

**Near East Council of Churches Committee
For Refugee Work**

Gaza Area

Financial Statements
And
Independent Auditors' Report

December 31, 2016

Middle East Council of Churches
Department of Service for Palestine Refugees
Central Office

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INDEPENDENT AUDITOR'S REPORT

To the Chairman and Members

**Near East Council of Churches Committee for Refugee Work (NECCCRW),
Gaza**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Near East Council of Churches Committee for Refugee Work (NECCCRW)**, which comprise the statement of financial position as of December 31, 2016 statement of activities, statement of changes in net assets, statement of functional expenses, statement of changes in special funds, and cash flow statement for the year 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 **Near East Council of Churches Committee for Refugee Work (NECCCRW)** as of December 31, 2016, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, presentation of financial statements – Not for Profit Entities.

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 NECCCRW 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 NECCCRW'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 NECCCRW or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the NECCCRW'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 judgment and maintain professional skepticism throughout the audit.

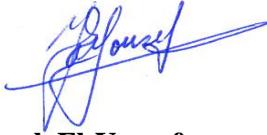
We also,

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 NECCRW'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 NECCRW 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.



Yacoub El-Yousef
Certified Public Accountant
License Number 96

March 20, 2017

Near East Council of Churches Committee for Refugee Work - Gaza Area

Statement of Financial Position

As of December 31, 2016

(In US Dollars)

	Note	Unrestricted	Restricted & special funds	Total 2016	Total 2015
Assets					
Cash on hand and at banks	2.1	1,973,888	346,573	2,320,461	2,362,937
Deposits with Banks - Loans Revolving Fund	2.2	-	547,634	547,634	548,207
Deposits with Banks - for Indemnities	2.3	-	1,384,185	1,384,185	1,384,124
Pledge Receivable	3	-	152,219	152,219	215,513
Due from DSPR - Central Office (United Church of Canada)		-	-	-	1,646
Due from DSPR - Central Office		-	-	-	103,733
Prepaid Rent \ FHSC Darraj		-	7,500	7,500	3,000
Loans Receivable	4	-	341,592	341,592	349,416
Fixed Assets - Net of Accumulated Depreciation	5	101,458	-	101,458	96,457
Total Assets		2,075,346	2,779,703	4,855,049	5,065,033
Trust Funds Assets	9	25,249	-	25,249	25,249
Liabilities and Net Assets					
Liabilities					
Due to Staff		112,564	-	112,564	112,564
Accounts Payable		-	-	-	26,250
Due to DSPR Central Office		17,910	-	17,910	35,000
Deferred Income - Protestant Agency for Diakonia and Development, BfW		-	-	-	71,045
End of Service Liability	Schedule (9)	-	1,384,185	1,384,185	1,384,124
Total Liabilities		130,474	1,384,185	1,514,659	1,628,983
Net Assets					
General Unrestricted		367,003	-	367,003	437,748
Temporarily Restricted		-	506,292	506,292	528,093
Investment in Net Fixed Assets		101,458	-	101,458	96,457
Total Net Assets	Statement (C)	468,461	506,292	974,753	1,062,298
Special Funds					
Loans Revolving Fund	Statement (D)	-	889,226	889,226	897,623
Emergency fund	Schedule (9)	999,939	-	999,939	1,000,000
Board Designated Fund (Gaza Area Committee)	8	476,472	-	476,472	476,129
Total Special Funds		1,476,411	889,226	2,365,637	2,373,752
Total Net Assets and Special Funds		1,944,872	1,395,518	3,340,390	3,436,050
Total Liabilities and Nets Assets		2,075,346	2,779,703	4,855,049	5,065,033
Trust Funds Liability	9	25,249	-	25,249	25,249

Dr. Sohail El Madbak

Area Committee Chairperson



Dr. Maher Ayyad

Treasurer



Dr. Issa Tarazi

Executive Director



Notes 1 to 12 and Schedules 1 to 10 are an integral part of the financial statements

Near East Council of Churches Committee for Refugee Work - Gaza Area
Statement of Activities General Operating Fund
For the year ended December 31, 2016
(In US Dollars)

