

**Women's Centre for Legal Aid and Counselling
Financial Statements and Independent
Auditor's Report**

For the Year Ended December 31, 2017

Women's Centre for Legal Aid and Counselling

Table of Content	Page
Independent Auditor's Report	1-3
Statement of Financial Position	4
Statement of Activities	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Statement of Functional Expenses	8-9
Notes to Financial Statements	10-22
 The supplementary Information – Actual Expenses versus Budget	
Core Expenditures	23
Advocacy Unit	24
Service and Empowerment Unit	25
Administration and Finance Unit	26

INDEPENDENT AUDITOR'S REPORT

**To the General Assembly
Women's Centre for Legal Aid and Counselling (WCLAC)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Women's Centre for Legal Aid and Counselling (WCLAC)**, which comprise the statement of financial position as of December 31, 2017, statement of activities, statement of changes in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Women's Centre for Legal Aid and Counselling (WCLAC)** as of December 31, 2017, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of WCLAC in accordance with the ethical requirements that are relevant to our audit of the financial statement in areas under the jurisdiction of Palestinian Authority, 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 Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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 WCLAC'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 WCLAC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the WCLAC's financial reporting process.

INDEPENDENT AUDITOR'S REPORT "Continued"

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 ISAs 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 ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also,

1. 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 risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
2. 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 internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 WCLAC'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 disclosure 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 WCLAC to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT "Continued"

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Saba & Co.
Saba & Co.

**Ramallah - Palestine
May 10, 2018**



Women's Centre for Legal Aid and Counselling

Statement of Financial Position
As of December 31, 2017

Statement - A

	Notes	December 31, 2017 USD	December 31, 2016 USD
Assets			
Cash on Hand and at Banks	4	754,342	505,414
Deposits with Banks Restricted for Staff Benefits	4	1,035,465	830,988
Pledges Receivable	5	23,190	144,891
Accounts Receivable	6	56,388	91,249
Prepaid Expenses		6,501	6,857
Total Current Assets		1,875,886	1,579,399
Property, Plant and Equipment	7	638,707	667,770
Total Assets		2,514,593	2,247,169
Liabilities and Net Assets			
Liabilities			
Payables and Accruals	8	290,556	128,698
Deferred Grants	9	-	377,471
Total Current Liabilities		290,556	506,169
Reserves for Staff Benefits	10	1,345,489	1,162,148
Total Liabilities		1,636,045	1,668,317
Net Assets			
Unrestricted (Deficit)		(175,036)	(220,601)
Investment in Property, Plant and Equipment		638,707	667,770
Board Designated Fund		50,000	-
Temporarily Restricted	14	364,877	131,683
Total Net Assets (Statement -C)		878,548	578,852
Total Liabilities and Net Assets		2,514,593	2,247,169

Chairwoman

General Director

The accompanying notes constitute an integral part of these financial statements

Women's Centre for Legal Aid and Counselling

Statement of Activities For the Year ended December 31, 2017

Statement - B

	Notes	Unrestricted USD	Temporary Restricted USD	Total 2017 USD	Total 2016 USD
Operating Revenues					
Grants	14	-	2,071,118	2,071,118	1,646,492
Other Revenues	11	40,978	-	40,978	38,663
Total Operating Revenues		40,978	2,071,118	2,112,096	1,685,155
Net Assets Released from restrictions	14	1,831,599	(1,831,599)	-	-
		1,872,577	239,519	2,112,096	1,685,155
Expenses					
Advocacy		295,681	-	295,681	524,364
Service and Empowerment		970,209	-	970,209	740,641
Administration and Finance		384,927	-	384,927	289,808
Total Core Expenses (Statement-E)		1,650,817	-	1,650,817	1,554,813
Special Projects (Statement-E)		180,738	-	180,738	309,162
Depreciation		36,958	-	36,958	38,051
		1,868,513	-	1,868,513	1,902,026
(Gain) Loss on Currency Fluctuations		(12,879)	(1,689)	(14,568)	13,101
Pledges Receivable Written Off		441	-	441	-
Refundables to Donors		-	8,014	8,014	-
Total Expenses		1,856,075	6,325	1,862,400	1,915,127
Increase (Decrease) in Net Assets During the Year (Statement - C)		16,502	233,194	249,696	(229,972)

