

**Women's Centre for
Legal Aid and Counselling**

**Financial Statements
and
Independent Auditor's Report
31 December 2013**

Women's Centre for Legal Aid and Counselling

Table of Contents

	<u>Page</u>
Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Activities	4
Statement of Change in Net Assets	5
Statement of Cash Flows	6
Statement of Functional Expenses	7 – 8
Notes to Financial Statements	9 – 20

Supplementary Information – Actual Expenses versus Budget

Core and Special Projects	21
Capacity Building Unit	22
Research and Documentation Unit	23
Service Unit	24
Administration and General Unit	25

INDEPENDENT AUDITOR'S REPORT

To the General Assembly Women's Centre for Legal Aid and Counselling

We have audited the accompanying financial statements of the **Women's Centre for Legal Aid and Counselling (Not for Profit Institute)**, which comprise of the statement of financial position as of December 31, 2013, the statement of activities and change in net assets, statement of functional expenses, and cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the United States of America Statements on Financial Accounting Standards No. 116 applicable to not for profit organizations, 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.

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 centre'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 centre'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 give a true and fair view of the financial position of **Women's Centre for Legal Aid and Counselling (Not for Profit Institute)** as of December 31, 2013, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the United States of America Statements on Financial Accounting Standards No. 116 applicable to not for profit organizations.



Deloitte & Touche (M.E.) \ Saba & Co.

Ramallah
March 17, 2014

Statement - A

Women's Centre for Legal Aid and Counselling

Statement of Financial Position

As of 31 December 2013

	Note	2013 USD	2012 USD
Assets			
Cash on Hand and at Banks	3	514,519	611,188
Deposits with Banks Restricted for Staff Benefits	3	1,126,704	1,022,397
Pledges Receivables	4	92,593	108,979
Accounts Receivable	5	27,619	21,631
Prepaid Expenses		12,354	26,985
Property, Plant and Equipment - net of Accumulated Depreciation	6	723,015	671,995
Total Assets		<u>2,496,804</u>	<u>2,463,175</u>
Liabilities and Net Assets			
Liabilities:			
Payables and Accruals	7	240,448	178,066
Deferred Grants	8	207,216	195,230
Loan Payable	9	68,798	103,703
Reserves for Staff Benefits	10	1,029,143	997,447
Total Liabilities		<u>1,545,605</u>	<u>1,474,446</u>
Net Assets:			
Unrestricted		65,951	91,756
Investment in Property, Plant and Equipment		723,015	671,995
Temporarily Restricted	13	162,233	224,978
Total Net Assets (Statement -C)		<u>951,199</u>	<u>988,729</u>
Total Liabilities and Net Assets		<u>2,496,804</u>	<u>2,463,175</u>

See Notes to Financial Statements

Women's Centre for Legal Aid and Counselling

Statement of Activities

Year Ended 31 December 2013

	Note	Unrestricted	Temporary	Total	
		2013	2012	2013	2012
		USD	USD	USD	USD
Operating Revenues:					
Grants	13	-	1,848,521	1,848,521	1,947,369
In-kind Contributions		4,013	-	4,013	-
Other Revenues	11	29,893	-	29,893	47,842
Total Operating Revenues		33,906	1,848,521	1,882,427	1,995,211
Net Assets Released from restrictions	13	1,911,266	(1,911,266)	-	-
		1,945,172	(62,745)	1,882,427	1,995,211
Program Expenses:					
Capacity Building		236,477	-	236,477	299,892
Research and Documentation		274,393	-	274,393	265,685
Services		604,539	-	604,539	487,167
Administration and General		319,825	-	319,825	406,022
Total Core Expenses (Statement-E)		1,435,234	-	1,435,234	1,458,766
Special Projects (Statement-E)		457,807	-	457,807	343,593
Depreciation		32,843	-	32,843	46,109
		1,925,884	-	1,925,884	1,848,468
Loss (Gain) on Currency Fluctuations		(5,927)	-	(5,927)	(19,916)
Total Expenses		1,919,957	-	1,919,957	1,828,552
Increase in Net Assets During the Year (Statement - C)		25,215	(62,745)	(37,530)	166,659

