash on Hand	<u>349.00</u>	<u>--</u>
<b><u>Cash at Banks</u></b>		
<b><u>Bank of Palestine</u></b>		
A/C 112744 - 0 Current NIS	28,717.33	27,343.69
A/C 112744 - 0 Current USD	421,261.73	213,375.63
A/C 112744 - 0 Current EUR	135,465.34	96,302.74
A/C 112744 - 1 Current NIS	490,097.67	5.58
A/C 112744 - 1 Current USD	--	127,892.14
A/C 112744 - 2 Current USD	79,764.38	38,924.08
A/C 112744 - 3 Current USD	63,998.59	--
A/C 112744 - 4 Current NIS	7,080.05	6,593.00
A/C 112744 - 4 Current USD	112,572.59	20,160.02
A/C 112744 - 5 Current NIS	--	1.96
A/C 112744 - 5 Current USD	7.64	7.65
A/C 112744 - 5 Current EUR	77,060.01	35,346.82
A/C 112744 - 7 Current NIS	83,400.00	16.93
A/C 112744 - 6 Current NIS	3,778.50	11,670.00
A/C 112744 - 6 Current USD	62,454.95	617,961.29
A/C 112744 - 8 Current NIS	1,464.00	1,101.27
A/C 112744 - 8 Current USD	28,182.57	93,808.62
A/C 112744 - 9 Current USD	3,970.41	--
Total Cash at Bank of Palestine	<u>1,599,275.76</u>	<u>1,290,511.42</u>
<b><u>Postponed Checks</u></b>		
A/C 112744 - 0 NIS	12,278.04	16,168.00
A/C 112744 - 0 USD	27,115.60	13,859.63
A/C 112744 - 8 USD	3,427.63	45,966.13
A/C 112744 - 1 USD	95,721.20	--
A/C 112744 - 6 NIS	800.00	960.00
A/C 112744 - 6 USD	20,028.71	54,462.47
A/C 112744 - 4 USD	14,070.34	25,220.62
A/C 112744 - 8 NIS	266.00	10,908.78
A/C 112744 - 7 NIS	10,689.25	--
A/C 112744 - 9 NIS	725.58	--
A/C 112744 - 4 NIS	--	3,584.00
Total Postponed Checks	<u>(185,122.35)</u>	<u>(171,129.63)</u>
<b>Total Cash and Cash Equivalents - Exhibit (A)</b>	<b><u>1,414,502.41</u></b>	<b><u>1,119,381.79</u></b>

#### 4. Accrued Revenues

	<u>December 31</u>	
	<u>2015</u>	<u>2014</u>
Providing Psychosocial Support to Affected Women from the Israeli Offensive 2014 in Al Shija'eya and Beit Hanoun	185,656.72	--
Sharing Stories Finding Safety	84,452.18	--
For Free Life of Violence 2014 - 2015	66,855.00	--
Protecting Children and Adolescents from Gender Based Violence through the Promotion of their Sexual and Reproductive Rights in the Gaza Strip	27,283.20	--
Together for New Start	13,797.50	--
Economic Empowerment Program for Female Heads of Households	3,010.00	--
Support the Leadership Role of Women in the Gaza Strip (MA'AN Development Center)	--	1,952.06
Protecting Children and Adolescents from Gender Based Violence through the Promotion of their Sexual and Reproductive Rights in the Gaza Strip	--	30,832.79
<b>Total Accrued Revenues - Exhibit (A)</b>	<b><u>381,054.60</u></b>	<b><u>32,784.85</u></b>

#### 5. Other Assets

	<u>December 31</u>	
	<u>2015</u>	<u>2014</u>
Staff Advances	47,784.40	15,736.36
Cash Deposits	974.40	976.03
<b>Total Other Assets - Exhibit (A)</b>	<b><u>48,758.80</u></b>	<b><u>16,712.39</u></b>

#### 6. Property, Plant and Equipment Net

	<u>Vehicles</u>	<u>Furniture</u>	<u>Electrical Devices</u>	<u>Computers &amp; Printers</u>	<u>Generator</u>	<u>Total</u>
<b><u>Cost</u></b>						
January 1, 2015	75,000.00	20,918.42	46,454.10	63,389.20	18,750.00	<b>224,511.72</b>
Additions	--	11,876.00	7,213.00	31,719.24	--	<b>50,808.24</b>
<b>December 31, 2015</b>	<b><u>75,000.00</u></b>	<b><u>32,794.42</u></b>	<b><u>53,667.10</u></b>	<b><u>95,108.44</u></b>	<b><u>18,750.00</u></b>	<b><u>275,319.96</u></b>
<b><u>Accumulated Depreciation</u></b>						
January 1, 2015	34,274.00	5,986.82	18,232.10	21,612.44	5,712.00	<b>85,817.36</b>
This Year Deprecation	11,250.00	2,437.47	9,618.50	13,915.79	1,875.00	<b>39,096.76</b>
<b>December 31, 2015</b>	<b><u>45,524.00</u></b>	<b><u>8,424.29</u></b>	<b><u>27,850.60</u></b>	<b><u>35,528.23</u></b>	<b><u>7,587.00</u></b>	<b><u>124,914.12</u></b>
<b><u>Net Book Value</u></b>						
<b>December 31, 2015</b>	<b><u>29,476.00</u></b>	<b><u>24,370.13</u></b>	<b><u>25,816.50</u></b>	<b><u>59,580.21</u></b>	<b><u>11,163.00</u></b>	<b><u>150,405.84</u></b>
<b>December 31, 2014</b>	<b><u>40,726.00</u></b>	<b><u>14,931.60</u></b>	<b><u>28,222.00</u></b>	<b><u>41,776.76</u></b>	<b><u>13,038.00</u></b>	<b><u>138,694.36</u></b>