The accompanying notes constitute an integral part of these financial statements

Women's Centre for Legal Aid and Counselling

Statement of Changes in Net Assets For the Year ended December 31, 2017

Statement - C

	Unrestricted USD	Investment in in Property, Plant & Equipment USD	Board Designated Fund USD	Temporary Restricted USD	Total USD
Net Assets at January 1, 2017	(220,601)	667,770	-	131,683	578,852
Excess for the Year (Statement - B)	16,502	-	-	233,194	249,696
Increase on Board Designated Fund	-	-	50,000	-	50,000
Procurement of Properties and Equipment, Net of Depreciation	29,063	(29,063)	-	-	-
Net Assets at December 31, 2017 (Statement - A)	(175,036)	638,707	50,000	364,877	878,548
Net Assets at January 1, 2016	(191,038)	690,700	-	309,162	808,824
(Deficit) for the Year (Statement - B)	(52,493)	-	-	(177,479)	(229,972)
Procurement of Properties and Equipment, Net of Depreciation	22,930	(22,930)	-	-	-
Net Assets at December 31, 2016 (Statement - A)	(220,601)	667,770	-	131,683	578,852

The accompanying notes constitute an integral part of these financial statements

Women's Centre for Legal Aid and Counselling

Statement of Cash Flows For the Year ended December 31, 2017

Statement - D

	2017 USD	2016 USD
Cash Flows from Operating activities		
Cash Received from Donors	2,192,819	1,780,923
Other Revenues	40,978	38,663
Cash Paid to Suppliers and Employees	(1,976,974)	(1,637,915)
Cash Flows Generated from Operating Activities	256,823	181,671
Cash Flows from Investing Activities		
Net Procurement of Property, Plant and Equipment	(7,895)	(15,121)
Cash Flows (Used in) Investing Activities	(7,895)	(15,121)
Increase in Cash and Banks During the Year	248,928	166,550
Cash on Hand and at Banks at Beginning of Year	505,414	338,864
Cash on Hand and at Banks at End of Year	754,342	505,414
Adjustments to Reconcile Change in Net Assets to Net Cash Flow Generated from Operating Activities		
Change in Net Assets	299,696	(229,972)
Depreciation	36,958	38,051
Provision for Severance Pay and Provident Fund, Net of Payment	183,341	(151,867)
Decrease in Pledges and Accounts Receivable	156,562	78,752
(Increase) Decrease in Deposits with Banks Restricted for Staff Benefits	(204,477)	204,457
(Decrease) Increase in Deferred Grants	(377,471)	338,209
Increase (Decrease) in Payables and Accruals	161,858	(94,641)
Decrease (Increase) in Prepaid Expenses	356	(1,318)
Cash Flows Generated from Operating Activities	256,823	181,671