See Notes to Financial Statements

Women's Centre for Legal Aid and Counselling

Statement of Change in Net Assets

Year Ended 31 December 2013

	Investment in			Total
	Unrestricted	in Property, Plant & Equipment	Temporary Restricted	
	USD	USD	USD	USD
Net Assets at January 1, 2013	91,756	671,995	224,978	988,729
Excess (Deficit) for the Year (Statement - B)	25,215	-	(62,745)	(37,530)
Procurement of Property	(83,863)	83,863	-	-
Depreciation Expense	32,843	(32,843)	-	-
Net Assets at December 31, 2013 (Statement - A)	65,951	723,015	162,233	951,199
Net Assets at January 1, 2012	(7,533)	708,998	100,886	802,351
Excess for the Year (Statement - B)	62,286	-	124,092	186,378
Procurement of Property, net of sales	(9,106)	9,106	-	-
Depreciation Expense	46,109	(46,109)	-	-
Net Assets at December 31, 2012 (Statement - A)	91,756	671,995	224,978	988,729

See Notes to Financial Statements

Women's Centre for Legal Aid and Counselling

Statement of Cash Flows

Year Ended 31 December 2013

	2013	2012
	USD	USD
Cash Flows from Operating activities:		
Cash Received from Donors	1,784,300	2,067,153
Other Revenues	33,906	47,842
Cash Paid to Suppliers and Employees	(1,691,800)	(1,621,310)
	126,406	493,685
Cash Flows from Investing Activities:		
Procurement of Property	(83,863)	(20,918)
Disposal of Vehicle	-	11,812
	(83,863)	(9,106)
Cash Flows from Financing Activities:		
Settlement of Loan Payable	(34,905)	(32,014)
Cash Flows Used in Financing Activities	(34,905)	(32,014)
 Increase (Decrease) in Cash and Banks During the Year	 7,638	 452,565
Cash on Hand and at Banks at Beginning of Year	1,633,585	1,181,020
Cash on Hand and at Banks at End of Year	1,641,223	1,633,585
 Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Change in Net Assets	(37,530)	186,378
Depreciation	32,843	46,109
Provision for Severance Pay and Provident Fund, Net of Payment	31,696	112,418
Decrease (Increase) in Accounts and Pledges Receivables	10,398	154,322
Increase (Decrease) in Deferred Grants	11,986	52,138
Increase (Decrease) in Payables and Accruals	62,382	(53,568)
Decrease (Increase) in Prepaid Expenses	14,631	(4,112)
Cash Provided by Operating Activities	126,406	493,685

See Notes to Financial Statements

Women's Centre for Legal Aid and Counselling

Statement of Functional Expenses

Year Ended 31 December 2013

	Research		Administration			Special Projects	Total 2013
	Capacity Building	and Documentation	Services	and General	Total		
	USD	USD	USD	USD	USD		
Salaries and Related Expenses:							
Salaries	100,286	131,470	359,403	178,151	769,310	290,184	1,059,494
Salary Related Expenses (*)	23,110	36,641	67,101	68,944	195,796	29,485	225,281
	123,396	168,111	426,504	247,095	965,106	319,669	1,284,775
Occupancy Costs:							
Rent and insurance	-	-	16,261	-	16,261	20,818	37,079
Utilities	5,843	11,574	18,267	8,952	44,636	4,375	49,011
Repairs and Maintenance	1,334	3,826	8,285	3,504	16,949	37	16,986
	7,177	15,400	42,813	12,456	77,846	25,230	103,076
Contractual Professional Services:							
Audit and Accounting Fees	-	-	-	17,734	17,734	-	17,734
Legal and Court Fees	149	-	6,742	13,343	20,234	3,041	23,275
Consultancies, Research and Training	-	10,780	15,753	750	27,283	5,800	33,083
Coordination & volunteers	52,476	10,503	42,697	-	105,676	10,695	116,371
	52,625	21,283	65,192	31,827	170,927	19,536	190,463
Others:							
Hospitality and Workshops	18,170	32,353	18,050	11,837	80,410	26,019	106,429
Printing, Stationery and Supplies	3,961	14,577	12,104	2,617	33,259	20,404	53,663
Media and Advertising	1,526	3,832	1,848	2,138	9,344	6,276	15,620
Transportation, Perdiem and Travel	24,459	12,242	24,741	4,310	65,752	31,932	97,684
Communication	4,519	4,495	12,264	4,307	25,585	8,635	34,220
Bank Charges	644	2,100	1,023	3,238	7,005	106	7,111
	53,279	69,599	70,030	28,447	221,355	93,372	314,727
Total Expenses (Statement - B)	236,477	274,393	604,539	319,825	1,435,234	457,807	1,893,041

(*) Salaries Related Expenses includes staff provident fund, severance pay, health insurance and staff development

