

**AISHA ASSOCIATION FOR WOMAN
AND CHILD PROTECTION**

GAZA - PALESTINE

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2011

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, 2011 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.

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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, 2011 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 25, 2012



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**AISHA ASSOCIATION FOR WOMAN
AND CHILD PROTECTION**

STATEMENT OF ASSETS AND LIABILITIES AND NET ASSETS

AS OF DECEMBER 31, 2011

(CURRENCY: NIS)

Exhibite A

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
ASSETS			
Current Assets			
Cash on hand and at banks	3	319,276	19,785
Other current assets	4	6,484	-
Total Current Assets		325,760	19,785
Non-Current Assets			
Fixed Assets, net	5	194,210	-
Total Non-Current Assets		194,210	-
TOTAL ASSETS		519,970	19,785
LIABILITIES AND NET ASSETS			
Current Liabilities			
Bank overdrafts	6	188,305	-
Other current Liabilities	7	2,869	1,803
Total Current Liabilities		191,174	1,803
Net Assets			
Net assets, During the year	Ex B	310,814	17,462
Net assets, Beginning of the year		17,982	520
Net assets - end of the year		328,796	17,982
TOTAL LIABILITIES AND NET ASSETS		519,970	19,785

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, 2011

(CURRENCY: NIS)

Exhibite B

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
REVENUES			
Grants	5	875,077	18,375
In-Kind donations		146,423	-
Local Revenues	6	24,903	1,300
Currency differences gain		13,118	-
Total Revenues		<u>1,059,521</u>	<u>19,675</u>
EXPENSES			
Project Costs		713,992	-
General and administrative expenses	7	31,638	1,863
Depreciation of assets		3,077	-
Currency differences Loss		-	350
Total Expenses		<u>748,707</u>	<u>2,213</u>
		<u>310,814</u>	<u>17,462</u>
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, 2011

(CURRENCY: NIS)

Exhibite C

	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities		
Net assets - During the year - Exhibite B	310,814	17,462
Adjustment to reconcile net assets to net cash flows from operating activities		
Depreciation	3,077	-
(Increase) decrease other current assets	(6,484)	-
Increase (decrease) in current liabilities	189,371	1,803
<i>Net cash from operating activities</i>	<u>496,778</u>	<u>19,265</u>
Cash Flows from Investing Activities		
fixed assets	197,287	-
<i>Net cash used by investing activities</i>	<u>197,287</u>	<u>-</u>
Net cash flow - During the year	299,491	19,265
Cash, beginning of year	19,785	520
Cash, ending of year	<u>319,276</u>	<u>19,785</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, 2011

(CURRENCY: NIS)

1. *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 .

- **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 3.605 /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

	2011	2010
Palestine Bank NIS	3,460	1,760
Palestine Bank USD	222,453	18,025
Palestine Bank USD - Strategic Plan	91,074	-
Palestine Bank USD - Legal Aid	1,343	-
Palestine Bank USD - Deposit Box	946	-
	319,276	19,785

4. Other Current Assets

	2011	2010
Advance Payments to Naima Alroag	5,550	-
Advance Payments to Nahla Abu Amreen	934	-
	6,484	-

5. Fixed Assets

Components of fixed assets as of December 31, 2011 and movement during the year follow:

	Balance, January 01/01/2011	Additions	Retirements	Balance, December 31/12/ 2011
<u>Costs:</u>				
Electric Appliances	-	24,129	-	24,129
Computers & printer's	-	52,123	-	52,123
Generator	-	18,750	-	18,750
Furniture	-	27,285	-	27,285
Cars	-	75,000	-	75,000
Total	-	197,287	-	197,287
<u>Accumulated Depreciation:</u>				
Electric Appliances	-	121	-	121
Computers & printer's	-	1,405	-	1,405
Generator	-	87	-	87
Furniture	-	940	-	940
Cars	-	524	-	524
Total	-	3,077	-	3,077
Net Book Value	-			194,210

6. *Bank Overdrafts*

	2011	2010
Checks issued- (NIS)	39,009	-
Checks issued- (U.S. \$) central	147,952	-
Checks issued- (U.S. \$)/3	1,344	-
	188,305	-

7. *Other Current Liabilities*

	2011	2010
Accrued Audit fees	1,893	1,803
Water due	75	-
Communication due	901	-
	2,869	1,803

8. *Grants*

	2011	2010
Maria Fund	3,971	18,375
PGS	46,647	-
Kvinna Till Kvinna	143,831	-
Global Fund	61,020	-
UNIFEM	73,588	-
UNDP	159,874	-
UN Women	56,025	-
S.D.C	288,362	-
I.T.T.P	3,249	-
GCMHP	1,560	-
Gaza Mental Health	36,950	-
	875,077	18,375

9. *In kind Donation*

	2011	2010
GCMHP	146,423	-
	146,423	-

10. *Local revenue*

	2011	2010
Local Donation	23,283	-
Membership fee	660	1,300
Other	960	-
	24,903	1,300

11. Projects Costs

	2011	2010
Salaries	379,003	-
Transportation and fuel	9,527	-
Stationery	10,072	-
Communication	960	-
Hospitality	6,813	-
Maintenance	4,105	-
Rent	58,876	-
Electricity and Water	849	-
Other operating costs	1,068	-
Chiek and coordinate	7,316	-
Audit fees	1,893	1,803
Training and supervision	45,729	-
Other training	9,727	-
Guidance and counseling	51,924	-
Share of the Palestinian Center	32,184	-
Prints & Information	47,878	-
Workshops	33,485	-
Studies and Research	12,583	-
	713,992	1,803

12. General and administrative expenses

	2011	2010
Hospitality	11,673	-
Maintenance of vehicles	2,870	-
Transportation	773	-
Fuel	3,261	-
Telephone and Mobile	5,982	-
Electricity	3,280	-
Waters	21,25	-
Other miscellaneous expenses	1,960	-
Banking exp. and currency	587	60
	31,638	60

13. Reclassification

2010 balances have been reclassified to conform to the adopted classification in 2011.