

Economic and Social Development Center of Palestine
“ESDC”
Ramallah - Palestine

Independent Auditor’s Report and
Financial Statements
For the financial year ended December 31, 2021

Talal Abu-Ghazaleh & Co.
Certified Public Accountants



Economic and Social Development Center of Palestine
Ramallah - Palestine

CONTENTS

	<u>Exhibit</u>	<u>Page</u>
– Independent Auditor’s Report		1-3
– Statement of Financial Position as of December 31, 2021	“A”	4
– Statement of Activities for the financial year ended December 31, 2021	“B”	5
– Statement of Change in Net Assets for the financial year ended December 31, 2021	“C”	6
– Statement of Cash Flows for the financial year ended December 31, 2021	“D”	7
– Notes to Financial Statements		8-17



Independent Auditor's Report

**M/s Board of Directors
Economic and Social Development Center of Palestine
Ramallah – Palestine**

Opinion

We have audited the financial statements of **Economic and Social Development Center of Palestine** Pages 4 to 17, which comprise the statement of financial position as of December 31, 2021, and the Statement of Activities and statement of Change in Net Assets and statement of cash flows for the year ended December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the center as of December 31, 2021, 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.

Basis for our 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 Statements section of our report.

We are independent of the center in accordance with the Code of Ethics for Professional Accountants registered under Board of Auditing Profession, which are in conformity with the code of ethics of accountants registered under Palestinian Association of Certified Public Accountants, in line with the ethical requirements related to our audit of the financial statements in Palestine, and we have fulfilled our other ethical responsibilities in accordance with those requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 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 centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the centre'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 centre 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.

The engagement partner on the audit resulting in this independent auditor's report is the Executive Director, Jamal Milhem.

Talal Abu-Ghazaleh & Co.



License # (251/1997)

Jamal G. Milhem 22

Jamal Milhem, CPA

Certified Accountant License # (100/98)

Ramallah – Palestine

April 1, 2022

Economic and Social Development Center of Palestine
Ramallah - Palestine
Statement of Financial Position as of December 31, 2021 - Exhibit "A"

<u>Assets</u>	<u>Note</u>	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
<u>Current assets</u>			
Cash in hand and at banks	(3)	625,376	1,165,946
Check under collection		19,164	32,045
Grants receivable	(4)	262,183	128,628
Loans receivable- net	(5)	32,850	39,203
Other current assets	(6)	19,173	16,143
Investment in New Pharm Company	(7)	52,474	49,500
Total current assets		1,011,220	1,431,465
<u>Non-current assets</u>			
Checks for collection - more than one year		2,695	--
Total non-current assets		2,695	--
Fixed assets – net	(8)	220,438	235,398
Total assets		1,234,353	1,666,863
<u>Liabilities and Net Assets</u>			
<u>Current liabilities</u>			
Accounts payable and accruals	(9)	41,808	105,301
Total current liabilities		41,808	105,301
Due to the revolving lending fund	(10)	253,209	252,409
Provision for end of service indemnity	(11)	133,227	93,735
Total liabilities		428,244	451,445
<u>Net Asset</u>			
General savings		35,386	21,833
Savings appropriated by the Board of Directors		12,755	12,755
Temporarily appropriated Savings	(14)	537,530	945,432
Investment in fixed assets – Exhibit "C"		220,438	235,398
Total net assets –Exhibit "C"		806,109	1,215,418
Total liabilities and Net Assets		1,234,353	1,666,863

“The accompanying notes constitute an integral part of this statement”

Economic and Social Development Center of Palestine
Ramallah - Palestine
Statement of Activities
for the financial year ended December 31, 2021 – Exhibit “B”