See Notes to Financial Statements

Women's Centre for Legal Aid and Counselling

Statement of Functional Expenses

Year Ended 31 December 2012

	Research		Administration			Special Projects	Total 2012
	Capacity Building	and Documentation	Services	and General	Total		
	USD	USD	USD	USD	USD		
Salaries and Related Expenses:							
Salaries	144,036	138,104	285,791	236,204	804,135	235,965	1,040,100
Salary Related Expenses (*)	39,412	35,079	78,161	57,098	209,750	9,197	218,947
Salaries and Related Expenses:	183,448	173,183	363,952	293,302	1,013,885	245,162	1,259,047
Occupancy Costs:							
Rent and insurance	-	-	23,137	-	23,137	6,980	30,117
Utilities	7,089	6,527	10,753	6,518	30,887	1,358	32,245
Repairs and Maintenance	4,280	4,282	8,908	5,957	23,427	21,180	44,607
	11,369	10,809	42,798	12,475	77,451	29,518	106,969
Contractual Professional Services:							
Audit and Accounting Fees	-	-	-	18,559	18,559	-	18,559
Legal and Court Fees	-	-	7,880	13,216	21,096	2,980	24,076
Consultancies, Research and Training	15,000	7,700	24,441	24,277	71,418	9,800	81,218
Coordination & volunteers	15,049	13,970	-	-	29,019	14,874	43,893
	30,049	21,670	32,321	56,052	140,092	27,654	167,746
Others:							
Hospitality and Workshops	26,767	19,614	6,879	15,921	69,181	11,405	80,586
Printing, Stationery and Supplies	4,191	14,944	5,936	6,680	31,751	7,266	39,017
Media and Advertising	-	4,134	-	5,480	9,614	1,537	11,151
Transportation, Perdiem and Travel	35,948	16,602	22,285	8,614	83,449	11,558	95,007
Communication	5,888	2,795	10,721	5,431	24,835	9,444	34,279
Emergencies and Safe home	-	-	337	-	337	-	337
Bank Charges	2,232	1,934	1,938	2,067	8,171	49	8,220
	75,026	60,023	48,096	44,193	227,338	41,259	268,597
Total Expenses (Statement - B)	299,892	265,685	487,167	406,022	1,458,766	343,593	1,802,359

(*) Salaries Related Expenses includes staff provident fund, severance pay, health insurance and staff development

See Notes to Financial Statements

Women's Centre for Legal Aid and Counselling
(WCLAC)

Notes to Financial Statements

31 December 2013

1. Organization:

Women's Centre for Legal Aid and Counselling (WCLAC) which was established in 1991, is a not for profit local Palestinian organization dedicated to the service of women in areas of law, legal education and advice and personal counselling. It carries out its educational programmes, apprising women of their rights and status under law and provides potential remedies for various forms of abuse and discrimination in cooperation with other local institutions. The Centre may assist women in obtaining appropriate legal and medical services in extreme hardship cases. In addition to its educational and service activities, the Centre carries out legal research, procedures and brochures on the subject of women's rights and law. The Centre is registered with all concerned authorities of the Palestinian National Authority.

The board of trustees has approved the financial statements in their regular meeting that occurred in March 24, 2014.

2. Summary of Significant Accounting Policies:

2.1 Adoption of new and revised International Financial Reporting Standards (IFRSs):

In the current year, The School management considered all new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of IASB, relevant to its activities, that were issued and effective for annual reporting periods ending on 31 August 2013. The application of the new standards and interpretations has no effect on the financial position or the results of operations of the School.

2.2 Preparation of Financial Statements:

In the current year, WCLAC management considered all new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of IASB, relevant to its activities, that were issued and effective for annual reporting periods ending on 31 December 2013. The application of the new standards and interpretations has no effect on the financial position or the results of operations of the WCLAC.

2. Summary of Significant Accounting Policies: (continued)

2.2 Preparation of Financial Statements - Continued:

The financial statements have been prepared in accordance with International Financial Reporting Standards and the Statement on Financial Accounting Standards No. 117 “Financial Statements of Not-For-Profit Organizations” which establish standards for external financial reporting for not-for-profit organizations as applicable. SFAS No. 117 is issued by the Financial Accounting Standards Board of the U.S. Financial Accounting

Foundation. Management is of the opinion that this presentation provides more information about its activities and restrictions imposed by donor contracts and contributions.