	Note Schedule Statement	Unrestricted Fund	Temporary Restricted Fund	Total 2016	Total 2015
Grants and Revenues					
Grants	6 & 12	-	1,670,744	1,670,744	1,835,902
Local Program Revenues	7	118,229	-	118,229	288,731
Difference of Currency		(1,845)	-	(1,845)	883
Total grants and revenues		116,384	1,670,744	1,787,128	2,125,516
Net assets released from restrictions	12	1,692,545	(1,692,545)	-	-
		1,808,929	(21,801)	1,787,128	2,125,516
Program Expenses					
Health of Community	Schedule (1)	811,727	-	811,727	798,121
Psycho Social	Schedule (1)	74,948	-	74,948	37,527
Educational Opportunities	Schedule (2)	434,194	-	434,194	351,574
Community Development	Schedule (3)	30,675	-	30,675	33,548
Advocacy	Schedule (4)	8,831	-	8,831	-
Special Emergency and Projects	Schedule (10)	310,040	-	310,040	902,626
Total program expenses	Statement (F)	1,670,415	-	1,670,415	2,123,396
Administrative and General	Statement (F) Schedule (5)	179,433	-	179,433	178,818
Total Expenses Before Depreciation	Statement (F)	1,849,848	-	1,849,848	2,302,214
Depreciation Expense	5	24,825	-	24,825	44,809
Total Expenses		1,874,673	-	1,874,673	2,347,023
Change in Net Assets during the Year	Statement (C)	(65,744)	(21,801)	(87,545)	(221,507)

Notes 1 to 12 and Schedules 1 to 10 are an integral part of the financial statements

Near East Council of Churches Committee for Refugee Work - Gaza Area
Statement of Changes in Net Assets General Operating Fund
For the year ended December 31, 2016
(In US Dollars)

	Unrestricted Fund	Temporary Restricted Fund	Investment in Fixed Assets	Total
Year 2016				
Balance as of January 1, 2016	437,748	528,093	96,457	1,062,298
Change in net assets for the year - Statement (B)	(65,744)	(21,801)	-	(87,545)
Procurement of fixed assets	(29,826)	-	29,826	-
Depreciation for the year	24,825	-	(24,825)	-
Sub Total	367,003	506,292	101,458	974,753
Inter-fund Transfers:				
Transfer to Emergency fund - Schedule (9)	-	-	-	-
Balance as of December 31, 2016	367,003	506,292	101,458	974,753
Year 2015				
Balance as of January 1, 2015	585,695	1,047,015	27,478	1,660,188
Change in net assets for the year - Statement (B)	297,415	(518,922)	-	(221,507)
Inter-fund Transfers:				
Procurement of fixed assets	(113,788)	-	113,788	-
Depreciation for the year	44,809	-	(44,809)	-
Sub Total	814,131	528,093	96,457	1,438,681
Inter-fund Transfers:				
Transfer to Emergency fund - Schedule (9)	(376,383)	-	-	(376,383)
Balance as of December 31, 2015	437,748	528,093	96,457	1,062,298

Notes 1 to 12 and Schedules 1 to 10 are an integral part of the financial statements

Near East Council of Churches Committee for Refugee Work - Gaza Area
Statement of Activities and Changes in Loan Revolving Fund
For the year ended December 31, 2016
(In US Dollars)

	<u>Education</u>	<u>Business</u>	<u>Staff Loans</u>	<u>Total</u>
Revenues				
Interest Earned	2,144	-	-	2,144
Other Income	-	56	-	56
Total Revenues	2,144	56	-	2,200
Expenses				
	(10,597)	-	-	(10,597)
Excess of Expenses over Revenues	(8,453)	56	-	(8,397)
Net Assets at Beginning of Year	704,503	193,120	-	897,623
Net Assets at End of Year - Statement (A)	696,050	193,176	-	889,226
	Schedule (8)			
Composition of net assets				
Outstanding loans - beginning	327,023	-	22,393	349,416
Loans issued during the year	61,250	-	40,294	101,544
Collections	(69,074)	-	(40,294)	(109,368)
Net Loans - Ending	319,199	-	22,393	341,592
Deposits with Banks	376,851	170,783	-	547,634
Inter-Fund Borrowings	-	22,393	(22,393)	-
	696,050	193,176	-	889,226