## 7. Accrued Liabilities

	December 31	
	2015	2014
Professional Fees	3,897.60	2,928.09
Miscellaneous	282.00	130.00
Income Tax – (Salaries Deductions)	4,373.11	50,342.02
Water & Electricity	329.50	--
Communications	231.41	2,220.66
Accrued Emergency Aid - Global Fund	--	48,360.00
<b>Total Accrued Liabilities – Exhibit (A)</b>	<b>9,113.62</b>	<b>103,980.77</b>

## 8. Deferred Revenue

	December 31	
	2015	2014
Improving Holistic Protection Services for Women and Girls in the Conflict Affected Context of the Gaza Strip	391,549.67	--
Empower Orphan's Mothers Aggression on Gaza in 2014 "leaders"	243,082.00	--
Youth Make Decision 2015 – 2016	78,142.03	--
Maria Fund - Island	77,084.20	--
Toward a Just & Secure Future for Women	69,504.25	--
Toward Legal Empowerment of Community to Support women Legal Rights in the Gaza City and North of Gaza City	62,321.56	--
For Free Life of Violence 2015 - 2016	50,582.00	--
Shifting Perspectives: Engaging Men and Boys in Addressing GBV Against Women and Girls in Gaza Strip	36,097.32	--
<b>Total Deferred Revenue – Exhibit (A)</b>	<b>1,008,363.03</b>	<b>--</b>

## 9. Provision for End of Service Indemnity

	2015	2014
Balance on January, 1	185,889.60	--
Additions	52,557.84	55,185.00
Uses	(4,815.84)	--
Adjustments for Provision of End of Service (Prior Years)	--	130,704.60
<b>Total Provision for End of Service Indemnity – Exhibit (A)</b>	<b>233,631.60</b>	<b>185,889.60</b>

## 10. Projects' Revenues & Expenses for the Year Ended December 31, 2015

<u>Projects</u>	<u>Donor</u>	<u>Revenues</u>	<u>Expenses</u>
Maria Fund	Island	36,754.56	36,754.56
Toward a Better and More Secure Environment for Women Victims of Violence	Kvinna till Kvinna	199,210.88	197,033.35
Toward Legal Empowerment of Community to Support Women Legal Rights in the Gaza City and North of Gaza City	UNDP	15,078.44	15,078.44
Submit an Interim Financing Support for the Association to Cover the Costs of Salaries and Wages of Headquarters	EMHRF	107,000.00	104,831.05
Together to Start Again	NDC	274,969.00	280,806.70
Providing Psychosocial Support to Affected Women from the Israeli Offensive 2014 in Al Shija'eya and Beit Hanoun	HERF	723,483.67	697,868.18
For Free Life of Violence 2014 - 2015	Italian Cooperation	98,215.00	76,452.53
Sharing Stories Finding Safety	HERF	418,230.05	315,098.56
Support the Leadership Role of Women in the Gaza Strip Project	MA'AN Development	4,159.80	5,332.99
Toward a Just & Secure Future for Women	UN WOMEN	25,120.75	25,120.75
Youth Make Decision 2015 - 2016	GIZ	79,645.97	79,645.97
Economic Empowerment Program for Female Heads of Households	UNRWA	3,010.00	3,010.00
Protecting Children and Adolescents from Gender Based Violence through the Promotion of their Sexual and Reproductive Rights in the Gaza Strip "	Save the Children	267,530.47	258,952.20
Children Wounded Aid	Italian Cooperation	31,585.18	25,777.44
Al Zahra Association Unrestricted Revenue	Al Zahra Association for the Development of Women and Children	38,196.60	15,500.00
Youth Create Change 2014 -2015	GIZ	189,327.10	181,352.19
Improving Holislic Protection Services for Women and Girls in the Conflict Affectted Context of the Gaza Strip	UN WOMEN JAPAN	136,208.80	136,208.80
16 Days of Activism Against Gender Based Violence	KTK- UN WOMEN	27,878.16	27,879.49
Shifting Perspectives: Engaging Men and Boys in Addressing GBV Against Women and Girls in Gaza Strip Prpject	Kvinna till Kvinna	27,930.44	19,770.44
For Free Life of Violence 2015 - 2016	Italian Cooperation	5,578.00	5,578.00
With our Hands, we Create Future	Future Association	5,000.00	5,000.00
With our Hands, we Create Future	Stars of Hope Association	12,450.00	9,951.91
Free Culture thought Association	-	2,430.00	2,054.00
Students Forum Foundation	-	486.25	--
<b>Total - Exhibit (B)</b>		<b><u>2,729,479.12</u></b>	<b><u>2,525,057.55</u></b>

