

**Women's Affairs Technical Committee
Ramallah- Palestine**

**Financial Statements and Auditor's Report
For the year ended December 31, 2021**

Maayah & Co.

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معاية وشركاه
Maayah & CO.

محاسبون قانونيون
Certified Public Accountants

Independent Auditors' Report

To: Women's Affairs Technical Committee

Ramallah- Palestine

Opinion

We have audited the financial statements of Women's Affairs Technical Committee (WATC), which comprise the statement of financial position as at December 31, 2021, statement of activities, statement of comprehensive income, changes in net assets, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WATC as at December 31, 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the WATC in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and with the ethical requirements that are relevant to our audit of the financial statements in Palestine, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Director's for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the WATC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so.

Board of director's is responsible for overseeing WATC's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 WATC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the WATC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the WATC to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of director's regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Abia S. Maayah, CPA

License no. 167

Ramallah on September 20, 2023

**Women's Affairs Technical Committee
Ramallah - Palestine**

Statement A

Statement of financial position as at December 31, 2021

			US Dollars	
	Note	31/12/2021	31/12/2020 adjusted	1/1/2020
Assets				
Current assets				
Cash and cash equivalents	5	215,165	67,412	232,640
Pledges receivable	6	372,827	75,357	74,389
Accounts receivable	7	3,315	5,292	26,210
Other debit balances	8	283	120,034	157,215
Total current assets		591,590	268,095	490,454
Non-current assets				
Property, equipment and furniture	9	20,233	21,655	22,844
Financial assets at fair value through other comprehensive income		1,942	1,669	1,606
Total non-current assets		22,175	23,324	24,450
Total assets		613,765	291,419	514,904
Liabilities and net assets				
Current liabilities				
Due to banks	10	291,327	33,340	6,353
Accounts payable	11	106,246	29,008	17,576
Other credit balances	12	136,059	10,949	115,762
Total current liabilities		533,632	73,297	139,691
Provision for severance pay	13	108,168	116,240	119,617
Total liabilities		641,800	189,537	259,308
Net assets- statement D				
Net assets		(28,927)	101,263	255,040
Changes in fair value of shares		892	619	556
Total net assets		(28,035)	101,882	255,596
Total liabilities and net assets		613,765	291,419	514,904

The accompanying notes form an integral part of these financial statements and are read with it.

**Women's Affairs Technical Committee
Ramallah- Palestine**

Statement B

Statement of activities for the year ended December 31, 2021

	Note	US Dollars	
		31/12/2021	31/12/2020 adjusted
Changes in net assets- unrestricted			
Revenues and support			
Subscription fees		3,761	88
Other revenues	16	24,653	30,703
Total		28,414	30,791
Grants released from restrictions	15	836,147	608,308
Total unrestricted revenues and support		864,561	639,099
Expenses and losses			
General and administrative expenses	17	(105,486)	(163,013)
Depreciation	9	(5,792)	(6,625)
Project expenses	18	(836,147)	(724,969)
Credit losses		(1,491)	-
Bank expenses and charges		(1,498)	(25)
Currency differentials		(3,361)	(691)
Total expenses and losses		(953,775)	(895,323)
Changes in net assets - unrestricted		(89,214)	(256,224)
Changes in net assets- temporarily restricted			
Grants and donations	15	795,125	639,869
Currency differentials	15	46	-
Grants released from restriction	15	(836,147)	(608,308)
Changes in net assets- temporarily restricted		(40,976)	31,561
Net changes in net assets for the year		(130,190)	(224,663)

The accompanying notes form an integral part of these financial statements and are read with it.

Women's Affairs Technical Committee
Ramallah- Palestine

Statement C

Statement of comprehensive income for the year ended December 31, 2021

	US Dollars	
	31/12/2021	31/12/2020 adjusted
Net changes in assets for the year	(130,190)	(224,663)
Comprehensive income items:		
Changes in fair value of shares	273	63
Total comprehensive income	(129,917)	(224,600)

The accompanying notes form an integral part of these financial statements and are read with it.

