

Economic and Social Development Center of Palestine
(ESDC)
Ramallah-Palestine

Independent Auditors' Report and
Financial Statements
For the year ended on December 31, 2018

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Independent Auditors' Report

To: Economic & Social Development Center of Palestine (ESDC)

We have audited the financial statements of the Economic & Social Development Center of Palestine (ESDC) which comprises of the statement of financial position as of December 31, 2018, the statement of activities and statement of change in net assets for the year then ended. Additionally, it consists of the statement of cash flows for the year then ended, and the notes to the financial statement, which include a summary of significant accounting policies.

Our Opinion

In our opinion, the accompanying financial statements of the Economic & Social Development Center of Palestine (ESDC) present fairly, in all material respects the financial position of the Economic & Social Development Center of Palestine (ESDC) as of December 31, 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs)) and the Palestinian Societies Law.

Responsibilities of management for the financial statements:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and Palestinian Societies Law, 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 center'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 center or to cease operations, or have no realistic alternative but to do so. Management is responsible for overseeing the center's financial reporting process

Auditor's Responsibilities for the Audit of the financial statement:

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 ISAs, 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 Economic & Social Development Center of Palestine (ESDC)'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 of the Economic & Social Development Center of Palestine (ESDC)'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 Economic & Social Development Center of Palestine (ESDC) 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 the management 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.

Report on Other Legal and Regulatory Requirements:

The center keeps properly organized accounting records, we have also obtained all information and disclosures that we believe they are necessary to our audit and within the information available to us; there are no irregularities to regulations of Palestinian Charitable Society law, which may materially affect the operations or the financial position of the center.

BDO Accounting, Audit & Tax Services

Nabeel Zeidan

Signature & Stamp

License No. 110/2005

Ramallah, on April 22, 2019



Economic and Social Development Center of Palestine (ESDC)

Ramallah - Palestine

Statement of Financial Position for the Year ended 31 December 2018 Exhibit A

	<u>Note</u>	<u>2018</u> <u>USD</u>	<u>2017</u> <u>USD</u>
<u>Assets</u>			
<u>Current Assets</u>			
Cash in Hand & in Banks	3	969,616	253,310
Contribution Receivable	4	33,384	197,135
Loans Receivable-Net	5	35,422	80,888
Other current assets	6	20,999	18,350
Partner Receivable		147,686	-
Investment in New Farm Company	7	50,390	44,333
Total current assets		1,257,497	594,016
Fixed Assets-Net	8	41,914	24,005
Total Assets		1,299,411	618,021
<u>Liabilities and Net Assets</u>			
<u>Current liabilities</u>			
Accounts Payable & Accruals	9	60,463	21,528
Total Current Liabilities		60,463	21,528
Due to the revolving lending fund	10	251,538	250,738
Provision for end of service indemnity	11	68,542	79,014
Total Non-current Liabilities		320,080	329,752
Total Liabilities		380,543	351,280
<u>Net Assets</u>			
General Savings		77,565	121,312
Savings Appropriated by the Board of Directors		73,454	73,137
Temporarily Appropriated Savings	14	725,935	48,287
Investment in Fixed Assets-Exhibit "C"		41,914	24,005
Total Net- Exhibit "C"		918,868	266,741
Total Liabilities & Net Assets		1,299,411	618,021

The accompanying notes form an integral part of the financial statements

Economic and Social Development Center of Palestine
Ramallah - Palestine
Statement of Activities for the financial year ended December 31, 2018 – Exhibit
“B”