The accompanying notes constitute an integral part of these financial statements

Women's Centre for Legal Aid and Counselling

Statement of Functional Expenses For the Year Ended 31 December 2017

Statement - E

	Advocacy USD	Services and Empowerment USD	Administration and Finance USD	Total USD	Special Projects USD	Total 2017 USD
Salaries and Related Expenses:						
Salaries	143,222	499,680	231,766	874,668	20,352	895,020
Salaries Related Expenses (*)	45,922	99,995	56,642	202,559	1,691	204,250
	189,144	599,675	288,408	1,077,227	22,043	1,099,270
Occupancy Costs:						
Rent and Insurance	1,622	38,754	1,620	41,996	-	41,996
Utilities	9,852	20,951	10,793	41,596	-	41,596
Repairs and Maintenance	5,408	21,518	8,635	35,561	-	35,561
	16,882	81,223	21,048	119,153	-	119,153
Contractual Professional Services:						
Audit and Accounting Fees	1,000	-	14,852	15,852	-	15,852
Legal and Court Fees	-	13,138	14,264	27,402	2,277	29,679
Consultancies, Research and Training	3,460	42,289	2,000	47,749	2,730	50,479
Coordination & Volunteers	34,998	93,022	14,791	142,811	105,570	248,381
	39,458	148,449	45,907	233,814	110,577	344,391
Others:						
Hospitality and Workshops	6,553	41,325	8,253	56,131	4,567	60,698
Printing, Stationery and Supplies	4,756	8,552	2,180	15,488	5,116	20,604
Media and Advertising	-	14,036	-	14,036	28,125	42,161
Transportation, Perdiem and Travel	29,206	59,551	9,259	98,016	5,041	103,057
Communication	8,045	16,150	8,214	32,409	5,269	37,678
Bank Charges	1,637	1,248	1,658	4,543	-	4,543
	50,197	140,862	29,564	220,623	48,118	268,741
Total Expenses (Statement - B)	295,681	970,209	384,927	1,650,817	180,738	1,831,555

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

The accompanying notes constitute an integral part of these financial statements

Women's Centre for Legal Aid and Counselling

Statement of Functional Expenses For the Year Ended 31 December 2016

Statement - E

	Capacity Building USD	Research and Documentation USD	Services USD	Administration and General USD	Total USD	Special Projects USD	Total 2016 USD
Salaries and Related Expenses:							
Salaries	69,401	212,809	456,640	166,709	905,559	99,298	1,004,857
Salaries Related Expenses (*)	25,152	47,869	89,507	44,392	206,920	14,393	221,313
	94,553	260,678	546,147	211,101	1,112,479	113,691	1,226,170
Occupancy Costs:							
Rent and Insurance	1,215	1,214	36,700	612	39,741	-	39,741
Utilities	4,346	8,393	15,190	6,333	34,262	2,018	36,280
Repairs and Maintenance	1,076	2,037	7,720	5,536	16,369	195	16,564
	6,637	11,644	59,610	12,481	90,372	2,213	92,585
Contractual Professional Services:							
Audit and Accounting Fees	-	-	-	23,611	23,611	-	23,611
Legal and Court Fees	-	-	14,624	13,370	27,994	2,284	30,278
Consultancies, Research and Training	9,900	2,880	4,680	-	17,460	4,600	22,060
Coordination & Volunteers	19,018	20,373	51,084	2,143	92,618	115,424	208,042
	28,918	23,253	70,388	39,124	161,683	122,308	283,991
Others:							
Hospitality and Workshops	21,742	2,701	15,054	5,096	44,593	12,122	56,715
Printing, Stationery and Supplies	5,318	11,851	8,015	1,260	26,444	19,340	45,784
Media and Advertising	-	752	4,431	-	5,183	27,031	32,214
Transportation, Perdiem and Travel	23,896	14,255	23,383	10,535	72,069	7,423	79,492
Communication	5,702	9,356	13,006	8,571	36,635	5,034	41,669
Bank Charges	1,915	1,193	607	1,640	5,355	-	5,355
	58,573	40,108	64,496	27,102	190,279	70,950	261,229
Total Expenses (Statement - B)	188,681	335,683	740,641	289,808	1,554,813	309,162	1,863,975

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

The accompanying notes constitute an integral part of these financial statements

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

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 for the year ended December 31, 2017 in its regular meeting held on April 3, 2018.

2. Summary of Significant Accounting Policies

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

In the current year, The Center's 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 December, 31 2017. The application of the new standards and interpretations has no effect on the financial position or the results of operations of the center.

2.2 Preparation of Financial Statements

The financial statements have been prepared on the accrual basis of accounting and in conformity with International Financial Reporting Standards (IFRSs).

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

2. Summary of Significant Accounting Policies "Continued"

2.2 Preparation of Financial Statements "Continued"

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 WCLAC 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.
- **Investment in Property, Plant and Equipment** represents unrestricted fund invested in fixed assets.
- **Board Designated Fund** represents fund restricted for acquiring new building for the use of center at hebron based on board decision.

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 Center'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.