Women's Affairs Technical Committee
Ramallah- Palestine

Statement D

Statement of changes in equity for the year ended 31 December 2021

	US Dollars				
	Unrestricted	Provide an investor in property and equipment	Temporarily restricted	Changes in fair value	Total
Balance at January 1, 2020	183,817	22,844	47,329	-	253,990
Impact of previous years' adjustments - Note (14)	133,427	-	2,436	556	136,419
Additions to property and equipment, net of depreciation	534	(534)	-	-	-
Transfer of net property, equipment and furniture to unrestricted net assets	22,310	(22,310)	-	-	-
Changes in net assets for the year	(317,715)	-	29,125	-	(288,590)
Changes in fair value of shares for the year	-	-	-	63	63
Net assets as at December 31, 2020, adjusted	22,373	-	78,890	619	101,882
Changes in net assets for the year	(89,214)	-	(40,976)	-	(130,190)
Changes in fair value of shares	-	-	-	273	273
Total comprehensive income for the year	(89,214)	-	(40,976)	273	(129,917)
Balance at December 31, 2021	(66,841)	-	37,914	892	(28,035)

The accompanying notes form an integral part of these financial statements and are read with it.

**Women's Affairs Technical Committee
Ramallah- Palestine**

Statement E

Statement of cash flows for the year ended December 31, 2021

	2021	2020
	US Dollars	US Dollars adjusted
Cash flows from operating activities		
Changes in net assets- statement B	(130,190)	(224,663)
Prior year adjustments	-	70,886
Adjustments:		
Depreciation for the year	5,792	6,625
Provision for severance pay	19,346	21,567
Adjustments to reconcile changes in net assets to net cash flows from operating activities:		
Pledges receivable	(297,470)	(968)
Accounts receivable	1,977	20,918
Other debit balances	119,751	37,181
Accounts payable	77,238	11,432
Other credit balances	125,110	(104,813)
Paid severance pay	(27,418)	(24,944)
Net cash flows from operating activities	(105,864)	(186,779)
Cash flows from investing activities		
Addition to property, equipment and furniture	(4,370)	(5,436)
Net cash flows from investing activities	(4,370)	(5,436)
Cash flows from financing activities		
Increase in due to banks	257,987	26,987
Net cash flows from financing activities	257,987	26,987
Net increase (decrease) in cash and cash equivalents	147,753	(165,228)
Cash and cash equivalents- beginning of year	67,412	232,640
Cash and cash equivalents – end of year	215,165	67,412

The accompanying notes form an integral part of these financial statements and are read with it.

**Women's Affairs Technical Committee
Ramallah- Palestine**

Notes to the financial statements for the year ended December 31, 2021

1-General:

a- Women's Affairs Technical Committee (WATC) was established in Jerusalem in 1992 as a coalition that includes eight feminist frameworks.

WATC's status was reconciled at the Ministry of Interior and National Security in accordance with the Charitable Societies and Benevolence law No. (1) for the year 2000 on May 30, 2007, and was registered under number RA-22502-2.

b- WATC's headquarters' is in Ramallah- Al Ersal Street- Awad building- second floor. and is allowed to open branches in any other place within Palestine, after approval of the Ministry and the ministry of specialization.

c- Main goal of the establishment:

- * To activate the role of feminist frameworks in the process of societal change.
- * Gain influence on women's rights issues.
- * To protect women and their rights in all fields.
- * To work on bringing women to decision-making positions.
- * To pay attention and nurture creative women.
- * To work on changing the prevailing stereotypical view of women.

2) Application of new and amended International Financial Reporting Standards:

WATC has implemented the following new and amended International Financial Reporting Standards, which became effective on January 1, 2021:

- Reform of the interest rate standard - phase (2): Amendments to International Financial Reporting Standard No. (9), International Accounting Standard No. (39) International Financial Reporting Standard No. (7), International Financial Reporting Standard No. (4), and International Financial Reporting Standard no. (16).