		2018		2017	
<u>Operating Income</u>	<u>Note</u>	<u>Temporarily Restricted (USD)</u>	<u>Unrestricted (USD)</u>	<u>Total (USD)</u>	<u>Total (USD)</u>
Appropriated Grants & Donations	14	2,214,500	-	2,214,500	1,778,493
Local Community Contributions	14	167,691	-	167,691	24,919
In-Kind Donations		-	24,483	24,483	-
Other Income	12	-	26,004	26,004	13,920
Total Contributions & Revenue		2,382,191	50,487	2,432,678	1,817,332
Appropriated Savings Released to General Savings	14	(1,704,543)	1,704,543	-	-
Total		677,648	1,755,030	2,432,678	1,817,332
<u>Program Expenses</u>					
Emergency & Food Security	13	-	(1,473,963)	(1,473,963)	(1,806,066)
Institutional Development & Capacity Building	13	-	(222,319)	(222,319)	(196,064)
Total of Program Expenses		-	(1,696,282)	(1,696,282)	(2,002,130)
General & Administrative Expenses	13	-	(67,978)	(67,978)	(22,418)
Total Program Expenses & Administrative Expenses		-	(1,764,260)	(1,764,260)	(2,024,548)
Fixed Assets Depreciation			(14,237)	(14,237)	(16,536)
Doubtful Debt Expenses		-	-	-	(6,000)
Currency Differences Losses		-	(8,110)	(8,110)	1,063
Total Expenses		-	(1,786,607)	(1,786,607)	(2,046,021)
Profits from New Farm Company		-	6,056	6,056	132
Changes in Net Assets for the Year-Exhibit C		677,648	(25,521)	652,127	(228,557)

The accompanying notes form an integral part of the financial statements

Economic and Social Development Center of Palestine
Ramallah - Palestine
Statement of Change in Net Assets for the financial year ended December
31, 2018 Exhibit "C"

	<u>General</u> <u>Savings</u> <u>(USD)</u>	<u>Savings</u> <u>Appropriated</u> <u>by the Board</u> <u>of Directors</u> <u>(USD)</u>	<u>Temporarily</u> <u>Appropriate</u> <u>d Savings</u> <u>(USA)</u>	<u>Investme</u> <u>nt in</u> <u>Fixed</u> <u>Assets</u> <u>(USD)</u>	<u>Total</u> <u>(USD)</u>
<u>Year Ended December 31, 2018</u>					
Balance at the beginning of the Year	121,312	73,137	48,287	24,005	266,741
Change in net assets for the year – Exhibit "B"	(25,521)	-	677,648	-	652,127
Net Investment in Fixed Assets	(17,909)	-		17,909	-
Interest Income	(317)	317			-
Balance at the End of the Year- Exhibit A	<u>77,565</u>	<u>73,454</u>	<u>725,935</u>	<u>41,914</u>	<u>918,868</u>
<u>Year Ended December 31, 2017</u>					
Balance at the beginning of the Year	127,402	64,346	249,914	53,636	495,298
Changes in Net Assets for the Year- Exhibit B	(26,930)	-	(201,627)	-	(228,557)
Net Investment in Fixed Assets & Land	29,631	-	-	(29,631)	-
Interest Income	(27)	27	-	-	-
Change in Savings Appropriated by the Board of Directors	(8,764)	8,764	-	-	-
Balance at the End of the Year- Exhibit "A"	<u>121,312</u>	<u>73,137</u>	<u>48,287</u>	<u>24,005</u>	<u>266,741</u>

The accompanying notes form an integral part of the financial statements

Economic and Social Development Center of Palestine

Ramallah - Palestine

Statement of Cash Flows for the financial year ended December 31, 2018– Exhibit “D”