The net assets of WCLAC and changes therein are classified and reported in accordance with United States of America Statements on Financial Accounting Standards No. 116. “Financial Statements of Not-for-profit Organizations”, which establish standards for external financial reporting by not-for-profit organizations.

Under the provision of these standards, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. In order to ensure observance of limitations and restrictions placed on the use of the available resources, the accounts are maintained in accordance with the principles of fund accounting. Accordingly, net assets of WCLAC and changes therein are classified and reported as follows:

- **Unrestricted net assets** - Net assets whose use by WCLAC is not subject to donor-imposed restrictions.
- **Temporary restricted net assets** - Net assets whose use by the Centre is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and released by actions of WCLAC pursuant to those donor-imposed stipulations.
- **Revenues** are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified as unrestricted net assets and reported as net assets released from restrictions.

The statement of activities is a statement of financial activities related to the current period, it is not a performance measure and does not purport to present the net income or loss for the period as would a statement of income for a business enterprise.

The statement of activities includes certain prior-year summarized comparative in total but not by net asset class, i.e. in respect to restrictions and accordingly, such information should be read in conjunction with the Association’s financial statements for the prior year from which the summarized information was derived in order to have sufficient details in conformity with International Financial Reporting Standards.

2. Summary of Significant Accounting Policies: (continued)

2.3 Contributions:

Unconditional Grants and Grants with stipulations that are expected to be met are recognised as increases in temporarily restricted funds and are released to unrestricted funds over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

Amounts received under conditional grants whose conditions are based on future events and actions are deferred and presented under current liabilities and are taken to the statement of activities when the related conditions are met.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to WCLAC with no future related costs are recognised in the statement of activities in the period in which they become receivable.

Grants whose primary condition is that WCLAC should purchase, construct or otherwise acquire non-current assets are recognised under temporarily restricted funds and released to unrestricted funds when the assets are acquired.

Government grants are not recognized until there is reasonable assurance that WCLAC will comply with the conditions attaching to them and that the grants will be received.

2.4 Foreign Currency Transactions:

The financial statements are presented in U.S. Dollar being the currency of the primary economic environment in which WCLAC operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the date of the transactions. At the date of the financial statements, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in the statement of activities in the period in which they arise.

Exchange rates at year end against U.S. Dollar are detailed as follows:

- Transactions which are expressed or denominated in other currencies are converted into U.S. Dollar equivalent using the exchange rate prevailing on the date of the transaction.

2. Summary of Significant Accounting Policies: (continued)

2.4 Foreign Currency Transactions - continued:

- Assets and liabilities which are denominated or expressed in other currencies are presented at their USD equivalent using the exchange rate prevailing on December 31, 2013 as the following:

	December 31,	
	2013	2012
	U.S \$	U.S \$
Israeli Shekel	0.287	0.268
EURO	1.377	1.318

- All other assets and liabilities are presented in their USD equivalent at their historical values.
- Exchange differences arising from the translation of local currency balances is charged to the statement of activities.

2.5 Property, Plant and Equipment:

Property, plant and equipment are stated at cost net of accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of the respective assets. The yearly depreciation rates are as follows:

Building	1%
Building Improvement	15%
MIS - Computer System	20%
Office Furniture	7%
Office Equipment	20%
Vehicles	20%

When the expected recoverable amount is less than the net book value, the property, plant and equipment amount is reduced to the lower of cost or net realizable value and the difference (if any) is included in the statement of activities.

The useful lives of property, plant and equipment are reviewed at the end of each year. In case the expected useful life is different from what was determined before, the change in estimate is recorded in the following years, being as a change in estimate.

Property, plant and equipment are disposed of when there is no expected future benefit from the use of that asset.

2. Summary of Significant Accounting Policies: (continued)

2.6 Severance Pay:

The Centre provides for severance pay by accruing for one month compensation for each year of service based on the last salary paid during the year.

2.7 Provident Fund:

The Centre has a defined provident fund plan, which covers all salaries employees. The contribution of the Centre and the employees is equal to 5% of their basic salaries.

2.8 Estimates and assumptions:

The financial statements include certain estimates and assumptions made by management relating to reporting of assets, liabilities, at the statement of financial position date, and the reporting of revenue, expenses, gains, and losses during the year. Actual results may differ from those estimates adopted by the Centre's management. Estimates used in the preparation of the financial statements are the useful lives of property, plant and equipment and all other provisions.