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

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.

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

2. Summary of Significant Accounting Policies "Continued"

2.4 Foreign Currency Transactions "Continued"

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.
- 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, 2017 as the following:

	December 31,	
	2017	2016
	U.S \$	U.S \$
Israeli Shekel	0.288	0.260
EURO	1.197	1.052

- 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 Properties 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	2%
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.

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

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 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. 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 as the following:

Employees Indemnities; Provision for employee's end of service benefits is calculated in accordance with Palestinian labor law in effect in Palestine.

Property, Plant and equipment; A periodic review is performed on assets estimated useful lives and assets that are subject to amortization for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The impairment loss, if any, is reflected in the statement of activities.

4. Cash on Hand and at Bank

	December 31, 2017 USD	2016 USD
Cash on Hand	2,975	5,887
Deposits with Banks (overdrawn) in Israeli Shekel	86,465	(22,876)
Deposits with Banks in US Dollar	591,930	399,637
Deposits with Banks in EURO	72,972	122,766
	754,342	505,414
Deposits with Banks in US Dollar restricted for Staff Benefits	1,035,465	830,988

Women's Center for Legal Aid and Counseling

**Notes to Financial Statements
For the Year Ended December 31, 2017**

5. Pledges Receivable

	December 31, 2017 USD	2016 USD
Bread for the World	20,738	19,631
Office of the High Commissioner (OHCHR)	1,622	-
WILPF	830	-
IEMED	-	441
Ministry of Foreign Affairs of Iceland (ICELAND)	-	50,000
Human Rights & International Humans Law Secretariat	-	48,000
Caritas	-	5,019
Novib – Sida	-	21,800
	<u>23,190</u>	<u>144,891</u>

6. Accounts Receivable

	December 31, 2017 USD	2016 USD
Advances to Employees	40,647	72,410
Advances to Partners	10,136	14,704
Others	5,605	4,135
	<u>56,388</u>	<u>91,249</u>

Women's Center for Legal Aid and Counseling

**Notes to Financial Statements
For the Year Ended December 31, 2017**

7. Property, Plant and Equipment

Year End December 31, 2017

	Building and Building Improvement	Computers and Systems	Furniture and Equipment	Total
Cost:				
Beginning as of Jan 1, 2017	655,490	53,332	524,908	1,233,730
Additions	-	-	7,895	7,895
Ending as of Dec 31, 2017	655,490	53,332	532,803	1,241,625
Accumulated Depreciation:				
Beginning as of Jan 1, 2017	76,343	52,237	437,380	565,960
Depreciation	12,262	817	23,879	36,958
Ending as of Dec 31, 2017	88,605	53,054	461,259	602,918
Net Book Value as of Dec 31, 2017	566,885	278	71,544	638,707

Women's Center for Legal Aid and Counseling

**Notes to Financial Statements
For the Year Ended December 31, 2017**

7. Property, Plant and Equipment "Continued"

Year End December 31, 2016

	Building and Building Improvement	Computers and Systems	Furniture and Equipment	Total
Cost:				
Beginning as of Jan 1, 2016	655,490	53,332	509,787	1,218,609
Additions	-	-	15,121	15,121
Ending as of Dec 31, 2016	655,490	53,332	524,908	1,233,730
Accumulated Depreciation:				
Beginning as of Jan 1, 2016	64,048	51,418	412,443	527,909
Depreciation	12,295	819	24,937	38,051
Ending as of Dec 31 , 2016	76,343	52,237	437,380	565,960
Net Book Value as of Dec 31, 2016	579,147	1,095	87,528	667,770

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

8. Payables and Accruals

	December 31,	
	2017	2016
	USD	USD
Professional Fees	6,800	9,668
Payables and Accrued Expenses	283,756	119,030
	290,556	128,698

9. Deferred Grant

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,	
	2017	2016
	USD	USD
Drosos	-	180,000
Oxfam Novib - Strategic Partnership	-	24,049
Oxfam Novib - EU Jerusalem	-	76,329
UNDP	-	21,009
AECID-Spanish	-	76,084
	-	377,471