The amendments to the standard clarify the application of hedge accounting to benchmark exposures of alternative interest rates. Where the disclosures allow users to understand the nature and extent of the impact of the risks arising from reforms of the interest rate standard to which the entity is exposed to the transition from reforms of the interest rate standard to alternative reference rates, and how the entity manages this transition.

Amendments to the standard, which relates to WATC's work are related to lease liabilities that refer to LIBOR and are subject to standard interest rate reforms.

- Impact of the initial application of COVID-19 related rent Concessions beyond June 30, 2021. Amendments to IFRS (16).

In the previous year, amendments were issued that provided practical relief to lessees in accounting for rent concessions occurring as a direct result of COVID (19), by introducing a practical expedient to IFRS (16). This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before June 30, 2021.

In March 2021, the Board issued COVID (19) related rent concessions beyond June 30, 2021 (Amendments to IFRS (16)), which extends the practical expedient to apply to reduction in lease payments originally due on or before June 30, 2022.

The practical expedient permits the lessee to elect not to assess whether a COVID (19)- related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID (19)- related rent concession applying IFRS (16) as if the change were not a lease modification.

These new standards and amendments did not have a material impact on WATC's financial statements. There are a number of new standards and amendments that have been issued related to the work of WATC, but are not effective as yet and therefore WATC has not implemented them.

- Onerous Contracts - Amendment to International Accounting Standard No. (37).
- Annual improvements to IFRS standards (2018-2020).
- Property and Equipment - Amendment to International Accounting Standard No. (16).
- Reference to the conceptual framework (amendments to International Financial Reporting Standard No. (3)).
- Deferred taxes related to assets and liabilities arising from a single transaction - amendments to IAS No. (12).
- Disclosure of Accounting Policies: Amendments to International Accounting Standard No. (1) and IFRS Practice Statement No. (2).
- Definition of accounting estimates: Amendment to International Accounting Standard No. (8).

WATC does not expect to have a material impact on the financial statements upon the initial application of these standards and amendments.

3- Summary of significant accounting policies:

a- Basis for preparing financial statements:

The attached financial statements of the Women's Affairs Technical committee (WATC) have been prepared in accordance with international financial reporting standards issued by the International Accounting Standards Board and in accordance with applicable local laws and regulations.

b- The accompanying financial statements have been prepared on the historical cost basis, except for financial assets and liabilities that are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

c- The financial statements are presented in US Dollars, which is WATC's functional currency.

d- All amounts in the financial statements are rounded to the nearest US Dollar.

e- Going concern:

WATC's board have, at the time of approving the financial statements for the year ended December 31, 2021, a reasonable expectation that WATC has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

f- Property, equipment and furniture:

Property, equipment and furniture are stated at cost less accumulated depreciation and any impairment losses. Depreciation is calculated on a straight line basis over the estimated useful lives as follows:

Furniture and fixtures	7%- 20%
Office equipment	15%- 25%

- The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.
- When the disposal amount of any of these assets is less than its net book value, then its carrying amount is reduced to the disposal amount and the impairment value is recorded in the statement of activities for the year.
- An item of property, equipment and furniture is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of activities for the year.

g- Financial assets and liabilities

Financial assets and liabilities are recognized in the statement of financial position when WATC becomes a party to the contractual agreement.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs related to the acquisition or issuance of financial assets and financial liabilities are added to or deducted directly from the fair value.

- Derecognition of financial assets and financial liabilities:

WATC derecognises a financial asset when the contractual agreements to the cash flows from the financial asset expire, or when the rights to receive the contractual cash flows in a transactions in which substantially all the risks and rewards of ownership of the financial asset have been transferred to another party and WATC no longer retains control of the financial asset.

The difference between the book value of financial assets and the obtained value is recognized in the statement of activities for the year.

Financial liabilities are also derecognised when the contractual obligations have been fulfilled, canceled or expired.

-Unrestricted net assets:

Unrestricted net assets represent WATC's net assets that are not subject to restrictions from donors.

h- Revenues and support:

Grants and donations:

Grants and donations are measured at the fair value of the consideration received or will be received from donors.