2.9 Functional Expenses -The Centre allocates its expenses on a functional basis among its various programmes and general administration. Expenses that can be identified with a specific program or administration are charged directly. Other expenses that are common to several functions are allocated between functions based on the best estimates and judgment of management.

3. Cash on Hand and at Banks:

Composition:

	December 31,	
	2013	2012
	USD	USD
Cash on Hand	840	1,464
Deposits with Banks (overdrawn) in Israeli Shekel	119,733	9,858
Deposits with Banks in US Dollar	158,311	278,206
Deposits with Banks in EURO	235,635	321,660
	514,519	611,188
Deposits with Banks in US Dollar restricted for Staff Benefits	1,126,704	1,022,397

4. Pledges Receivables:

Composition:

	December 31,	
	2013	2012
	USD	USD
United Nations Development Program (UNDP)	-	48,861
NGO Development Center (NDC)	33,800	29,000
Shashat	-	7,355
United Nations Development Program (Broken Families)	-	7,117
Novib – Sida	6,712	15,470
Ministry of Foreign Affairs of Iceland (ICELAND)	50,000	-
Drosos Foundation	-	1,176
Oxfam Novib- Focused Groups	2,081	-
Total	92,593	108,979

5. Accounts Receivable:

Composition:

	December 31,	
	2013	2012
	USD	USD
Advances to Employees	11,995	15,670
Others	15,624	5,961
	27,619	21,631

6. Property, Plant and Equipment–net of Accumulated Depreciation:

Year Ended December 31, 2013:

	<u>Building and Building Improvement</u>	<u>MIS - Computer System</u>	<u>Office Furniture</u>	<u>Office Equipment</u>	<u>HR System</u>	<u>Total</u>
Cost:						
Beginning 2013	614,730	49,250	107,757	315,986	-	1,087,723
Additions	33,360	-	7,756	38,665	4,082	83,863
Disposals	-	-	-	(967)	-	(967)
Ending 2013	648,090	49,250	115,513	353,684	4,082	1,170,619
Accumulated Depreciation:						447,604
NBV - December 31, 2013						723,015

Year Ended December 31, 2012:

	<u>Building and Building Improvement</u>	<u>MIS - Computer System</u>	<u>Office Furniture</u>	<u>Office Equipment</u>	<u>Vehicles</u>	<u>Total</u>
Cost:						
Beginning 2012	614,730	49,250	100,195	302,630	28,627	1,095,432
Additions	-	-	7,562	13,356	-	20,918
Disposals	-	-	-	-	(28,627)	(28,627)
Ending 2012	614,730	49,250	107,757	315,986	-	1,087,723
Accumulated Depreciation:						415,728
NBV - December 31, 2012						671,995

7. Payables and Accruals:

Composition:

	December 31,	
	2013	2012
	USD	USD
Professional Fees	77,378	22,374
Payables and Accrued Expenses	163,070	155,692
	240,448	178,066

8. Deferred Grants:

The balance of this account consists of grants received during the year and are designated for the budget of the next year. Composition of this account is as follows:

	December 31,	
	2013	2012
	USD	USD
Oxfam Novib	145,566	129,730
EED	61,650	65,500
	207,216	195,230

9. Loan Payable:

In 2006, the Centre obtained a long term bank loan in the amount of U.S Dollar 265,000 to finance the cost of the building of the center. The loan is being collateralized by the building and by a deposit in the amount of USD 100,000 (Part of the Centre's deposit earmarked for staff benefits). The loan bears interest at 8.46 % per annum and the loan repayments extends for nine years starting 1 October 2006. Total amount of loan and associated interest for the nine years is USD 382,070 (principle USD 265,000 and interest USD 117,070)

The yearly repayments of the loan principle and interest were set to be USD 42,446.

Change in the loan payable during the year 2013 is as follows:

	Principle
Balance at beginning of the year	103,703
Settlement during the year, excluding interest	(34,905)
Balance at end of year	68,798

10. Reserve for Staff Benefits:

Composition:

	December 31,	
	2013	2012
	USD	USD
Employees Severance Pay	545,158	568,824
Employees Provident Fund	434,089	395,252
Vacations Allowance	49,896	33,371
	1,029,143	997,447

Movement on the provisions during the current year is as the following:

	Severance Pay	Provident Fund	Vacation Allowance
	USD	USD	USD
Balance at Beginning of Year	633,514	395,252	33,371
Payments	(51,572)	(27,366)	(3,370)
Provision for the Year	90,821	66,203	19,895
Balance at End of Year	672,763	434,089	49,896
Advances on Severance Pay / Staff Loans as of 31 December 2013	(127,605)	-	-
	545,158	434,089	49,896

