

AISHA ASSOCIATION FOR WOMAN  
AND CHILD PROTECTION

GAZA - PALESTINE

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2012

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

**EL WAFA & CO.**



**الوفاء وشركاهم**

Independent Auditors' Report

**To: The Board of Directors**

**Aisha Association for Woman and Child Protection  
Gaza**

We have audited the accompanying statements of assets and liabilities and net assets of Aisha Association for Woman and Child Protection (Aisha), a non-for-profit organization, as of December 31, 2012 and the related statements of revenues and expenses and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management Responsibility**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. 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 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 about whether these financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence 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 financial statements in order to design audit procedures that are appropriate in the circumstances, but not the purpose of expressing an opinion on the effectiveness of the entity's internal control.

+970 -8-2821231  
 +970-8-2825477

+ 970-8-2883730

فلسطين - غزة - عمارة بيروت

**EL WAFA & CO.**



**الوفاء وشركاهم**

An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities and net assets of the Aisha Association for Woman and Child Protection (Aisha), a non-for-profit organization, as of December 31, 2012 and its revenues and expenses and cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Sincerely yours,

El Wafa & Co. - Consultant and Audit  
Member of Nexia International

Hani Khalil  
License No. 118/2003  
Gaza on February 28, 2013



+970 -8-2821231  
+970-8-2825477

+ 970-8-2883730

فلسطين - غزة - عمارة بيروت

AISHA ASSOCIATION FOR WOMAN  
AND CHILD PROTECTION

STATEMENT OF ASSETS AND LIABILITIES AND NET ASSETS

AS OF DECEMBER 31, 2012

(CURRENCY: NIS)

Exhibite A

	Notes	2012	2011
<b>ASSETS</b>			
Current Assets			
Cash on hand and at banks	3	195,837	319,276
Other current assets	4	4,228	6,484
Total Current Assets		200,065	325,760
Non-Current Assets			
Fixed Assets, net	5	137,899	194,210
Total Non-Current Assets		137,899	194,210
<b>TOTAL ASSETS</b>		<b>337,964</b>	<b>519,970</b>
<b>LIABILITIES AND NET ASSETS</b>			
Current Liabilities			
Bank overdrafts	6	52,022	188,305
Other current Liabilities	7	13,194	2,869
Total Current Liabilities		65,216	191,174
Net Assets			
Net assets, During the year	Ex B	(56,048)	310,814
Net assets, Beginning of the year		328,796	17,982
Net assets - end of the year		272,748	328,796
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>337,964</b>	<b>519,970</b>

*The accompanying notes form an integral part of these financial statements*



AISHA ASSOCIATION FOR WOMAN  
AND CHILD PROTECTION

STATEMENT OF REVENUES AND EXPENSES  
AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2012

(CURRENCY: NIS)

Exhibite B

	Notes	2012	2011
<b>REVENUES</b>			
Grants	8	746,466	875,077
In-Kind donations	9	-	146,423
Local Revenues	10	52,197	38,021
<b>Total Revenues</b>		<b>798,663</b>	<b>1,059,521</b>
<b>EXPENSES</b>			
Project Costs		629,515	713,992
General and administrative expenses	7	178,449	31,638
Depreciation of assets		29,871	3,077
<b>Total Expenses</b>		<b>837,835</b>	<b>748,707</b>
Net assets, Activities the year		(39,172)	310,814
Gain (Loss) - Sale of Assets		(16,876)	-
		(56,048)	310,814
Net assets, - During the year			

*The accompanying notes form an integral part of these financial statements*

AISHA ASSOCIATION FOR WOMAN  
AND CHILD PROTECTION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2012

(CURRENCY: NIS)