	<u>Note</u>	<u>For the financial year ended</u> <u>December 31, 2021</u>			<u>2020</u>
		<u>Temporarily</u> <u>restricted</u> <u>USD</u>	<u>Unrestricted</u> <u>USD</u>	<u>Total</u> <u>USD</u>	<u>Total</u> <u>USD</u>
<u>Operating Income</u>					
Appropriated grants and donations	(14)	3,027,708	--	3,027,708	3,665,979
Local community cash contributions	(14)	404,183	--	404,183	580,855
Other income	(12)	--	26,399	26,399	40,863
		<u>3,431,891</u>	<u>26,399</u>	<u>3,458,290</u>	<u>4,287,697</u>
Total contributions and revenues					
Appropriated savings released to general savings	(14)	(3,839,793)	3,839,793	--	--
Total		<u>(407,902)</u>	<u>3,866,192</u>	<u>3,458,290</u>	<u>4,287,697</u>
<u>Programs expenses</u>					
Cooperation Development Program	(13)	--	(293,707)	(293,707)	(237,096)
Small Business Development Program	(13)	--	(395,956)	(395,956)	(1,059,715)
Resilience of Farmers program	(13)	--	(2,500,658)	(2,500,658)	(1,806,993)
		<u>--</u>	<u>(3,190,321)</u>	<u>(3,190,321)</u>	<u>(3,103,804)</u>
Total programs expenses					
General and administrative expenses	(13)	--	(643,702)	(643,702)	(572,924)
Total programs expenses and administrative expenses		<u>--</u>	<u>(3,834,023)</u>	<u>(3,834,023)</u>	<u>(3,676,728)</u>
Fixed assets depreciation	(8)	--	(21,603)	(21,603)	(14,290)
Currency differences (losses)		--	(14,947)	(14,947)	29,445
		<u>--</u>	<u>(3,870,573)</u>	<u>(3,870,573)</u>	<u>(3,661,573)</u>
Total expenses					
Profits from New farm company	(7)	--	2,974	2,974	2,899
Change in net assets for the year - Exhibit "C"		<u>(407,902)</u>	<u>(1,407)</u>	<u>(409,309)</u>	<u>629,023</u>

“The accompanying notes constitute an integral part of this statement”

Economic and Social Development Center of Palestine
Ramallah - Palestine

Statement of Change in Net Assets for the financial year ended December 31, 2021 Exhibit "C"

	<u>General</u> <u>savings</u> USD	<u>Savings</u> <u>appropriated</u> <u>by the Board</u> <u>of Directors</u> USD	<u>Temporarily</u> <u>appropriated</u> <u>Savings</u> USD	<u>Investment in</u> <u>fixed assets</u> USD	<u>Total</u> USD
<u>Year Ended December 31, 2021</u>					
Balance at the beginning of the year	21,833	12,755	945,432	235,398	1,215,418
Change in net assets for the year – Exhibit "B"	(1,407)	--	(407,902)	--	(409,3098)
Net investment in fixed assets and land - Note 8	14,960	--	--	(14,960)	--
Balance at the end of the year - Exhibit "A"	35,386	12,755	537,530	220,438	806,109
<u>Year Ended December 31, 2020</u>					
Balance at the beginning of the year	3,398	10,057	407,535	165,405	586,395
Change in net assets for the year – Exhibit "B"	91,126	--	537,897	--	629,023
Net investment in fixed assets and land - Note 8	(200,341)	--	--	200,341	--
Buildings under construction	130,348	--	--	(130,348)	--
Change in savings appropriated by the Board of Directors	(2,698)	2,698	--	--	--
Balance at the end of the year - Exhibit "A"	21,833	12,755	945,432	235,398	1,215,418

"The accompanying notes constitute an integral part of this statement"

Economic and Social Development Center of Palestine
Ramallah - Palestine
Statement of Cash Flows
for the financial year ended December 31, 2021– Exhibit “D”

	<u>Note</u>	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
<u>Cash flows from operating activities</u>			
Grants and donations received in		3,027,708	3,665,979
Unappropriated local contributions and services fees and other income		430,782	621,718
Expenses paid to suppliers and employees		(2,924,451)	(3,610,252)
Net cash flows (used in) provided from operating activities		(534,039)	677,445
<u>Cash flows from investing activities</u>			
Fixed assets purchases	(8)	(6,776)	(214,754)
Buildings under construction		--	130,348
Proceeds from disposal of fixed assets		245	--
Net cash flows (used in) investing activities		(6,531)	(84,406)
(Decrease) Increase in cash and banks balances during the year		(540,570)	593,039
Cash in hand and at banks, beginning of year		1,165,946	572,907
Cash in hand and at banks at year end		625,376	1,165,946
<u>Adjustments to reconcile change in net assets to net cash flows (used in) operating activities</u>			
Change in net assets for the year		(1,407)	91,126
Temporary Restricted Net assets		(407,902)	537,897
Fixed assets depreciation	(8)	21,603	14,290
Gains loss on disposal of fixed assets		(112)	123
(Profits) from New farm company		(2,974)	(2,899)
(Decrease) Increase in Provision for employees' indemnity		39,492	(7,416)
Decrease (Increase) in contributions receivable		(133,555)	103,667
Decrease (Increase) in borrowers receivables and other receivables		3,323	(11,626)
(Decrease) in accrued expenses and other payables		(63,493)	(15,872)
Increase in revolving loan fund		800	200
Check under collection more than 3 months		10,186	(32,045)
Net cash flows (used in) provided by operating activities		(534,039)	677,445