11. Other Revenues:

Composition:

	2013	2012
	USD	USD
Interest Income	3,129	3,414
Coordination and Training Fees	13,552	22,139
Donations for expenses	-	8,078
Donor direct action	7,425	-
Sales of fixed assets	160	1,393
Local and private donations	2,361	12,818
Others	3,266	-
	29,893	47,842

12. Financial instruments, fair values and risks management:

- **Fair Values of Financial Assets and Liabilities:**

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

- **Operational Risk**

The costs of the programs, administrative expenses as well as property, plant and equipment procurements are significantly financed by donors through donations. The management believes that the funding level in the year 2014 will be sufficient to significantly finance its disbursements and will be consistent with the funding level in the prior years. Furthermore, the management believes that the political and economic conditions prevailing in the area will not materially affect its operations.

- **Credit Risk:**

WCLAC credit risk is primarily attributable to its liquid funds and receivables. The credit risk on liquid funds is limited because they are placed with reputable financial institutions.

- **Interest Rate Risk**

WCLAC interest rate risk arises from the possibility that changes in market interest rates may affect the value of its interest bearing assets. The management of WCLAC usually monitors the fluctuation in interest rates in every individual currency in order to maximize the benefits from placements.

- **Currency Risk:**

Currency risk arises from the possibility that changes in the exchange rates may affect negatively the value of the financial assets and liabilities in case WCLAC does not hedge its currency exposure by means of hedging instruments. The management usually distributes its liquid assets over its functional currencies to minimize any possible loss from currency rates fluctuation.

12. Financial instruments, fair values and risks management – continued:

Financial assets and financial liabilities by functional currency are described in the table below. Foreign currency amounts are shown in U.S. Dollar equivalent at the rate of exchange prevailing on balance sheet date:

	NIS	USD	EURO	Total
Cash on Hand and at Banks	120,573	158,311	235,635	514,519
Deposits with Banks Restricted for Staff Benefits	-	1,126,704	-	1,126,704
Pledges Receivables	-	92,593	-	92,593
Accounts Receivable	-	27,619	-	27,619
Prepaid Expenses	-	12,354	-	12,354
Total Financial Assets	120,573	1,417,581	235,635	1,773,789
Payables and Accruals	-	240,448	-	240,448
Deferred Grants	-	-	207,216	207,216
Loan Payable	-	68,798	-	68,798
Reserves for Staff Benefits	-	1,029,143	-	1,029,143
Total Financial Liabilities	-	1,338,389	207,216	1,545,605
Position	120,573	79,192	28,419	228,184
Effect of change in currency exchange rate of +10% or -10% is:	12,057	-	2,842	14,899

13. Releases from temporary restricted assets by funding source for the year ended 31 December 2013 is as follows:

	Unexpended Grants as of 1-Jan-13	Grants Received During the Year	Grants Receivables 2013	Restricted Grants for 2013	Available Grants 2013	Releases		Funds Released in 2013	Unexpended Grants as of 31-Dec-13
	USD	USD	USD	USD	USD	Expenses	Fixed Assets		USD
Core Grants:									
Broederligik delen	-	40,350	-	40,350	40,350	40,350	-	40,350	-
The Norwegian Representative Office (NRO)	72,737	434,551	-	434,551	507,288	452,656	54,632	507,288	-
NGO Development Center (NDC)- Grant No. HRG.2.10.055	-	135,200	33,800	169,000	169,000	166,000	3,000	169,000	-
Bread for the World - (EED)	-	169,065	-	169,065	169,065	166,065	3,000	169,065	-
Caritas	-	136,525	-	136,525	136,525	127,604	-	127,604	8,921
The Federal Republic of Germany	-	83,027	-	83,027	83,027	69,964	-	69,964	13,063
Oxfam NOVIB	-	169,438	-	169,438	169,438	165,441	3,997	169,438	-
Ministry of Foreign Affairs of Iceland (ICELAND)	-	-	50,000	50,000	50,000	50,000	-	50,000	-
Dan Church Aid	-	26,535	-	26,535	26,535	26,535	-	26,535	-
Drosos	-	11,995	-	11,995	11,995	11,995	-	11,995	-
Open Society Institute (OSMENA)	-	100,000	-	100,000	100,000	97,000	3,000	100,000	-
	72,737	1,306,686	83,800	1,390,486	1,463,223	1,373,610	67,629	1,441,239	21,984
Other Grants / Special Projects:									
Oxfam Novib (EU)	77,251	219,729	-	219,729	296,980	226,057	5,989	232,046	64,934
Oxfam Novib - Focused Groups	-	-	2,081	2,081	2,081	2,081	-	2,081	-
Soros- IHL	6,719	-	-	-	6,719	-	-	-	6,719
OSI-IHL	25,054	37,500	-	37,500	62,554	18,562	-	18,562	43,992
OSI -Broken Families	43,217	-	-	-	43,217	37,322	-	37,322	5,895
Drosos	-	15,243	-	15,243	15,243	15,243	-	15,243	-
DCA - Inheritance	-	73,582	-	73,582	73,582	49,999	4,874	54,873	18,709
UNDP -Broken Families	-	20,716	-	20,716	20,716	20,716	-	20,716	-
Novib -SIDA	-	82,472	6,712	89,184	89,184	87,827	1,357	89,184	-
	152,241	449,242	8,793	458,035	610,276	457,807	12,220	470,027	140,249
Total Funded by Temporary Restricted	224,978	1,755,928	92,593	1,848,521	2,073,499	1,831,417	79,849	1,911,266	162,233