WATC's revenues are generated from the following sources:

- Annual membership fees.
- Donor-funded grants whether cash or in-kind donations.

i- Expense recognition:

Expenses are recognized when incurred based on the accrual basis.

j- Leases contracts:

During the year, WATC adopted International Financial Reporting Standard no. (16): leases, which determines whether the contract contains a lease on the basis of whether the lessee has the right to use a specific asset for a period of time.

WATC, as a lessee, recognizes the right of use assets and the corresponding lease liabilities except for short-term leases (less than 12 months) or low value assets, in which case the lease payments are recognized as an expense on a straight line basis over the lease term.

The lease liabilities are initially measured at the present value of the lease amount that has not been paid on the commencement date of the lease, discounted using the implicit rate in the lease, and if this rate is not clear, then the incremental borrowing rate is used.

WATC contracts are charged to project expenses, and WATC bears only a small percentage of them, therefore they are shown as rent expenses.

k- Reserved for severance pay:

Provisions are made in accordance with the Palestinian labor law number (7) for the year 2000, which provides for the accrual of one-month salary for each year of employment based on the last salary paid.

l- Financial assets at fair value through other comprehensive income:

Financial assets are shown at fair value through other comprehensive income at fair value according to the Palestinian Electricity Company listed on Palestine Stock Exchange price at the closing date of the financial statements.

m- Provisions:

Provisions are recognized when WATC has a present obligation (legal or implicit) as a result of past events, taking into account that the cost of settling this obligation is probable and can be paid objectively.

n- Foreign currencies:

WATCs' books of account are maintained in US Dollars (USD), therefore monetary assets and liabilities are translated into USD using the prevailing rates on the statement of financial position date.

All transactions during the year in foreign currencies are translated into USD using the prevailing exchange rate on the date of each transaction.

Translation gains and losses are recorded in the statement of activities for the year.

o- Project expenses:

WATC recognizes the expenses that can be reliably identified within the accounts of programs and projects and other administrative expenses according to the signed agreements with the donors. Other common expenses are allocated according to WATC's best estimates.

p- Cash and cash equivalents:

For the purposes of the cash flows statement, cash and cash equivalents include cash on hand and at banks and short term deposits of three months or less.

The book value of these assets approximates its fair value.

4- Significant accounting assumptions and key sources of uncertain estimates:

The preparation of financial statements in accordance with International Financial Reporting Standards requires WATC's management to use estimates and assumptions that affect the amounts of revenues, expenses, assets, liabilities and contingent liabilities. These estimates and assumptions are based on historical experience and other factors considered relevant.

Due to the use of these estimates and assumptions, actual results may differ from estimates.

Estimates and assumptions are reviewed periodically, revisions to accounting estimates are recognized in the period in which the revision is made if it affects only that period. If the revision affects future periods, then the revision is made in the current and future periods.

WATC believes that the estimates and assumptions used are appropriate and comply with the applicable laws and regulations.

5- Cash on hand and at banks:

	2021	2020
	US Dollar	US Dollar
This account was comprised of the following:		
Cash on hand	2,146	1,506
Checks on hand	208	200
Deposits at banks in ILS	22,943	19
Deposits at banks in US Dollar	64,035	35,058
Deposits at banks in EURO	125,833	30,629
Total	215,165	67,412

6- Pledges receivable:

	2021	2020
	US Dollar	US Dollar
This account was comprised of the following:		
UN Women	136,120	-
CARE Foundation - Qarari project	7,277	-
Central Election Commission	3,971	-
APS Foundation	175,158	-
SUDS	43,912	-
Care foundation- Kiani project	6,389	-
General	-	75,357
Total	372,827	75,357

7- Accounts receivable:

This account was comprised of the following:

	<u>2021</u>	<u>2020</u>
	<u>US Dollar</u>	<u>US Dollar</u>
Membership fees	410	404
Employees	2,905	4,473
Suppliers	-	415
	<u>3,315</u>	<u>5,292</u>