“The accompanying notes constitute an integral part of this statement”

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.

Economic and Social Development Center of Palestine Strategic 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 Center’s number of employees is 30 as of December 31, 2021.
- The financial statements of Economic and Social Development Centre of Palestine for the year ended December 31, 2021 were authorized for issuance by general assembly on May 28, 2022.

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 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. Grants 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’s %15
- Equipment’s %20
- Vehicles %15
- Building %5

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.

	December 31,	
	2021	2020
	USD	USD
NIS	0.32	0.31
JD	1.410	1.410
EURO	1.1327	1.22915

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.

3. Cash in hand and at banks:

a. This item consists of:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Cash in hand	207	1,083
Check under collection less than 3 months	6,800	108,982
Cash at banks- ILS	70,858	8,666
Cash at banks- USD	232,353	247,745
Cash at banks- Euro	181,795	692,986
Total	492,013	1,059,462
Bank deposits restricted for specific purposes- b	133,363	106,484
Total	625,376	1,165,946

b. Bank deposits restricted for specific purposes:

This item consists of:

	<u>Deposit</u> <u>amount</u> <u>USD</u>	<u>Reserve / provision</u> <u>value</u> <u>USD</u>	<u>Surplus</u> <u>USD</u>
Employees benefits	133,363	133,227	136
Total	133,363	133,227	136

4. Contributions receivable:

This item consists of:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Oxfam /Dutch	--	21,900
BMZ-GIZ 2019-2020	--	12,291
BMZ-GIZ 2020	--	54,103
NRO-UAWC 1/2/2017-30/04/2019	--	19,630
EU JCSQ 2018-2020	--	20,704
EU JCSQ 2018-2020	19,079	--
Oxfam/DGD#2 Gaza 2021-2023	2,841	--
OXFAM-SDC/Danida 2017-2021	39,961	--
Oxfam	5,841	--
Oxfam EU (2019-2022)	179,671	--
Oxfam /BMZ 2021-2025	14,790	--
Total	262,183	128,628

5. Loans receivable- net:

This item consists of:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Balance at the beginning of the year	41,461	30,222
Loans issued	42,000	19,000
Loans collected	(48,353)	(7,761)
Total	<u>35,108</u>	<u>41,461</u>
Provision for doubtful Debts	(2,258)	(2,258)
Net	<u>32,850</u>	<u>39,203</u>

6. Other current assets:

This item consists of:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Employees advances	2,033	60
Receivables from cooperatives – suppliers	621	658
Prepaid expenses	10,455	9,361
Accrued on new farm company	6,064	6,064
Total	<u>19,173</u>	<u>16,143</u>

7. Investment in New Pharm Company (USD 52,474):

This item represents the center's investment in New Farm Agricultural Processing and Marketing Company (private shareholding company) in amount of USD 52,474, which represents the value of 36,700 shares in the company at one Jordanian Dinar per share. This amount represents 100% of the nominal value of the shares mentioned. During 2020 and based on the audited financial statements of New Pharm Company for the year ended December 31, 2019, the investment value was raised in the amount of USD 2,899 and recorded as investment gain in statement of activities. During 2021 and based on the audited financial statements for the year ended December 31, 2020, the investment value was raised in the amount of USD 2,974 and recorded as investment profit in statement of activities.