Women's Centre for Legal Aid and Counselling

Core Expenditures

Actual Expenses versus Budget Year Ended 31 December 2013

	<u>Actual</u>	<u>Revised</u>	<u>(Over)</u>
	<u>USD</u>	<u>Budget</u>	<u>Under</u>
	<u>USD</u>	<u>USD</u>	<u>Budget</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
Salaries and Related Expenses:			
Salaries	769,310	802,000	32,690
Salary Related Expenses	195,796	178,000	(17,796)
	<u>965,106</u>	<u>980,000</u>	<u>14,894</u>
Occupancy Costs:			
Rent and insurance	16,261	18,475	2,214
Utilities	44,636	39,000	(5,636)
Repairs and Maintenance	16,949	16,500	(449)
	<u>77,846</u>	<u>73,975</u>	<u>(3,871)</u>
Contractual Professional Services:			
Audit and Accounting Fees	17,734	18,500	766
Legal and Court Fees	20,085	19,993	(92)
Consultancies, Research and Training	27,283	27,100	(183)
Coordination & volunteers	105,825	113,208	7,383
	<u>170,927</u>	<u>178,801</u>	<u>7,874</u>
Others:			
Hospitality and Workshops	80,410	93,727	13,317
Printing, Stationery and Supplies	33,259	35,737	2,478
Media and Advertising	9,344	11,340	1,996
Transportation, Perdiem and Travel	65,752	70,202	4,450
Communication	25,585	28,415	2,830
Bank Charges	7,005	7,600	595
	<u>221,355</u>	<u>247,021</u>	<u>25,666</u>
Administrative costs			
<i>Total expenditures</i>	<i>1,435,234</i>	<i>1,479,797</i>	<i>44,563</i>
Capital expenditures	67,628	59,500	(8,128)
Total expenditures	<u><u>1,502,862</u></u>	<u><u>1,539,297</u></u>	<u><u>36,435</u></u>

Women's Centre for Legal Aid and Counselling

Capacity Building Unit

Actual Expenses versus Budget Year Ended 31 December 2013

	Actual	Revised	(Over)
	USD	Budget	Under
	USD	USD	Budget
	USD	USD	USD
Salaries and Related Expenses:			
Salaries	100,286	110,000	9,714
Salary Related Expenses	23,110	21,500	(1,610)
	123,396	131,500	8,104
Occupancy Costs:			
Rent and insurance	-	-	-
Utilities	5,843	5,000	(843)
Repairs and Maintenance	1,334	1,500	166
	7,177	6,500	(677)
Contractual Professional Services:			
Audit and Accounting Fees	-	-	-
Legal and Court Fees	-	-	-
Consultancies, Research and Training	-	1,200	1,200
Coordination & volunteers	52,625	55,000	2,375
	52,625	56,200	3,575
Others:			
Hospitality and Workshops	18,170	18,665	495
Printing, Stationery and Supplies	3,961	3,800	(161)
Media and Advertising	1,526	1,700	174
Transportation, Perdiem and Travel	24,459	22,915	(1,544)
Communication	4,519	4,411	(108)
Bank Charges	644	600	(44)
	53,279	52,091	(1,188)
<i>Total expenditures</i>	236,477	246,291	9,814
Capital expenditures	3,039	3,000	(39)
Total expenditures	239,516	249,291	9,775