10. Reserve for Staff Benefits

	December 31,	
	2017	2016
	USD	USD
Employees Severance Pay	616,600	492,762
Employees Provident Fund	677,313	608,447
Vacations Allowance	51,576	60,939
	1,345,489	1,162,148

Movement in the provisions during the years 2017 & 2016 are as the following:

December 31, 2017	Severance Pay USD	Provident Fund USD	Vacation Allowance USD
Balance at Beginning of Year	796,966	608,447	60,939
Payments	(10,023)	-	(3,682)
Provision (Release) for the Year	85,820	68,866	(5,681)
Balance at End of Year	872,763	677,313	51,576
Advances on Severance Pay / Staff Loans as of 31 December 2017	(256,163)	-	-
	616,600	677,313	51,576

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

10. Reserve for Staff Benefits "Continued"

December 31, 2016	Severance Pay USD	Provident Fund USD	Vacation Allowance USD
Balance at Beginning of Year	843,273	568,871	61,234
Payments	(150,038)	(47,606)	(10,595)
Provision for the Year	103,731	87,182	10,300
Balance at End of Year	796,966	608,447	60,939
Advances on Severance Pay / Staff Loans as of 31 December 2016	(304,204)	-	-
	492,762	608,447	60,939

11. Other Revenues

	2017 USD	2016 USD
Interest Income	3,393	11,722
Coordination and Training Fees	13,950	13,822
Local and private donations	12,070	2,180
Others	11,565	10,939
	40,978	38,663

12. Legal Cases

The number of legal cases against WALAC as of December 31, 2017 was (4) cases which represents legal disputes with employees previously worked at WCLAC. According to legal advisor opinion; All of these cases were properly provided for within reserve for staff benefits and legal reserve recorded in books.

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

13. Financial Statements, 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 2018 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.

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

13. Financial Statements, 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 financial statements date:

	NIS	USD	EURO	Total
Cash on Hand and at Banks	89,440	591,930	72,972	754,342
Deposits with Banks Restricted for Staff Benefits	-	1,035,465	-	1,035,465
Pledges Receivable	-	23,190	-	23,190
Accounts Receivable	-	56,388	-	56,388
Prepaid Expenses	-	6,501	-	6,501
Total Financial Assets	89,440	1,713,474	72,972	1,875,886
Payables and Accruals	-	290,556	-	290,556
Reserves for Staff Benefits	-	1,345,489	-	1,345,489
Total Financial Liabilities	-	1,636,045	-	1,636,045
Position	89,440	77,429	72,972	239,841
Effect of change in currency exchange rate of +10% or -10% is:	8,944	7,743	7,297	23,984

Women's Center for Legal Aid and Counseling

Notes to Financial Statements For the Year Ended December 31, 2017

14. Releases from temporary restricted assets and deferred grants by funding source for the year ended December 31, 2017 is as follows:

	Deferred and Unexpended Grants as of 1-Jan-17 USD	Grants Received During the Year USD	Transferred from Deferred Grants USD	Pledges Receivables 2017 USD	Temporary Restricted Grants for 2017 USD	Available Grants 2017 USD	Releases Expenses USD	Fixed Assets USD	Funds Released in 2017 USD	Refundable to Donors USD	Currency Differentials USD	Unexpended Grants as of December 31 2017 USD
Broederlijk delen	-	45,038	-	-	45,038	45,038	39,617	2,145	41,762	-	-	3,276
The Norwegian Representative Office (NRO)	-	336,547	-	-	336,547	336,547	336,547	-	336,547	-	-	-
UNTRUST Fund	-	125,653	-	-	125,653	125,653	69,706	-	69,706	-	-	55,947
Bread for the World - (EED)	-	146,466	-	20,738	167,204	167,204	167,204	-	167,204	-	-	-
Oxfam NOVIB (Strategic Partnership)	-	69,045	24,049	-	93,094	93,094	55,907	-	55,907	-	-	37,187
Dan Church Aid	-	46,149	-	-	46,149	46,149	46,149	-	46,149	-	-	-
Drosos	105,144	53,234	180,000	-	233,234	338,378	218,855	-	218,855	-	-	119,523
OHCHR	-	13,295	-	1,622	14,917	14,917	14,917	-	14,917	-	-	-
WILPF	-	6,324	-	830	7,154	7,154	7,154	-	7,154	-	-	-
Human Rights & International Humans Law Secretariat	-	411,700	-	-	411,700	411,700	411,700	-	411,700	-	-	-
UNDP 6/2016	-	-	21,009	-	21,009	21,009	18,774	-	18,774	(2,235)	-	-
UNDP 9/2017- 2/2018	-	40,008	-	-	40,008	40,008	24,644	-	24,644	-	-	15,364
AECID-Spanish	-	-	46,452	-	46,452	46,452	32,696	-	32,696	-	-	13,756
Jerusalem EU project # 0-4171	-	193,591	76,329	-	269,920	269,920	156,985	-	156,985	-	-	112,935
WWDP	4,348	29,053	-	-	29,053	33,401	27,573	-	27,573	-	-	5,828
French	18,101	-	-	-	-	18,101	17,040	-	17,040	-	-	1,061
	127,593	1,516,103	347,839	23,190	1,887,132	2,014,725	1,645,468	2,145	1,647,613	(2,235)	-	364,877
Oxfam NOVIB (Strategic partnership)	-	612	-	-	612	612	612	-	612	-	-	-
DCA - Inheritance	4,090	-	-	-	-	4,090	-	-	-	(5,779)	1,689	-
Jerusalem EU project # 0-4171	-	26,976	-	-	26,976	26,976	26,976	-	26,976	-	-	-
Drosos	-	126,766	-	-	126,766	126,766	123,518	3,248	126,766	-	-	-
AECID-Spanish	-	-	29,632	-	29,632	29,632	29,632	-	29,632	-	-	-
	4,090	154,354	29,632	-	183,986	188,076	180,738	3,248	183,986	(5,779)	1,689	-
	131,683	1,670,457	377,471	23,190	2,071,118	2,202,801	1,826,206	5,393	1,831,599	(8,014)	1,689	364,877

Women's Center for Legal Aid and Counseling

Supplementary Information – Actual Expenses versus Budget

Core Expenditures

For the Year Ended December 31, 2017

	Actual USD	Budget USD	(Over) Under Budget USD
Salaries and Related Expenses:			
Salaries	874,668	887,027	12,359
Salaries Related Expenses	202,559	157,741	(44,818)
	1,077,227	1,044,768	(32,459)
Occupancy Costs:			
Rent and insurance	41,996	38,800	(3,196)
Utilities	41,596	37,000	(4,596)
Repairs and Maintenance	35,561	10,000	(25,561)
	119,153	85,800	(33,353)
Contractual Professional Services:			
Audit and Accounting Fees	15,852	17,500	1,648
Legal and Court Fees	27,402	25,500	(1,902)
Consultancies, Research and Training	47,749	64,335	16,586
Coordination & volunteers	142,811	145,105	2,294
	233,814	252,440	18,626
Others:			
Hospitality and Workshops	56,131	59,805	3,674
Printing, Stationery and Supplies	15,488	31,855	16,367
Media and Advertising	14,036	20,550	6,514
Transportation, Perdiem and Travel	98,016	101,176	3,160
Communication	32,409	30,700	(1,709)
Emergency and Safehom	-	2,000	2,000
Bank Charges	4,543	4,500	(43)
	220,623	250,586	29,963
Administrative costs			
Total expenditures	1,650,817	1,633,594	(17,224)
Capital expenditures	4,647	6,000	1,353
Total expenditures	1,655,464	1,639,594	(15,871)