8. Fixed assets – net:

This item consists of:

<u>December 31, 2021</u>	<u>Furniture</u> USD	<u>Equipment</u> USD	<u>Vehicles</u> USD	<u>Land and</u> <u>Building</u> USD	<u>Total</u> USD
<u>Cost</u>					
Balance, beginning of year	18,742	81,475	51,784	210,347	362,348
Additions	--	6,776	--	--	6,776
Deductions	(312)	(7,795)	--	--	(8,107)
Balance at year-end	18,430	80,456	51,784	210,347	361,017
<u>Accumulated depreciation</u>					
Balance, beginning of year	(18,281)	(65,853)	(37,543)	(5,273)	(126,950)
Additions	(406)	(7,008)	(3,672)	(10,517)	(21,603)
Deductions	312	7,662	--	--	7,974
Balance at year-end	(18,375)	(65,199)	(41,215)	(15,790)	(140,579)
<u>Net book value</u>					
As of December 31, 2021	55	15,257	10,569	194,557	220,438
As of December 31, 2020	461	15,622	14,241	205,074	235,398

9. Accounts payable and accruals:

This item consists of:

	<u>2021</u> USD	<u>2020</u> USD
Suppliers payables	15,067	35,798
Employees payables	80	89
Beneficiaries payables	19,948	30,367
Payments / donors + Partners	6,713	39,047
Total	41,808	105,301

10. Due to the revolving lending fund:

a. This item consists of:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Balance, beginning of year	252,409	252,209
Commission income - revolving lending fund	800	200
Total	<u>253,209</u>	<u>252,409</u>

b. The end balance consists of financing including commission income for the revolving fund from we effect at USD 195,958 and Oxfam International with USD 56,251 and USD 1,000 the revolving fund commission income is allocated for continuous lending offset by loan balances granted to others in the amount of USD 35,108 at the end of the year.

11. Provision for end of service indemnity:

This item consists of:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Balance, beginning of year	93,735	101,151
Additions	39,626	36,508
Payments during the year	--	(43,924)
Adjustment	(134)	--
Total	<u>133,227</u>	<u>93,735</u>

12. Other income (Losses):

This item consists of:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Tenders fees revenue	7,616	6,066
Training and use of vehicle revenues	13,323	7,191
Gain (losses) from disposal of fixed assets	112	(123)
Consulting and service contract revenue	--	5,440
Other income	5,348	22,289
Total	<u>26,399</u>	<u>40,863</u>

13. Programs expenses and administrative expenses:

This item consists of:

	<u>Programme for the Development of cooperation USD</u>	<u>Small Enterprise Development Programme USD</u>	<u>Programme to Strengthen Farmers' Resilience USD</u>	<u>General and administrative expenses USD</u>	<u>2021 Total USD</u>	<u>2020 Total USD</u>
Employees' salaries and expenses	-	-	-	613,022	613,022	512,163
Materials cost to beneficiaries	1,668	48,182	101,751	-	151,601	504,390
Rehabilitation of damaged fields	-	127,978	776,462	-	904,440	529,426
Project activities expenses	184,411	158,548	1,231,864	-	1,574,823	1,826,335
Professional and consulting fees	19,052	12,448	74,464	4,713	110,677	43,073
Wells and tanks	-	-	212,760	-	212,760	-
Transportation	10,939	3,616	17,830	4,438	36,823	44,900
Cars expenses	27,384	12,668	13,061	236	53,349	36,426
Travel and accommodation	8,821	-	25,303	-	34,124	6,534
Building retaining walls	4,870	-	1,000	-	5,870	-
Rent expenses	4,374	954	8,197	1,527	15,052	21,559
Printing and Photocopying	7,895	1,156	3,373	510	12,934	23,287
Hospitality	11,931	685	1,979	97	14,692	8,264
Posts, Fax and Phone	4,504	1,979	3,774	1,097	11,354	8,969
Car rental	-	9,068	8,817	9,000	26,885	12,647
Other expenses	2,141	15,834	5,205	1,831	25,011	10,011
Advertising and publications	1,390	1,303	3,210	7,231	13,134	10,313
Maintenance	2,066	1,537	7,708	-	11,311	16,069
Halls rental	800	-	100	-	900	9,919
Film Production	1,461	-	3,800	-	5,261	3,730
Animal Sheds	-	-	-	-	-	48,713
Total	<u>293,707</u>	<u>395,956</u>	<u>2,500,658</u>	<u>643,702</u>	<u>3,834,023</u>	<u>3,676,728</u>