Exhibite C

	2012	2011
Cash Flows from Operating Activities		
Net assets - During the year - Exhibite B	(56,048)	310,814
Adjustment to reconcile net assets to net cash flows from operating activities		
Depreciation	29,871	3,077
(Increase) decrease other current assets	2,256	(6,484)
Increase (decrease) in current liabilities	(125,958)	189,371
<i>Net cash from operating activities</i>	<u>(149,879)</u>	<u>496,778</u>
Cash Flows from Investing Activities		
fixed assets	26,440	(197,287)
<i>Net cash used by investing activities</i>	<u>26,440</u>	<u>(197,287)</u>
Net cash flow - During the year	(123,439)	299,491
Cash, beginning of year	319,276	19,785
Cash, ending of year	<u>195,837</u>	<u>319,276</u>

*The accompanying notes form an integral part of these financial statements*

AISHA ASSOCIATION FOR WOMAN  
AND CHILD PROTECTION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

(CURRENCY: NIS)

*AISHA Establishment*

AISHA is a 15 years old program was found under the name of Women Empowerment Program as a department within GCMHP and due to the successes and expanding scope of actions , it has been decided that WEP ( newly AISHA) should break away from GCMHP and became own independent organization , and it already became licensed organization in the Ministry Of Interns on September 15th 2009 under registration no. 8136 to serve Gaza Strip .

*AISHA Strategic Vision*

AISHA is a service provider organization, playing a leading role in protecting and supporting women and children victims of violence and at risk, with special focus on women with disabilities and women headed displaced household in Gaza Strip to be active and responsible contributors in sustainable community development.

*AISHA Mission Statement*

AISHA is an independent and non-profit Palestinian NGO with the purpose of protecting and supporting women and children victims of violence and at risk, with special focus on women with disabilities and women headed displaced household in Gaza strip through capacity building of AISHA, women support and protection and child support and development programs. While implementing its strategy to fulfill its vision, AISHA is guided by human rights principles including accountability and rule of law, transparency, tolerance, empowerment, participation and inclusion, equality, equity, non-discrimination and attention to vulnerable groups.

2. *Summary of Significant Accounting Policies*

The financial statements have been prepared under the historical cost convention, the significant accounting policies follow

*Basis of Accounting*

The financial statements were prepared on a modified accrual basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Revenues are recognized when cash is received and expenses are recognized when incurred .

### Fixed Assets

Fixed assets are recorded at cost and depreciated over their estimated useful lives using the straight-line method. The annual rates used to depreciate these assets are:

	%
Vehicles	10
Computers and Printing	15-20
Furniture & Fixtures	10-12
Office Equipment and Tools	20
Generator	10

### Foreign Currency

Aisha basic functional currency is the NIS Transactions which are expressed or denominated in other currencies were translated to NIS using exchange rates in effect at the time of each transaction. Assets and liabilities which are denominated in other currencies are translated to NIS using exchange rates prevailing at year-end (NIS 3.77 /USD1 (rounded)). Gains and losses arising from the translation are reflected in the statement of revenues and expenses.

### 3. Cash on Hand and at Banks

	2012	2011
Petty Cash	1,574	-
Palestine Bank NIS	13,899	3,460
Palestine Bank USD	30,833	222,453
Palestine Bank EUR	77,167	-
Palestine Bank USD - Strategic Plan	16,444	91,074
Palestine Bank USD - Legal Aid	53,783	1,343
Palestine Bank USD - Deposit Box	943	946
Incoming Checks	1,194	-
	195,837	319,276

### 4. Other Current Assets

	2012	2011
Advance Payments to Naima Alroag	-	5,550
Advance Payments to Nahla Abu Amreen	1,953	934
Advance Payments to Emad Bahlol	1,122	-
Advance Payments to Ashraf Nashwan	1,153	-
	4,228	6,484



## Fixed Assets

Components of fixed assets as of December 31, 2012 and movement during the year follow:

	Balance, January 01/01/2012	Additions	Retirements	Balance, December 31/12/2012
<u>Costs:</u>				
Electric Appliances	24,129	1,336	1,943	23,522
Computers & printer's	52,123	700	26,397	26,426
Generator	18,750	-	-	18,750
Furniture	27,285	-	8,101	19,184
Cars	75,000	-	-	75,000
<b>Total</b>	<b>197,287</b>	<b>2,036</b>	<b>36,441</b>	<b>162,882</b>

### Accumulated Depreciation:

Electric Appliances	121	4,884	977	4,028
Computers & printer's	1,405	9,130	5,696	4,839
Generator	87	1,875	-	1,962
Furniture	940	2,732	1,292	2,380
Cars	524	11,250	-	11,774
<b>Total</b>	<b>3,077</b>	<b>29,871</b>	<b>7,965</b>	<b>24,983</b>

<b>Net Book Value</b>	<b>194,210</b>			<b>137,899</b>
-----------------------	----------------	--	--	----------------

## 5. Bank Overdrafts

	2012	2011
Checks issued- (NIS)	18,363	39,009
Checks issued- (U.S. \$) central	23,863	147,952
Checks issued- (U.S. \$)/3	9,796	1,344
	<b>52,022</b>	<b>188,305</b>

## 7. Other Current Liabilities

	2012	2011
Accrued Audit fees	1,863	1,893
Water due	2,094	75
Communication due	1,145	901
Electricity	407	-
Naima El-Rawaq	7,685	-
	<b>13,194</b>	<b>2,869</b>

### Grants

	2012	2011
Maria Fund	3,725	3,971
PGS	-	46,647
Kvinna Till Kvinna	156,135	143,831
Global Fund	-	61,020
UNIFEM	-	73,588
UNDP	172,125	159,874
UN Women	210,846	56,025
S.D.C	37,644	288,362
Euro-Mediterranean	126,060	-
Felagid Island	15,522	-
I.T.T.P	5,603	3,249
GCMHP	-	1,560
Gaza Mental Health	18,806	36,950
	<u>746,466</u>	<u>875,077</u>

### In kind Donation

	2012	2011
GCMHP	-	146,423
	-	<u>146,423</u>

### 10. Local revenue

	2012	2011
Local Donation	27,431	23,283
Membership fee	6,460	660
Training Center Revenue	1,785	-
Rent Hall Revenue	4,204	-
Currency Exchange Gain	7,259	13,118
Other	5,058	960
	<u>52,197</u>	<u>38,021</u>

### 11. Projects Costs

	2012	2011
Salaries	193,027	379,003
Transportation and fuel	18,970	9,527
Stationery	7,453	10,072
Communication	4,973	960
Hospitality	9,587	6,813
Maintenance	861	4,105
Rent	29,400	58,876
Electricity and Water	958	849
Other operating costs	10,434	1,068
Chiek and coordinate	8,965	7,316
Audit fees	21,761	1,893
Training and supervision	27,811	45,729
Other training	37,028	9,727
Guidance and counseling	18,072	51,924
Share of the Palestinian Center	43,288	32,184
Wefaq Association	80,789	-
Prints & Information	31,767	47,878
Workshops	53,246	33,485
Trips	15,160	-
Studies and Research	15,965	12,583
Equipment	2,036	-
	<u>631,551</u>	<u>713,992</u>
Investment of Assets	<u>(2,036)</u>	<u>-</u>
	629,515	713,992

### 12. General and administrative expenses

	2012	2011
Salaries	127,070	-
End of Service Emoluments	5,760	-
Electronic Services	5,694	-
Hospitality	8,040	11,673
Maintenance of vehicles	7,356	2,870
Transportation	2,806	773
Fuel	3,454	3,261
Telephone and Mobile	2,491	5,982
Electricity	2,840	3,280
Waters	2,019	21,25
Other miscellaneous expenses	9,282	1,960
Stationery	377	-
Banking exp. and currency	1,260	587
	<u>178,449</u>	<u>31,638</u>

### 13. Reclassification

2011 balances have been reclassified to conform to the adopted classification in 2012.