Women's Center for Legal Aid and Counseling

Supplementary Information – Actual Expenses versus Budget

Advocacy Unit

Actual Expenses versus Budget

For the Year Ended December 31, 2017

	Actual USD	Revised Budget USD	(Over) Under Budget USD
Salaries and Related Expenses:			
Salaries	143,222	159,807	16,585
Salary Related Expenses	45,922	29,552	(16,370)
	189,144	189,359	215
Occupancy Costs:			
Rent and insurance	1,622	800	(822)
Utilities	9,852	7,000	(2,852)
Repairs and Maintenance	5,408	2,000	(3,408)
	16,882	9,800	(7,082)
Contractual Professional Services:			
Audit and Accounting Fees	1,000	-	(1,000)
Consultancies, Research and Training	3,460	-	(3,460)
Coordination & volunteers	34,998	36,850	1,852
	39,458	36,850	(2,608)
Others:			
Hospitality and Workshops	6,553	7,754	1,201
Printing, Stationery and Supplies	4,756	5,600	844
Media and Advertising	-	200	200
Transportation, Perdiem and Travel	29,206	26,774	(2,432)
Communication	8,045	6,674	(1,371)
Bank Charges	1,637	1,500	(137)
	50,197	48,502	(1,696)
Total expenditures	295,681	284,511	(11,171)
Capital expenditures	-	2,000	2,000
Total expenditures	295,681	286,511	(9,171)

Women's Center for Legal Aid and Counseling

Supplementary Information – Actual Expenses versus Budget

Service and Empowerment Unit

For the Year Ended December 31, 2017

	Actual USD	Revised Budget USD	(Over) Under Budget USD
Salaries and Related Expenses:			
Salaries	499,680	492,316	(7,364)
Salaries Related Expenses	99,995	85,376	(14,619)
	599,675	577,692	(21,983)
Occupancy Costs:			
Rent and insurance	38,754	37,400	(1,354)
Utilities	20,951	22,000	1,049
Repairs and Maintenance	21,518	6,000	(15,518)
	81,223	65,400	(15,823)
Contractual Professional Services:			
Legal and Court Fees	13,138	12,000	(1,138)
Consultancies, Research and Training	42,289	53,635	11,346
Coordination & volunteers	93,022	95,355	2,333
	148,449	160,990	12,541
Others:			
Hospitality and Workshops	41,325	48,351	7,026
Printing, Stationery and Supplies	8,552	23,155	14,603
Media and Advertising	14,036	20,000	5,964
Transportation, Perdiem and Travel	59,551	67,502	7,951
Communication	16,150	17,976	1,826
Emergency and Safehomes	-	2,000	2,000
Bank Charges	1,248	1,500	252
	140,862	180,484	39,622
Total expenditures	970,209	984,566	14,357
Capital expenditures	4,647	2,000	(2,647)
Total expenditures	974,856	986,566	11,710

Women's Center for Legal Aid and Counseling

Supplementary Information – Actual Expenses versus Budget

Administrative And Finance Unit
For the Year Ended December 31, 2017

	Actual USD	Revised Budget USD	(Over) Under Budget USD
Salaries and Related Expenses:			
Salaries	231,766	234,904	3,138
Salaries Related Expenses	56,642	42,813	(13,829)
	288,408	277,717	(10,691)
Occupancy Costs:			
Rent and insurance	1,620	600	(1,020)
Utilities	10,793	8,000	(2,793)
Repairs and Maintenance	8,635	2,000	(6,635)
	21,048	10,600	(10,448)
Contractual Professional Services:			
Audit and Accounting Fees	14,852	17,500	2,648
Legal and Court Fees	14,264	13,500	(764)
Consultancies, Research and Training	2,000	10,700	8,700
Coordination & volunteers	14,791	12,900	(1,891)
	45,907	54,600	8,693
Others:			
Hospitality and Workshops	8,253	3,700	(4,553)
Printing, Stationery and Supplies	2,180	3,100	920
Media and Advertising	-	350	350
Transportation, Perdiem and Travel	9,259	6,900	(2,359)
Communication	8,214	6,050	(2,164)
Bank Charges	1,658	1,500	(158)
	29,564	21,600	(7,964)
Total expenditures	384,927	364,517	(20,410)
Capital expenditures	-	2,000	2,000
Total expenditures	384,927	366,517	(18,410)