Economic and Social Development Center of Palestine- Notes to the financial statements for the financial year ended December 31, 2021

14. Temporarily appropriated Savings:

This item consists of:

<u>Donor – Project</u>	Unexpended Grants Dec,31, 2020 USD	Grants Received USD	Currency differences USD	Grants received for the Year USD	Grant receivables USD	Grants in 2020 USD	Available Grants USD	Fixed Assets USD	Program and Administrative Expenses USD	Unexpended Grants December 31, 2021 USD	Total USD
OXFAM–SDC/Danida 2017–2021 (Integrated Market Development Program across the occupied Palestinian territory)	59,147	469,786	-	469,786	39,961	509,747	568,894		566,969	-	568,894
Oxfam / OCHA Gaza 2021–Urgent support for May hostility affected farmers in Gaza and north Gaza governorates	-	35,861	-	35,861	-	35,861	35,861	1,925	35,861	-	35,861
Oxfam EU (2019-2022) "Promotion of inclusive agricultural growth to ensure improved living standards and resilience of vulnerable communities in Area C of the West Bank"	229,795	1,071,893	(17,312)	1,054,581	179,671	1,234,252	1,464,047	-	1,464,047	-	1,464,047
Oxfam/DGD 2020-2022 "Promote the transformative protection of the vulnerable population in the Gaza Strip"	78,494	123,519	(5,518)	118,001	-	118,001	196,495	-	153,142	43,353	153,142
Oxfam / DGD#2 Gaza 2021-2023 Empowering communities to respond to conflict –induced protection risks and high food insecurity levels in six vast humanitarian crises (OPT) "	-	-	-	-	2,841	2,841	2,841	-	2,841	-	2,841
Oxfam /DGD BAHIA 2021- Humanitarian International Action to control the spread of COVID-19 and mitigate its multi-dimensional effects on humanitarian crisis	-	313,999	1,806	315,805	-	315,805	315,805	-	308,503	5,362	310,443
Oxfam /BMZ 2021-2025-strengthening Resilience and improving economic opportunities of vulnerable groups and communities in Gaza and the Jordan Valley	-	24,149	(2,869)	21,280	14,790	36,070	36,070	1,940	35,114	-	36,070
UNOPS- "GEF SGP" 2021-2023-Piloting the cultivation of Aloe Vera as a high value crop in saline environment in the lower Jordan Valley of the West Bank	-	22,500	348	22,848	-	22,848	22,848	956	-	22,848	-
UNDP 2020-2021 "119867 - Support to Industrial and Agricultural Economy through JAIP ICT and Incubation Center Development"	52,435	288,430	-	288,430	-	288,430	340,865	-	192,467	148,398	192,467
+2021Spanish - AECID -Gaza 2019/2020	52,093	-	(582)	(582)	-	(582)	51,511	-	51,511	-	51,511
We effect/EMRSE 2021 "Enhancing Member-Based Organizations Role in the Social Economy "	-	162,728	1,018	163,746	-	163,746	163,746	-	161,549	1,765	161,981
We effect/Radio 2020-2022 "Children behind the separation wall "	5,763	97,613	779	98,392	-	98,392	104,155	432	87,435	16,720	87,435
GIZ 2021-2023-Strengthening of Livelihoods in Rural Area in the Palestinian Territories (LHP II)	-	118,466	(45)	118,421	-	118,421	118,421	-	596	117,825	596
Communaute' des communes Sud Corse /EU-FISHMEDNET 2019-2022	56,009	74,410	(534)	73,876	-	73,876	129,885	-	107,024	21,338	108,547
The Malaysian National Cooperative Movement (ANGKASA): Emergency support to affected cooperatives by Israeli aggression 2021 in Gaza Strip	-	10,000		10,000	-	10,000	10,000	1,523	10,000	-	10,000
Sub Total	533,736	2,813,354	(22,909)	2,790,445	237,263	3,027,708	3,561,444	6,776	3,177,059	377,609	3,183,835
Community contributions											
NRO-UAWC 1/2/2017-30/04/2020,Community Contribution "Inclusive Access to and Sustainable Management of Land and Water Resources"	8,959	(350)	-	(350)	-	(350)	8,609	-	-	8,609	-
Oxfam EU (2019-2022) Community Contribution "Promotion of inclusive agricultural growth to ensure improved living standards and resilience of vulnerable communities in Area C of the West Bank"	402,737	379,778	-	379,778	-	379,778	782,515	-	631,203	151,312	631,203
Oxfam /DGD BAHIA 2021-Community Contribution - Humanitarian International Action to control the spread of COVID-19 and mitigate its multi-dimensional effects on humanitarian crisis	-	3,523	-	3,523	-	3,523	3,523	-	3,523	-	3,523
OXFAM-SDC/Danida 2017-2021-Community Contribution - (Integrated Market Development Program across the occupied Palestinian territory)	-	21,232	-	21,232	-	21,232	21,232	-	21,232	-	21,232
Sub Total	411,696	404,183	-	404,183	-	404,183	815,879	-	655,958	159,921	655,958
Total	945,432	3,217,537	(22,909)	3,194,628	237,263	3,431,891	4,377,323	6,776	3,833,017	537,530	3,839,793