Notes 1 to 12 and Schedules 1 to 10 are an integral part of the financial statements

Near East Council of Churches Committee for Refugee Work - Gaza Area
Statement of cash flows
For the year ended December 31, 2016
(In US Dollars)

	<u>2016</u>	<u>2015</u>
<u>Cash Flow from Operating Activities:</u>		
Change in Operating Net Assets	(95,660)	(159,279)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	24,825	44,809
Decrease (Increase) in Pledge Receivable	63,294	(108,814)
Decrease in Due from DSPR - Central Office (United Church of Canada)	1,646	776
Decrease (Increase) in due from DSPR - Central Office	86,643	(68,733)
(Increase) in Prepaid Rent \ FHSC Darraj	(4,500)	(3,000)
Decrease (Increase) in Loans Receivable	7,824	(30,490)
Increase (Decrease) in Accounts Payable	(26,250)	22,182
Increase (Decrease) in Deferred Income - BftW	(71,045)	71,045
Increase (Decrease) in End of Service Liability	61	(57,018)
Net Cash used in operating activities	(13,162)	(288,522)
Cash flows from Investing Activities		
Procurement of Fixed Assets	(29,826)	(113,788)
Net change in cash flows during the year	(42,988)	(402,310)
Cash on Hand and Deposits with Banks at Beginning of Year	4,295,268	4,697,578
Cash on Hand and Deposits with Banks at End of Year	<u>4,252,280</u>	<u>4,295,268</u>
<u>Composition of Cash on Hand and Deposits with Banks Balances:</u>		
Cash on Hand and Deposits with Banks	2,320,461	2,362,937
Deposits with Banks - Loans Revolving Fund	547,634	548,207
Deposits with Banks - (End of Service Benefits)	1,384,185	1,384,124
	<u>4,252,280</u>	<u>4,295,268</u>

Notes 1 to 12 and Schedules 1 to 10 are an integral part of the financial statements

Near East Council of Churches Committee for Refugee Work - Gaza Area
Statement of functional expenses - Operating Fund
For the year ended December 31, 2016
(In US Dollars)

	Health of community psycho social	Education opportunity	Community development	Advocacy	Special Emergency & Projects	Total Program	General Administration	Total 2016	Total 2015
Salaries and Benefits	452,073	274,348	-	-	-	726,421	85,362	811,783	670,626
Professional Services	18,933	14,148	-	-	-	33,081	35,280	68,361	41,130
General Expenses	69,328	122,050	-	523	-	191,901	34,726	226,627	196,797
Medical Expenses	306,932	-	-	-	-	306,932	24	306,956	368,925
Hospitality	6,425	1,367	-	3,018	-	10,810	3,485	14,295	14,233
Insurance	5,504	7,306	-	-	-	12,810	1,651	14,461	15,653
Transportation and Vehicle expenses	24,491	12,010	112	5,290	-	41,903	2,542	44,445	39,216
Travel Expenses	-	-	-	-	-	-	11,419	11,419	9,893
Trainees Incentives	1,772	-	-	-	-	1,772	-	1,772	1,761
Taxes	1,217	2,965	-	-	-	4,182	4,039	8,221	6,720
Other Expenses	-	-	30,563	-	-	30,563	905	31,468	34,634
Special Emergency & Projects - Schedule (10)	-	-	-	-	310,040	310,040	-	310,040	902,626
Total Expenses - Statement (B)	886,675	434,194	30,675	8,831	310,040	1,670,415	179,433	1,849,848	2,302,214
Budget for 2016	872,275	446,604	24,000	10,100			161,474		
Variance	(14,400)	12,410	(6,675)	1,269			(17,959)		
Schedule number	(1)	(2)	(3)	(4)	(10)		(5)		

Notes 1 to 12 and Schedules 1 to 10 are an integral part of the financial statements