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		<u>USD</u>	<u>USD</u>
<u>Cash Flows from Operating Activities</u>			
This item consists of the following:			
Grants & Donations Received in Unappropriated Contributions & Services fees & other Income		2,214,500	1,778,493
Expenses Paid to Suppliers & Employees		(1,689,685)	(2,053,900)
Net Cash Flows (used in) provided from operating activities		<u>749,049</u>	<u>(236,568)</u>
<u>Cash Flows from Investing Activities</u>			
Fixed Assets Purchases		(32,743)	(2,909)
Proceeds from Sale of Fixed			9,092
Net Cash Flows Provided from (used in) investing activities		<u>(32,743)</u>	<u>6,183</u>
(Decrease) Increase in Cash & at Banks Balances during the Year		716,306	(230,385)
Cash in Hand & at Banks, Beginning of the Year		253,310	483,695
Cash in Hand & at Banks at the Year End		<u>969,616</u>	<u>253,310</u>
<u>Adjustments to reconcile change in net assets to net cash flows (used in) operating activities</u>			
Change in net assets for the year		(25,521)	(26,930)
Temporary Restricted Net Assets		677,648	(201,627)
Fixed assets depreciation		14,237	16,536
Provision for doubtful debts		(9,194)	6,000
Losses on disposal of fixed assets		352	6,912
Profits from New Farm Company		(6,056)	(132)
Increase (Decrease) in Provision for employees' indemnity		(10,472)	25,348
(Increase) decrease in contributions receivable		163,751	(119,222)
Decrease in borrows receivables & other receivables		53,055	48,542
Increase / decrease in accounts receivable		(147,686)	-
Increase in accrued expenses & other Payables		38,935	8,005
Net Cash Flows Provided by (used in) Operating Activities		<u>749,049</u>	<u>(236,568)</u>

The accompanying notes form an integral part of the financial statements

Economic and Social Development Center of Palestine
Ramallah - Palestine
Notes to the financial statements

1. Legal status and activity:

The Palestinian Center for Economic and Social Development is a Palestinian non-governmental organization, was founded in early 2003 and is registered with the Ministry of the Interior under number B/2267/RA.

Vision:

A socially just Palestinian society in which the individuals are economically independent.

Mission:

Enabling disadvantaged and vulnerable groups to engage in competitive economic activities.

Strategic Objectives for the years 2017-2022

Strategic Objective 1: Socio-economic organizations have an economic and social role within their community.

Strategic Objective 2: Small business with women and youth engagement is within a stimulating and empowering business environment.

Strategic Objective 3: Family agriculture is productive, profitable and sustainable.

Strategic Objective 4: ESDC achieves its objectives efficiently and effectively and complies with good governance standards.

- The number of employees of the center was (25) employees as of 31/12/2018.
- The financial statements of Economic and Social Development Center of Palestine for the year ended December 31, 2018 were authorized for issuance by general assembly on 27 April 2019.

Note 2: Significant Accounting Policies

Basis of Preparation:

- The financial statements have been prepared under the historical cost basis, and the modified accrual basis in accordance with the International Financial Reporting Standards.
- The financial statements are presented in US Dollars.
- The accounting policies adopted are consistent with those of the previous financial year.

The accompanying notes form an integral part of the financial statements

The following is a summary of significant accounting policies adopted:

a) The organization's net assets and the changes mentioned herein are classified as follows:

- Unrestricted net assets: net assets that are used by the organization that have no restrictions imposed by the donor that defines the area of use.
- Temporarily restricted net assets: net assets that are used by the organization restricted by conditions imposed by the donor, and these conditions are ceased either over time or by the organization fulfillment of all of its obligations.

b) Revenues and expenses:

Revenues are recognized when received and expenses when they occur based on the modified accrual basis.

Revenues are recorded as an increase in unrestricted net asset account unless the areas of their uses are restricted by the donor. As for the expenses it is recorded as decrease in unrestricted net assets account. Any gains or losses arising from disposal of fixed assets are recorded as an increase or decrease in the unrestricted net asset account unless the imposition of any restrictions on its use by the donor. At the end of a period of restrictions over time or by achieving the desired goal of restrictions imposed temporarily restricted net assets account will be reclassified to unrestricted net assets and recorded as net assets transferred from temporarily restricted to unrestricted.

c) Loans Receivable:

ESDC provide other societies and institutions with interest-free loans, supported by guarantees and payment guarantees and payment checks and they were repaid based on the terms of the agreement.

d) Fixed assets:

Fixed assets are record at cost and depreciated over its estimated useful life using the straight-line method at the followings rate:

Furniture	15%
Equipment's	20%
vehicles	15%

The accompanying notes form an integral part of the financial statements

e) **Foreign Currencies:**

The basic functional currency of the Center is the US Dollar. Transactions denominated in currencies other than US Dollar (USD), occurring during the year, are translated to USD using the exchange rate at the date of the transaction. Monetary assets and liabilities, which are denominated in other currencies, are translated into USD using the rate of exchange at the reporting date. Gains or losses arising from exchange differences are recognized in the statement of activities.

f) **End of Service Indemnity:**

Provision for end of service indemnity is calculated for the Center's employees to meet the contractual obligations according to the Palestinian labor law in force.

g) **Statement of cash flows:**

Statement of cash flows is prepared using the direct method.