8- Other debit balances:

This account was comprised of the following:

	<u>2021</u>	<u>2020</u>
	<u>US Dollar</u>	<u>US Dollar</u>
Cash deposit (account opening)	283	-
Bank deposit (provision for severance pay)	-	116,240
Insurance	-	1,731
Gaza expenses	-	1,633
Other	-	430
	<u>283</u>	<u>120,034</u>

9- Property, equipment, and furniture:

	<u>Furniture and fixtures</u>	<u>Equipment</u>	<u>Total</u>
Cost at January 1, 2021	41,646	151,939	193,585
Opening balance currency difference	-	(655)	(655)
Cost at January 1, 2021- adjusted	<u>41,646</u>	<u>151,284</u>	<u>192,930</u>
Additions during the year	-	4,370	4,370
Cost at December 31, 2021	<u>41,646</u>	<u>155,654</u>	<u>197,300</u>
Accumulated depreciation			
Balance at January 1, 2021	38,563	132,712	171,275
Depreciation for the year	1,127	4,665	5,792
Reclassification	(5,036)	5,036	-
Balance at December 31, 2021	<u>34,654</u>	<u>142,413</u>	<u>177,067</u>
Net book value as at December 31, 2021	<u>6,992</u>	<u>13,241</u>	<u>20,233</u>
Net book value as at December 31, 2020- adjusted	<u>3,083</u>	<u>18,572</u>	<u>21,655</u>

10- Due to banks:

This account was comprised of the following:

	<u>2021</u>	<u>2020</u>
	<u>US Dollar</u>	<u>US Dollar</u>
Bank of Palestine	3,901	523
The National bank	287,426	32,817
	<u>291,327</u>	<u>33,340</u>

11- Accounts payable:	2021	2020
	US Dollar	US Dollar
This account was comprised of the following:		
Partner Societies	75,524	8,491
Suppliers	8,972	10,863
Employees	19,954	6,773
Other	1,796	2,881
	106,246	29,008

12- Other credit balances:	2021	2020
	US Dollar	US Dollar
This account was comprised of the following:		
Grants received in advance	113,256	-
Professional fees	4,060	-
Rent	5,000	2,764
Income tax	13,743	8,185
	136,059	10,949

13- Provision for severance pay:	2021	2020
	US Dollar	US Dollar
This account was comprised of the following:		
Balance- beginning of year	116,240	119,617
Provision for the year	19,346	21,567
Paid during the year	(27,418)	(24,944)
Balance- end of year	108,168	116,240

14- Financial statements adjustments:

WATC has adjusted its previous financial statements in line with the requirements of International Accounting Standard No. (8) Accounting Policies, Changes in Accounting Estimates and Errors as follows:

a- A difference in the bank accounts between WATC's books and the bank balances in ILS and US Dollars, totaling \$2,827. Revision revealed that the bank reconciliations, which showed these differences were incorrect, and therefore the difference was adjusted.

b- Within property and equipment, a difference of 655 US Dollars between the trial balance and 2020 financial statements, which turned out to be a currency difference hence, it was accordingly adjusted.

c- Within grants received in advance, an amount registered for Global Fund Foundation in the amount of 28,376 USD was received in 2018. The mentioned amount was spent during 2019 and included within the grants released from restriction during the mentioned year, but it was shown again as unspent in the financial statements.

The amount of 54,374 USD was also included in grants received in advance in 2018, but based on the grants note within the financial statements, this amount was released in 2019, but it re-appeared in grants received in advance in 2019 as unspent.

d- The amount of 6,646 USD was included in the accrued expenses and credit balances, which was made as an adjustment from previous years in 2018, but there is no evidence to recording the amount or the party to which it is owed, therefore it was adjusted.

e- The amount of 2,646 USD was included in the accruals and credit balances, as an adjustment from previous years in 2018, but there was no evidence to support recording the amount or the party to whom it is owned, therefore it was adjusted.