Near East Council of Churches Committee For Refugee Work - Gaza Area (NECCCRW)

Notes to Financial Statements

Year Ended December 31, 2016

(Amounts are expressed in U.S. Dollar)

1 Summary of Significant Accounting Policies

The financial statements have been prepared on the accrual basis of accounting under the historical cost convention and in conformity with International Financial Reporting Standards and in accordance with the provisions of financial accounting board (FASB) Accounting Standards Codification (ASC) 958-205, Presentation of financial statements – Not-for-profit Entities as applicable. The accounting policies adopted are consistent with those of the previous financial year.

The significant accounting policies followed are described below:

1.1 Basis of Accounting and Presentation:

Under the provisions of United States of America Statements on Financial Accounting Standards, “Financial Statements of Not-for-profit Organizations”, 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 NECCCRW and changes there in are classified and reported as follows:

- **Unrestricted net assets** - Net assets whose use by NECCCRW is not subject to donor-imposed restrictions. Funding received for core activities are included in the unrestricted net assets. Unrestricted net assets also include “Investment in Net Fixed Assets”; “Board Designated Special Funds” and “Loan Revolving Funds” which are described below
- **Temporarily restricted net assets** - Net assets whose use by the Committee is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and released by actions of NECCCRW pursuant to those donor-imposed stipulations.
- **Loans Revolving Funds** - represent restricted contributions received for on lending purposes, which are expended in terms of loans.
- **Emergency Fund** - NECC/DSPR Gaza Area Committee decided to create this fund towards NECC on-going programs sustainability, justified as follows:
 - NECC/DSPR Gaza runs long term ongoing programmes with commitments toward beneficiaries and towards providing salaries to around 100 NECC employees. The annual running costs are approximately USD 1,400,000 excluding special and emergency projects.
 - The income is derived largely from partners (Donors) which are unpredictable and not warranted towards a long term sustainability.
 - Delay in transfer of grants which hinder the implementation of the services.
 - The services of NECC have a long standing history, relationship and commitments with its beneficiaries in the vulnerable areas of Gaza Strip and it would want to mitigate as far as possible the short – term impacts on its beneficiaries of any unexpected and precipitous drop in the income of NECC/DSPR.

1 Summary of Significant Accounting Policies (continued)

1.1 Basis of Accounting and Presentation (continued):

- In addition to the factors above, prudence would suggest that NECC should keep some limited level of reserves for unforeseen contingencies, including upkeep of our owned premises.
- The Area Committee members are of the opinion that, to ensure the continuity of our wholly owned operations and the continuity in the short – term of supply and running costs of the centres in Gaza which we have supported for many years, free reserves should fall within a range of between 6 and 12 months of operating expenditure on the basis of our current ongoing programme yearly operating expenditures is around USD 1,500,000.
- The long time nature of services and commitments to the beneficiaries and employees and exposure to any short fall in any income, would suggest that a target or range in excess of the “standard” 6 months of expenditure is indicated.
- The “extra” six months of the budgeted reserves expenditure are also a proxy for the administrative and other costs that would be incurred “staff salaries, redundancy etc” if NECC were collapsed, (hopefully not).

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.

1.2 Contributions and grants:

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 NECCCRW 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 NECCCRW 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 NECCCRW will comply with the conditions attaching to them and that the grants will be received.

1.3 Inter-fund Borrowings:

Represents allocations to / from restricted special funds. These allocations represent short-term receivables or liabilities in the general fund to special funds to cover deficit or over funding in the related funds bank accounts. Settlement between funds is done within a period of less than a month.

1.4 Loans Receivable

Loans, which are interest free, are stated at the amount of unpaid principal. According to management estimates and Judgment, provisions for bad and doubtful debts that are taken in the books are adequate.

1 Summary of Significant Accounting Policies (continued)

1.5 Furniture and Equipment

Starting with the year 2004, the accounting policy of accounting for fixed assets was changed from expensing costs on date of acquisition to conform to international accounting standards of capitalizing these costs and depreciate them over their estimated useful lives.