Note (3) Cash in Hand and at Banks

a. This item consists of the following:

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
Cash in Hand	795	861
Checks in hand	35,997	-
Cash at Banks - ILS	33,173	105,566
Cash at Banks - USD	481,786	(23,470)
Cash at Banks - EURO	274,808	7,638
Cash at Banks - Jordanian Dinar	2,821	-
Total	<u>829,380</u>	<u>90,595</u>
Bank deposits restricted for specific purposes - a		
	140,236	162,715
Total	<u>969,616</u>	<u>253,310</u>

b. Bank Deposits Restricted for Specific Purposes

This item consists of the following:

	<u>Deposit</u>	<u>Reserve/Provision</u>	<u>Surplus</u>
	<u>Amount</u>	<u>Value (USD)</u>	<u>(USD)</u>
	<u>(USD)</u>		
Employees Benefits	66,782	68,542	(1,760)
Saving Appropriated by the Board of Directors	73,454	73,454	-
Total	<u>140,236</u>	<u>141,996</u>	<u>(1,760)</u>

Note (4): Contributions Receivables

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
UNOPS- GEF/SGP - 2018-2019	312	-
Canadian Project / 2018-2019	1,828	-
NRO-UAWC 1/2/2017-1/2/2019	21,763	-
EU JCSQ 2018	4,180	-
OXFAM SIDA 2016-2019	-	37,887
OXFAM-SDC/Danida 2017-2018	5,301	6,480
NICCOD Phase #5 2017-2018	-	21,459
OXFAM SDC 2015-Improved access to Markets for F	-	29,273
OCHA- SALVF2017	-	102,036
Total	<u>33,384</u>	<u>197,135</u>

Note (5): Loans Receivable- Net

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
Balance at the Beginning of the year	80,888	112,201
Loans Issues	48,000	44,000
Loans Collected	(85,390)	(58,043)
Provision for Doubtful Debts	(8,076)	(17,270)
Total	<u>35,422</u>	<u>80,888</u>

Note (6) Other Current Assets

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
Employees Advances	2,091	547
Receivables from Cooperatives- Suppliers	1,870	525
Prepaid Expenses	10,842	11,082
Accrued on New Farm Company	6,196	6,196
Total	<u>20,999</u>	<u>18,350</u>

Note (7): Investment in New Farm Company

This item represents the investment of the Center in New Farm agricultural processing and marketing company (private Shareholding company) for 50,390 dollars representing 36,700 shares in the company at the price of one Jordanian dinar per share representing 100% of the value of nominal shares mentioned. In 2018, based on New Farm's financial statements for 2017, the investment value was increased by US \$ 6,056 and recorded as investment profit in the statement of activities. During 2017, based on the financial statements of New Farm for 2016, the investment value was increased by US \$ 132 and recorded as investment profits in the statement of activities.

Note (8): Fixed Assets- Net

	<u>Furniture</u> (USD)	<u>Equipment</u> (USD)	<u>Vehicles</u> (USD)	<u>Total</u> (USD)
<u>December 31, 2018 Cost</u>				
Balance- Beginning of Year	20,400	76,223	46,736	143,359
Additions	-	8,260	24,483	32,743
Deductions	-	(4,273)	-	(4,273)
Balances at Year-End	20,400	80,210	71,219	171,829
<u>Accumulated Depreciation</u>				
Balance- Beginning of the Year	(15,565)	(57,439)	(46,350)	(119,354)
Additions	(2,376)	(8,587)	(3,274)	(14,237)
Deductions	-	3,676	-	3,676
Balances at Year-End	(17,941)	(62,350)	(49,624)	(129,915)
<u>Net Book Value</u>				
As of December 31, 2018	2,459	17,860	21,595	41,914
As of December 31, 2017	4,835	18,784	386	24,005