Women's Centre for Legal Aid and Counselling

Research and Documentation Unit

Actual Expenses versus Budget Year Ended 31 December 2013

	Actual	Revised	(Over)
	USD	Budget	Under
	USD	USD	Budget
		USD	USD
Salaries and Related Expenses:			
Salaries	131,470	155,000	23,530
Salary Related Expenses	36,641	38,500	1,859
	168,111	193,500	25,389
Occupancy Costs:			
Rent and insurance	-	-	-
Utilities	11,574	10,000	(1,574)
Repairs and Maintenance	3,826	4,000	174
	15,400	14,000	(1,400)
Contractual Professional Services:			
Audit and Accounting Fees	-	-	-
Legal and Court Fees	-	-	-
Consultancies, Research and Training	10,780	10,000	(780)
Coordination & volunteers	10,503	15,000	4,497
	21,283	25,000	3,717
Others:			
Hospitality and Workshops	32,353	43,742	11,389
Printing, Stationery and Supplies	14,577	19,002	4,425
Media and Advertising	3,832	5,640	1,808
Transportation, Perdiem and Travel	12,242	15,800	3,558
Communication	4,495	6,744	2,249
Bank Charges	2,100	3,000	900
	69,599	93,928	24,329
<i>Total expenditures</i>	274,393	326,428	52,035
Capital expenditures	4,453	5,500	1,047
Total expenditures	278,846	331,928	53,082

Women's Centre for Legal Aid and Counselling

Service Unit

Actual Expenses versus Budget Year Ended 31 December 2013

	Actual	Revised	(Over)
	USD	Budget	Under
	USD	USD	Budget
	USD	USD	USD
Salaries and Related Expenses:			
Salaries	359,403	337,000	(22,403)
Salary Related Expenses	67,101	64,000	(3,101)
	426,504	401,000	(25,504)
Occupancy Costs:			
Rent and insurance	16,261	18,475	2,214
Utilities	18,267	16,000	(2,267)
Repairs and Maintenance	8,285	7,000	(1,285)
	42,813	41,475	(1,338)
Contractual Professional Services:			
Audit and Accounting Fees	-	-	-
Legal and Court Fees	6,742	6,600	(142)
Consultancies, Research and Training	15,753	14,600	(1,153)
Coordination & volunteers	42,697	43,208	511
	65,192	64,408	(784)
Others:			
Hospitality and Workshops	18,050	16,320	(1,730)
Printing, Stationery and Supplies	12,104	9,935	(2,169)
Media and Advertising	1,848	1,500	(348)
Transportation, Perdiem and Travel	24,741	23,742	(999)
Communication	12,264	12,355	91
Bank Charges	1,023	1,000	(23)
Emergency and Safehoms	-	1,000	1,000
	70,030	65,852	(4,178)
<i>Total expenditures</i>	604,539	572,735	(31,804)
Capital expenditures	54,686	46,000	(8,686)
Total expenditures	659,225	618,735	(40,490)

Women's Centre for Legal Aid and Counselling

Administration and General Unit

Actual Expenses versus Budget Year Ended 31 December 2013

	Actual	Revised	(Over)
	USD	Budget	Under
	USD	USD	Budget
			USD
Salaries and Related Expenses:			
Salaries	178,151	200,000	21,849
Salary Related Expenses	68,944	54,000	(14,944)
	247,095	254,000	6,905
Occupancy Costs:			
Rent and insurance	-	-	-
Utilities	8,952	8,000	(952)
Repairs and Maintenance	3,504	4,000	496
	12,456	12,000	(456)
Contractual Professional Services:			
Audit and Accounting Fees	17,734	18,500	766
Legal and Court Fees	13,343	13,393	50
Consultancies, Research and Training	750	1,300	550
Coordination & volunteers	-	-	-
	31,827	33,193	1,366
Others:			
Hospitality and Workshops	11,837	15,000	3,163
Printing, Stationery and Supplies	2,617	3,000	383
Media and Advertising	2,138	2,500	362
Transportation, Perdiem and Travel	4,310	7,745	3,435
Communication	4,307	4,905	598
Bank Charges	3,238	3,000	(238)
	28,447	36,150	7,703
<i>Total expenditures</i>	319,825	335,343	15,518
Capital expenditures	5,450	5,000	(450)
Total expenditures	325,275	340,343	15,068