15. Financial instruments - fair value:

The fair value of financial assets and liabilities

The carrying value of financial assets and liabilities do not differ materially from the fair value as at the date of the financial statements.

16. Risk Management:

The implicit risks of the center's activities, are managed, measured and monitored on an ongoing basis to stay within the permissible limits. The center is exposed to currency risk, the fair value of assets risk, and reliance on donor grants risk in addition to the operating risks.

Currency risk

The Center's Management consider that 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 and the euro, while spending on projects sometimes in new shekels, the Centre's management hedges for its expenses in various currencies.

Reliance on donor grants

The fact that the Center is a non-profit, and relies heavily on grants from donors to cover a significant portion of the expenditures, the center may be exposed to the decline in submitted grants or some grants stopped, the Center's management plans for its expenditures and manages the projects in a way to ensure that spending are paralleled with receipts.

Liquidity and credit risk

The Center deposit its cash funds at high creditworthy banks, Also the Center's management make periodic study of liquidity requirements and based on it set the maturities of its assets to conform with the maturity of its liabilities as become due.

17. Cases against the centre:

There are no lawsuits cases filed against or from the centre according to the attorney letter.

18. COVID-19 Events

The presence of Coronavirus (COVID-19) was confirmed during January 2020, which subsequently spread to many countries around the world. The World Health Organization has declared this event a global pandemic (pandemic). This epidemic has affected many economic sectors during the year 2020.

The management of the center has studied the risks of exposure of the group to such events as well as evaluated the expected impacts on the center's business in order to review and evaluate the potential risks arising from this event, including monitoring the impact of this event on the center 's business on an ongoing basis and studying the impact of this event on the estimates and assumptions used by the center's management related to credit risk and the inputs used to calculate the expected losses

of financial assets and the evaluation of real estate investments and technical reserves during the year 2021.

The center also conducted an assessment of its ability to continue as a going concern analysis within the current economic conditions using all available information about future risks and uncertainties. Projections have been prepared regarding the future performance of the group, capital and liquidity, and the aggravating impact of the epidemic, however at the present time the information indicates that the group has sufficient resources, in addition to that its position on continuity has not been affected to a large extent and has not changed materially to continue practicing insurance business since the beginning of the fiscal year. As a result, these financial statements have been prepared in accordance with the basis of the principle of continuity. The Group management also concluded that there is no need to make material adjustments to liabilities and assets or business results within these financial statements for the year ending on December 31, 2021.

The center's management will need to carefully follow up on the requirements for measuring and recognizing the losses of the decline in the value of the center's assets in the future, as the extent and duration of the economic impact of this pandemic is still uncertain as it relies on the future developments which cannot be accurately predicted at this time, including procedures for the continuous closure or the end of the closure or the adoption of vaccination at the level of the Palestinian Authority areas. Due to the ongoing uncertainty related to the economic impact, it is not possible to make a reliable estimate of the financial impact at the present time on these accompanying financial statements, as there may be a decline in the value of the center's assets and a decrease in the total revenues, which affects the financial statements in the subsequent financial periods after the date of these Financial Statements.