Note (9) Accounts Payable & Accruals

	<u>2018</u> <u>USD</u>	<u>2017</u> <u>USD</u>
Suppliers Payables	26,192	17,354
Employees Payables	365	1,506
Beneficiaries Payables	2,668	2,668
Rural Investment Fund (RIF)	31,238	-
Total	60,463	21,528

Note (10) Due to the Revolving Lending Fund

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
Balance-Beginning of the Year	250,738	253,687
Commission Income- Revolving Lending Fund	800	800
Loss of Loan Liquidation	-	(3,749)
<u>Total</u>	<u>251,538</u>	<u>250,738</u>

Note (11) Provision for End of Service Indemnity

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
Balance-Beginning of the Year	79,014	53,666
Additions	41,563	41,533
Payments During the Year	(52,035)	(16,185)
<u>Total</u>	<u>68,542</u>	<u>79,014</u>

Note (12) Other Income (Losses)

	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
Tender Fees Revenue	3,329	4,082
Training & User of Vehicle Revenue	10,741	13,604
Losses on Disposal of Fixed Assets	(352)	(6,912)
Other Income	12,286	3,146
<u>Total</u>	<u>26,004</u>	<u>13,920</u>

Note (13): Program Expenses & Administrative Fees

	2017 Total USD	2018 Total USD	<u>Emergency & Security Various Grants</u> USD	<u>Institutional Development & Capacity Building</u> USD	<u>General & Administ rative Expenses</u> USD
Employees' Salaries & Expenses	585,446	542,127	375,839	125,845	40,443
Materials Cost to Beneficiaries	103,396	107,071	107,071	-	-
Rehabilitation of Damages Fields	466,040	468,448	468,448	-	-
Project Activities Expenses	558,514	259,488	234,139	25,349	-
Professional & Consultancy Fees	50,811	59,533	46,767	9,528	3,238
Wells & Tanks	7,490	57,848	57,848	-	-
Transportation	49,960	26,269	14,443	6,721	5,105
Cars Expenses	34,413	36,328	21,117	11,478	3,733
Travel & Accommodation	6,828	19,350	8,928	8,535	1,887
Building Retaining Walls	15,200	72,326	72,326	-	-
Rent Expenses	30,624	30,903	20,048	4,209	6,646
Printing & Photocopying	36,825	20,362	10,596	9,595	171
Hospitality	22,645	17,477	8,494	8,971	12
Posts, Fax & Phone	15,323	15,806	11,160	3,320	1,326
Car Rental	11,624	1,869	1,869	-	-
Other Expenses	13,747	11,196	5,070	4,133	1,993
Advertising & Publications	4,076	4,154	517	213	3,424
Maintenance	8,896	7,847	5,350	2,497	-
Halls Rental	209	933	933	-	-
Film Production	2,481	4,925	3,000	1,925	-
<u>Total</u>	<u>2,024,548</u>	<u>1,764,260</u>	<u>1,473,963</u>	<u>222,319</u>	<u>67,978</u>

Note (14): Temporarily Appropriated Savings

This item consists of the following:

	<u>Unexpected Grants as of December 31, 2017 USD</u>	<u>Grants Received USD</u>	<u>Currency Variance USD</u>	<u>Grants Received with currency differences 2018 USD</u>	<u>Donations Receivable USD</u>	<u>Donations for the year 2018 USD</u>	<u>Grants Available 2018 USD</u>	<u>Fixed Assets USD</u>	<u>Program & Administrative Expenses</u>	<u>Unexpected Grants 31 December 2018 USD</u>	<u>Grants Expended 2018</u>
Donor-Project											
UNOPS- GEF/SGP - 2018-2019	-	18,584	(84)	18,500	312	18,812	18,812		18,812	-	18,812
Canadian Project / 2018-2019	-	15,165	-	15,165	1,828	16,993	16,993		16,993	-	16,993
EU JCSQ 2018	-	28,249	(67)	28,182	4,180	32,362	32,362		32,362	-	32,362
Spanish - AECID 2018/2019	-	293,282	(5,909)	287,373	-	287,373	287,373		13,936	273,437	13,936
OCHA 2016-2017	-	517	-	517	-	517	517		517	-	517
OXFAM-PTIA 48 (EDP)	1,700	-	-	-	-	-	1,700		-	1,700	-
EMRSE / We effect 2018	-	169,040	(682)	168,358	-	168,358	168,358	1,884	166,474	-	168,358
Agricode / We Effect 2018	-	20,973	70	21,043	-	21,043	21,043		21,043	-	21,043
OXFAM SDC 2015-Improved Access to Markets	-	5,012	-	5,012	-	5,012	5,012		-	5,012	-
OXFAM SIDA 2016-2019	-	391,919	-	391,919	-	391,919	391,919	806	362,411	28,702	363,217
FCA, Qalqilia 2016-2018	-	113,834	396	114,230	-	114,230	114,230		114,230	-	114,230
NRO-UAWC 1/2/2017-1/2/2019	900	564,656	-	564,656	21,763	586,419	587,319		584,169	3,150	584,169
OCHA 2018-2019	-	340,478	-	340,478	-	340,478	340,478		5,742	334,736	5,742
Inash Alusra	-	11,500	-	11,500	-	11,500	11,500		11,500	-	11,500
NICCOD Phase #5 2017-2018	-	125,015	(1,052)	123,963	-	123,963	123,963		123,963	-	123,963
OXFAM-SDC/Danida 2017-2018	-	90,220	-	90,220	5,301	95,521	95,521	5,570	89,951	-	95,521
Subtotal	2,600	2,188,444	(7,328)	2,181,116	33,384	2,214,500	2,217,100	8,260	1,562,103	646,737	1,570,363
Community Contributions											
EMRSE / We effect / Community contirubtion 2018	-	1,045	3	1,048	1,394	2,442	2,442	-	2,442	-	2,442
OXFAM SIDA -community contirubtion-2016-2019	-	12,644	-	12,644	-	12,644	12,644	-	-	12,644	-
NRO-UAWC-89-Community Cont. 1/7/2013-31/12/2016	17,260	-	-	-	-	-	17,260	-	-	17,260	-
NRO-UAWC comunity contirubtion 2017-2019	28,427	66,144	(4)	66,140	-	66,140	94,567	-	45,273	49,294	45,273
NRO-UAWC comunity contirubtion 2017-2019-Local Community Contribution Revenue-In-Kind	-	86,465	-	86,465	-	86,465	86,465	-	86,465	-	86,465
Subtotal	45,687	166,298	(1)	166,297	1,394	167,691	213,378	-	134,180	79,198	134,180
Total	48,287	2,354,742	(7,329)	2,347,413	34,778	2,382,191	2,430,478	8,260	1,696,283	725,935	1,704,543

Note (15): Fair Value of Financial Assets and Liabilities

The carrying amount of the financial assets and liabilities is not materially different from the fair value at the reporting date.

Note (16): Risk Management

The inherent risks relating to the Center's activities are managed, measured and monitored on an ongoing basis to remain within the permissible limits. The Center is exposed to currency risk, fair value risk and the risk of relying on donor grants in addition to operational risk.

Currency Risk:

The Center's management considers the net output of the currency risk may have material effect on the Center as a result of obtaining donations in foreign currencies, mainly the US Dollar, the Euro, and the ILS while spending on the project is sometimes in the new Shekel, and the Center's management hedges for its expenses in various currencies.

Reliance on Donor Grants:

The Center is a non-profit organization that relies heavily on grants from donors to cover a large part of the expenditure. The center may be exposed to the decline in submitted grants or some grants stopped. The center's management plans expenses and manages programs in a manner that ensures spending in parallel with receipts.

Liquidity and Credit Risk:

The Center deposits its cash with highly creditworthy banks. The Center's management periodically reviews the liquidity requirements and determines the maturities of the Center's assets to suit the maturities of its liabilities.