F- 2020 financial statements included grants received in advance in an amount amounting to 69,671 USD for Kayani project. However, reviewing WATC's books and the received transfers, it was apparent that Kayani projects 1 and 2 grants were actually received and disbursed, and there is no longer a surplus or deficit for the project.

g- A difference of 937 USD in the income tax provision between the books and financial statements and since the basis of the difference was not evident and WATC did not reach a settlement with the Income Tax department, therefore, the amount as recorded in the books was accepted and the difference was adjusted.

h- A difference in revenues in 2020 of 2,436 USD, which had no justification in the books, hence, the amounts actually received and receivable were acknowledged.

i- Financial assets at fair value through other comprehensive income:

It was discovered that WATC owes 1,050 shares at 1 USD par value of the Palestinian Electricity Company, which was not recorded in the books nor the financial statements. Therefore, the shares were recorded based on the confirmation received from Palestine Stock Exchange, and according to the closing price as at December 31, 2020 and 2019. The difference between par value and market value was recorded against the change in fair value of shares.

j- A difference in the following 2020 expenses were found hence were modified and recorded based on the contracts and related documentations :

Salaries	2,594
Rent	2,500
Training expenses	495
Currency differential	221
	<u>5,810</u>

Thus, the impact of the adjustments referred to above, which was reversed and corrected, on the financial statements was as follows:

	As at 31 December 2020 (adjusted)		
	Balance before adjustments	Adjustments	Balance after adjustments
Statement of financial position items			
Cash on hand and at banks (a)	36,900	(2,827)	34,073
Other debit balances	14,945	(14,945)	-
Property and equipment (b)	22,310	(655)	21,655
Financial assets at fair value through other comprehensive income (h)	-	1,669	1,669
Other credit balances			
Grants received in advance (c) and (e)	(152,421)	152,421	-
Accrued expenses (d)	(2,646)	2,646	-
Accrued rent	-	(2,764)	(2,764)
Income tax (g)	(9,122)	937	(8,185)
Net assets			
Changes in fair value (h) (556 USD beginning balance and 63 USD for the year)	-	(619)	(619)
	<u>(90,034)</u>	<u>135,863</u>	<u>45,829</u>

	For the year ended 31 December 2020 (adjusted)		
	Balance before adjustments	Adjustments	Balance after adjustments
Income statement items			
Grants			
Kayani 1	-	25,902	25,902
Kayani 2	-	27,963	27,963
Oxfam	-	15,287	15,287
Qarari	-	29,709	29,709
General	96,425	(96,425)	-
Total	96,425	2,436	98,861

Expenses			
Administrative salaries	80,999	2,594	83,593
Project training expenses	113,534	495	114,029
Rent	15,500	2,500	18,000
Currency differential	470	221	691
	210,503	5,810	216,313

	For the year ended 31 December 2020 (adjusted)		
	Balance before adjustments	Adjustments	Balance after adjustments
Comprehensive income statement			
Changes in fair value	-	(619)	(619)

	As at 31 December 2020 (adjusted)		
	Balance before adjustments	Adjustments	Balance after adjustments
Statement of changes in net assets items			
Unrestricted net assets	(111,054)	133,427	22,373
Net assets temporarily restricted	76,454	2,436	78,890
Changes in fair value	-	619	619
	(34,600)	136,482	101,882

	For the year ended 31 December 2020 (adjusted)		
	Balance before adjustments	Adjustments	Balance after adjustments
Cash flow items			
Changes in net assets for the year	(221,289)	(3,374)	(224,663)
Other debit balances	22,236	14,945	37,181
Other credit balances	(164,189)	153,240	(10,949)
Property and equipment	(6,091)	655	(5,436)
	(369,333)	165,466	(203,867)

15- Temporarily restricted grants:

	Undisbursed grants as of January 1, 2021	Grants received during the year	Grants receivable	Total grants recorded in 2021	Currency differential	Grants available 2021	Released during 2021	Undisbursed grants as of December 31, 2021
US Dollars								
Kayani project	33,628	93,669	6,389	100,058	-	133,686	(127,837)	5,849
SUDS 2019-2021	29,032	29,816	43,912	73,728	-	102,760	(88,515)	14,245
UN Trust Women	5,763	80,919	136,120	217,039	-	222,802	(231,179)	(8,377)
APS	51,323	34,085	175,112	209,197	46	260,566	(190,314)	70,252
UN NDC Women	(1,265)	7,610	-	7,610	-	6,345	(5,933)	412
NDC development center	(19,630)	23,026	-	23,026	-	3,396	(47,279)	(43,883)
Election project 1 st	-	7,068	-	7,068	-	7,068	(10,450)	(3,382)
Election project 2 nd	8,394	3,952	3,971	7,923	-	16,317	(8,357)	7,960
FES 2021	(1,918)	57,867	-	57,867	-	55,949	(49,274)	6,675
Friedrich Ebert H I	(6,947)	28,687	-	28,687	-	21,740	(22,964)	(1,224)
Creative teacher	-	4,390	-	4,390	-	4,390	-	4,390
Qarari project	(307)	49,165	7,277	56,442	-	56,135	(54,045)	2,090
GIZ	-	2,090	-	2,090	-	2,090	-	2,090
Care	3,321	-	-	-	-	3,321	-	3,321
Oxfam	183	-	-	-	-	183	-	183
Diakonia	(22,687)	-	-	-	-	(22,687)	-	(22,687)
	78,890	422,344	372,781	795,125	46	874,061	(836,147)	37,914

16- Other revenues:

This account was comprised of the following:

	<u>2021</u> <u>US Dollar</u>	<u>2020</u> <u>US Dollar</u>
Tender fees	611	-
Consultations	-	24,795
Hall rent, hospitality and advertisement	340	-
Bank interest	947	454
Profit from sale of equipment	-	768
General donations	5,401	-
Other	17,354	4,686
	<u>24,653</u>	<u>30,703</u>

17- General and administrative expenses:

This account was comprised of the following:

	<u>2021</u> <u>US Dollar</u>	<u>2020</u> <u>US Dollar</u>
Salaries	70,724	83,593
Severance pay	17,043	15,624
Rent	2,606	2,637
Consultancy	-	20,186
Postage, telephone and internet	1,380	4,094
Electricity and water	645	1,532
Travel and transportation	1,193	2,976
Advertisement	1,239	1,364
Training expenses	263	2,898
Professional fees	6,785	12,310
Insurance	1,731	577
Volunteers and initiatives	-	851
Workshops and meetings	201	1,610
Maintenance and repairs	142	4,305
Office supplies	85	2,603
Stationery and printing	50	4,485
Miscellaneous	1,399	1,368
	<u>105,486</u>	<u>163,013</u>

18- Project expenses:

Project expenses were divided into two tables (a) and (b) as follows:

Table (a):

	Kayani project (1+2)	Qarari project	Humanity and inclusion (HI)	NDC UN/ Women	NDC development center	Suds 2019-2021	Total (a)
Salaries	30,946	21,103	7,586	5,057	3,289	9,598	77,579
Severance pay	1,390	265	-	-	-	545	2,200
Rent	3,717	208	-	-	1,020	3,841	8,786
Consultancy	6,000	-	-	-	-	-	6,000
Honoraria fees	-	55	-	-	-	1,707	1,762
Training expenses	35,146	19,856	9,601	-	637	29,813	95,053
Postage, telephone and internet	2,072	2,104	1,422	70	99	1,069	6,836
Water and electricity	399	346	-	245	259	813	2,062
Transportation, travel and accommodation	4,056	6,679	3,956	546	1,835	7,919	24,991
Advertisement and media	24,958	1,568	-	-	-	6,586	33,112
Printing, stationery and photography	1,618	1,296	92	-	-	3	3,009
Professional fees	-	-	-	-	-	-	-
Insurance	-	200	-	-	930	-	1,130
Beneficiaries rewards	-	-	-	-	39,210	5,970	45,180
Support expenses	11,800	15	-	-	-	3,790	15,605
Volunteers and initiatives	1,749	-	307	-	-	1,609	3,665
Editing and translation	650	-	-	-	-	8,309	8,959
Workshops	-	-	-	-	-	670	670
Maintenance	-	52	-	-	-	4,270	4,322
Bank expenses	-	18	-	15	-	-	33
Office supplies	3,319	83	-	-	-	74	3,476
Consumable equipment	-	-	-	-	-	-	-
Miscellaneous	17	197	-	-	-	1,929	2,143
	127,837	54,045	22,964	5,933	47,279	88,515	346,573