Fixed assets are stated at cost net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets based on the following annual percentage rates:

Equipment	5 years
Furniture	10 years
Vehicles Training Equipment	4 years

1.6 Deferred grants and tuition fees

These represent grants and course tuition fees received in advance of the related period.

1.7 End of Service Liability represents:

Represents provident fund contributions made by the employees and NECCCRW at the rate of 14% each computed on the basic monthly salaries. Provident fund liability is funded in a separate bank account. Interest earned is distributed proportionately at the end of each year.

1.8 Foreign Currencies

The books of accounts are maintained in U.S. Dollar. Transactions, which are denominated or expressed in local currency, are converted into U.S. Dollar as follows:

- Transactions, which are expressed or denominated in local currency, are converted into U.S. Dollar at the actual exchange rate prevailing at the date of each transaction.
- Balances of assets and liabilities in local currency are converted into U.S. Dollar at the exchange rate prevailing at the balance sheet date.
- Exchange differences arising from the conversion of local currency balances and transactions are charged to the Statement of Activities.

1.9 Income taxes

The NECCCRW is registered as not-for-profit organization in Gaza and is exempt from income taxes.

1.10 Provisions

Provisions are recognized when the NECCCRW has a present obligation as a result of past events, and it's probable that the obligation will be settled, and a reliable estimate can be made of the amount of the obligation.

1.11 Functional allocation of expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statements of Activities. Accordingly expenses that relate directly to a program or supporting service are charged to that program, or supporting service.

1 Summary of Significant Accounting Policies (continued)

1.12 Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period the estimates are revised and in any future period affected. Critical judgments and estimates relate to depreciation of fixed assets and impairment of loans receivables and provisions for potential liabilities under conditional grants as detailed in the following paragraph

1.13 Contingencies

The NECCCRW receives grants from various donors. Such grants are subject to individual audits under the grant agreement terms. The ultimate determination of amounts received under these grants is based upon the allowance of costs reported to and accepted by the donor as a result of the audits. Until such audits are accepted by the donor, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

1.14 Trust Fund

Represent resources available for use by local institutions for which NECCCRW acts as a trustee.

1.15 Economic Dependency

Approximately 95% of NECCCRW revenue and support for the years ended December 31, 2016 and 2015 was derived from grants awarded directly by various donor agencies. NECCCRW has no reason to believe that relationships with these agencies will be discontinued in the foreseeable future. However, any interruption of these relationships (i.e., the failure to renew grant agreements for withholding of funds) would adversely affect NECCCRW ability to finance ongoing operations.

2. **Cash on hand and at banks**

Deposits with banks in the general operating fund is comprised of the following as of 31

2.1 **December:**

	<u>2016</u>	<u>2015</u>
Arab Bank	1,235,887	1,411,911
Bank of Palestine	461,019	327,409
ING Bank Holland	623,555	623,617
Total deposits at banks	<u>2,320,461</u>	<u>2,362,937</u>

Deposits with banks earmarked for Loan revolving fund are comprised of the following as of 31

2.2 **December:**

	<u>2016</u>	<u>2015</u>
Deposits with Banks – Educational Loans	376,851	377,480
Deposits with Banks – Business Loans	170,783	170,727
Total	<u>547,634</u>	<u>548,207</u>

2.3 **Deposits with banks earmarked for employees end of service entitlements as a Provident fund was comprised of the following as of 31 December:**

	<u>2016</u>	<u>2015</u>
Deposit at ING Bank – Holland	1,384,185	1,384,124
Balance with bank as of 31 December	<u>1,384,185</u>	<u>1,384,124</u>

3. **Pledges receivable**

This account is comprised of the following as at 31 December

	<u>2016</u>	<u>2015</u>
Pledge Receivable - Pontifical Mission	-	31,813
Pledge Receivable - Bftw (Project No. 20090013)	55,235	55,235
Pledge Receivable - Bftw (Project No. 20120041)	6,809	44,784
Pledge Receivable - Embrace the Middle East - Well baby clinic	3,037	-
Pledge Receivable - Save the Children	-	76,912
Pledge Receivable - UPA	25,000	2,000
Pledge Receivable - Pontifical Mission \ Brotherhood Park	-	4,769
Pledge Receivable - NCA, Norwegian Church Aid	60,642	-
Pledge Receivable - IMC	1,496	-
Total	<u>152,219</u>	<u>215,513</u>