## 11. In-Kind Donations

	December 31	
	2015	2014
In-Kind Donations - Lab Top	5,881.20	--
Food Parcels Donations (Emirates Red Crescent)	--	20,856.00
Food Parcels Donations (Welfare Association)	--	9,450.00
<b>Total In-Kind Donations - Exhibit (B)</b>	<b>5,881.20</b>	<b>30,306.00</b>

## 12. Other Revenues

	December 31	
	2015	2014
Halls Rental	12,566.49	2,143.40
Membership Fees	1,080.00	1,060.00
Tenders Fees	3,800.00	1,200.00
Miscellaneous	150.00	4,004.00
Training Fees	1,070.00	--
Revenues to Finance G & A Expenses	--	23,857.90
Vocational Training Center	--	3,794.00
<b>Total Other Revenues - Exhibit (B)</b>	<b>18,666.49</b>	<b>36,059.30</b>

## 13. General and Administrative Expenses

	December 31	
	2015	2014
Salaries ,Wages and Remunerations	88,614.85	154,187.15
End of Service Expense	52,557.84	55,185.00
Electricity and Water	1,193.50	393.95
Hospitality	3,464.80	3,174.33
Transportation	6,380.59	1,629.00
Travel Expenses	11,910.99	5,944.50
Miscellaneous Expenses	3,647.00	4,441.03
Electronic Services and Programming	720.00	971.00
Commissions and Bank Interest	6,153.42	7,772.04
General Maintenance	4,561.40	852.60
Vehicles Insurance Expenses	1,570.00	943.20
Professional Fees	7,747.60	6,709.59
Telephone and Mobile	1,114.28	661.63
Fuel	966.34	2,072.00
Preparing Strategic Plan	37,017.00	--
Income Tax Deduction	4,373.11	--
Currency Differences	14,075.13	--
Management Consulting (Project Proposals)	11,570.00	--
Rent of Society's Premises	--	11,557.50
<b>Total General and Administrative Expenses - Exhibit (B)</b>	<b>257,637.85</b>	<b>256,494.52</b>

## 14. Prior Years Adjustments

	December 31	
	2015	2014
Adjustment of Accrued Expenses - 2014	(31,613.00)	--
Adjustment of Prior Years Accrued Expenses - (Telecommunication)	901.29	--
Provision for EOS Indemnity (Prior Years)	--	(130,704.60)
<b>Total Prior Years Adjustments - Exhibit (B)</b>	<b>(30,711.71)</b>	<b>(130,704.60)</b>

### **15. Net Assets - Beginning of the Year**

The net assets at beginning of the year have been reduced with amount (632,760.89) NIS represents revenues related to the year 2015, and have been recorded in prior years as follows:

<u>Project</u>	<u>Donor</u>	<u>Amount</u>
Maria Fund	Island	36,754.56
Providing Psychosocial Support to Affected Women from the Israeli Offensive 2014 in Al Shija'eya and Beit Hanoun	HERF	537,826.95
Together for Change and Decide 2014 - 2015	GIZ	37,822.88
Campaign 16 Days of Activism Against Gender Violence	KTK- UN WOMEN	20,356.50
<b>Total</b>		<b><u>632,760.89</u></b>

### **16. Risk Management**

The Society's management monitors and manages the financial risks relating to its operations and activities. These risks include: foreign exchange risk, credit risk, and liquidity risk.

#### *a. Foreign currency risk:*

The Society's management undertakes certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year. The Society maintains policies and procedures to manage the exchange rate risk exposure.

#### *b. Credit risk:*

Credit risk refers to the risk that a debtor will default in its contractual obligations resulting in financial loss to the Society. The Society maintains a credit policy that states dealing with only creditworthy parties and obtaining sufficient collateral where appropriate.

#### *c. Liquidity risk*

The Board of Directors adopted an appropriate liquidity risk management framework as the responsibility of liquidity risk management rests with the Board of Directors.

### **17. Fair value of Financial Instruments**

The carrying values of the financial assets and liabilities are not materially different from their fair values as at the financial position date.

### **18. Number of Employees**

The number of employees at the Society during December 2015 was (22) Permanent employees, (8) projects' employees and (1) volunteer.

### **19. Comparative Figures**

Certain balances for the previous year were reclassified to conform to the current year presentation.