Table (b):

Table (b):	2021						2020		
	Election project	CEC project	APS project	FES project	UN Trust 2018-2020	Total (b)		Total (a)	Total (a&b)
Salaries	2,320	-	33,684	14,679	42,952	93,635	77,579	171,214	411,171
Severance pay	-	-	103	-	-	103	2,200	2,303	5,708
Rent	1,250	-	2,958	-	2,400	6,608	8,786	15,394	15,363
Consultancy	-	-	42,096	920	20,875	63,891	6,000	69,891	18,890
Honoraria fees	-	-	11,667	-	-	11,667	1,762	13,429	15,290
Training expenses	1,765	245	46,926	27,641	28,280	104,857	95,053	199,910	114,029
Postage, telephone and internet	24	-	12	-	401	437	6,836	7,273	5,700
Water and electricity	127	-	-	-	250	377	2,062	2,439	1,573
Transportation, travel and accommodation	64	826	6,178	4,319	14,625	26,012	24,991	51,003	24,938
Advertisement and media	3,708	6,806	40,315	-	600	51,429	33,112	84,541	72,508
Printing, stationery and photography	499	312	187	485	8,294	9,777	3,009	12,786	9,597
Professional fees	683	-	-	-	3,500	4,183	-	4,183	1,160
Insurance	-	-	-	-	-	-	1,130	1,130	-
Beneficiaries rewards	-	-	-	-	96,573	96,573	45,180	141,753	-
Support expenses	-	168	-	-	1,166	1,334	15,605	16,939	4,806
Volunteers and initiatives	-	-	4,623	562	-	5,185	3,665	8,850	4,764
Editing and translation	-	-	1,197	668	3,000	4,865	8,959	13,824	1,599
Workshops	-	-	-	-	-	-	670	670	2,950
Maintenance	-	-	368	-	-	368	4,322	4,690	1,452
Bank expenses	10	-	-	-	-	10	33	43	1,220
Office supplies	-	-	-	-	1,550	1,550	3,476	5,026	1,850
Project equipment	-	-	-	-	6,713	6,713	-	6,713	-
Studies and researches	-	-	-	-	-	-	-	-	5,000
Miscellaneous	-	-	-	-	-	-	2,143	2,143	5,401
	10,450	8,357	190,314	49,274	231,179	489,574	346,573	836,147	724,969

19- Risk management:

WATC is exposed to several risks due to its operation in Palestine as follows:

- Credit risk:

Credit risk represents WATC's exposure to financial loss resulting from donors' failure to fulfill their contractual obligations. The items affected by these risks are cash and cash equivalents, pledges receivable from donors, and other financial assets.

- Liquidity risk:

Liquidity risk results from WATC's inability to meet its financial obligations when due. The items related to these risks are financial liabilities, hence WATC must maintain a sufficient amount of cash to be able to meet its obligations when due.

- Financing risk:

These risks result from WATC's inability to find sufficient and appropriate funding to manage its operational work.

- Market risk:

These risks result from changes in market prices, such as, foreign exchange rates and interest rates.

20- The financial statements for the year ended December 31, 2020 were presented after applying the adjustments mentioned in note (14) for comparison purposes. Some accounts were reclassified to be consistent with the presentation of the financial statements for the current year.

21- On September 20, 2023, WATC's board approved the financial statements for the year ended 31 December 2021.