4. **Loans Receivable**

4.1 **Activity in this account for the year ended 31 December 2016 is as follows:**

	<u>Education</u>	<u>Staff</u>	<u>Total</u>
Beginning Balance as of January 1,2016	327,023	22,393	349,416
Loans Issued	61,250	40,294	101,544
Collected	(69,074)	(40,294)	(109,368)
Ending Balance as of December 31,2016	<u>319,199</u>	<u>22,393</u>	<u>341,592</u>

4.2 Activity in this account for the year ended 31 December 2015 is as follows:

	<u>Education</u>	<u>Staff</u>	<u>Total</u>
Beginning Balance as of January 1,2015	296,545	22,393	318,938
Loans Issued	88,250	24,959	113,209
Collected	<u>(57,772)</u>	<u>(24,959)</u>	<u>(82,731)</u>
Ending Balance as of December 31,2015	<u>327,023</u>	<u>22,393</u>	<u>349,416</u>

5. Fixed Assets - Net of Accumulated Depreciation

5.1 Movement for the year 2016 is as follows:

	<u>Balance January 01 2016</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance December 31 2016</u>
Cost				
Furniture and Fittings	74,913	2,173	-	77,086
Office Equipments	189,267	4,135	-	193,402
Medical Equipment	241,414	14,127	-	255,541
Training Equipment	162,415	-	-	162,415
Vehicles	277,160	-	-	277,160
Other Fixed Assets	<u>19,252</u>	<u>9,391</u>	<u>-</u>	<u>28,643</u>
Total Cost	<u>964,421</u>	<u>29,826</u>	<u>-</u>	<u>994,247</u>
Accumulated depreciation				
Furniture	72,774	431	-	73,205
Office Equipments	127,871	13,106	-	140,977
Medical Equipments	216,613	7,785	-	224,398
Training Equipments	161,386	206	-	161,592
Vehicles	277,160	-	-	277,160
Other Fixed Assets	<u>12,160</u>	<u>3,297</u>	<u>-</u>	<u>15,457</u>
Total Accumulated Depreciation	<u>867,964</u>	<u>24,825</u>	<u>-</u>	<u>892,789</u>
Net Book value	<u>96,457</u>			<u>101,458</u>

5.2 Movement for the year 2015 is as follows:

	Balance January 01 2015	Additions	Disposals	Balance December 31 2015
Cost				
Furniture and Fittings	74,913	-	-	74,913
Office Equipments	132,878	56,389	-	189,267
Medical Equipment	195,977	45,437	-	241,414
Training Equipment	162,415	-	-	162,415
Vehicles	277,160	-	-	277,160
Other Fixed Assets	7,290	11,962	-	19,252
Total Cost	850,633	113,788	-	964,421
Accumulated depreciation				
Furniture	72,607	167	-	72,774
Office Equipments	110,505	17,366	-	127,871
Medical Equipments	204,514	12,099	-	216,613
Training Equipments	157,352	4,034	-	161,386
Vehicles	268,410	8,750	-	277,160
Other Fixed Assets	9,767	2,393	-	12,160
Total Accumulated Depreciation	823,155	44,809	-	867,964
Net Book value	27,478			96,457

6. Grants

Detail of grants received or pledged by funding source during 2016 and 2015 is as follows:

	2016	2015
	Restricted	Total
Grants through DSPR		
ACT Appeal PSE 141 (2014-2015)	-	95,422
ACT Appeal PSE 151 (2015-2016)	20,191	136,000
ACT Appeal PSE 161 (2016-2017)	133,236	-
ACT for peace AusAID	204,598	248,771
Embrace the Middle East - Well baby clinic	64,142	75,270
Embrace the Middle East - Well baby clinic - Pledge Receivable	3,037	-
DanChurchAid (DCA) - Norwegian Church Aid (NCA) (1010306-22)	74,065	224,486
DanChurchAid (DCA) - Norwegian Church Aid (NCA) (1010306-22) - Pledge Receivable	60,642	-
Total grants through DSPR	559,911	779,949
Direct Grants		
Pontifical Mission	45,000	45,000
Pontifical Mission \ Emergence Psychosocial Support	-	41,541
Pontifical Mission \ Fuel for NECC Generators	-	8,500
Pontifical Mission \ Job Creation	-	127,220
Pontifical Mission \ Job Creation (Pledge receivables)	-	31,813
Pontifical Mission \ Purchase an Ultrasound Machine	-	66,669
Pontifical Mission \ Generator	-	55,258
Pontifical Mission \ Upgrading and Renovation the Brotherhood Park	45,831	4,769
Pontifical Mission \ for ALQISTS	3,500	-
DanChurchAid (DCA) - Norwegian Church Aid (NCA) (1010306-18)	130,346	-
Medical Relief International (MRI)	19,400	-
International Medical Corps (IMC) - Pledge Receivable	1,496	-
UNICEF - Promoting the provision of quality Post Natal Care	5,697	52,097
UNICEF - Promotion PNHV and Management of Malnutrition	169,777	-
UNICEF - Promotion PNHV and Management of Malnutrition (provision of medical Equipment and supplies)	4,939	-
UNICEF - Training the MOH Primary Health Care	72,457	-
Protestant Agency for Diakonia and Development, BftW (Project No. 20120041)	-	56,046
Protestant Agency for Diakonia and Development, BftW (Pledge receivables Project No. 20120041)	-	44,784
Protestant Agency for Diakonia and Development, BftW (Project No. N-PSE-2015-0233)	318,089	-
Save the Children International - Improving access to quality Nutrition and health service	-	32,041
Save the Children International - Improving access to quality Nutrition and health service (Pledge receivables)	-	76,912
United Palestinian Appeal \ UPA	25,000	8,000
United Palestinian Appeal \ UPA (Pledge receivables)	25,000	2,000
Federal Republic of Germany	-	21,443
PORTICUS	16,868	153,020
Caritas France	84,320	-
Mennonite Central Committee - MCC	25,000	25,000
Church In Wales	10,939	17,880
Church of Scotland	13,669	7,658
Amos Trust	-	15,063
Other Donations	-	3,546
Total direct grants	1,017,328	896,260
Donations in kind		
In kind Donations - Ministry Of Health	15,557	11,112
In kind Donations - Save the Children International	8,682	9,281
In kind Donations - GIZ	12,853	15,712
In kind Donations - UNICEF	14,743	17,460
In kind Donations - ANERA	41,218	106,128
In kind Donations - International Medical Corps (IMC)	452	-
Total donations in kind	93,505	159,693
Total Grants	1,670,744	1,835,902

7. Revenues from program activates for 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Community Health	74,134	238,412
Educational Opportunities	42,226	46,031
Sewing co. Operative	-	506
Administration	390	1,039
Applications fees for Educational Loans	1,479	2,743
	<u>118,229</u>	<u>288,731</u>

8. Board designated fund net assets

Change in net assets in this fund is as follows:

	<u>2016</u>	<u>2015</u>
Balance at Beginning of Year	476,129	451,575
Add: General Donations	-	24,212
Interest Earned	343	342
Balance at end of year	<u>476,472</u>	<u>476,129</u>

9. Trust Funds

Composition of trust funds per contra is as follows:

	<u>2016</u>	<u>2015</u>
Ahli Arab Hospital	216	216
Dress Making Cooperative	6,623	6,623
VTC Box	10,515	10,515
Materials Dress Making	185	185
Canteen	7,432	7,432
Qararah VTC Box	278	278
	<u>25,249</u>	<u>25,249</u>
Deposit at Arab Bank	25,249	25,249
	<u>25,249</u>	<u>25,249</u>

10. Actual Versus Budget

Comparison of actual expenses versus budget amounts for the year 2016 is as follows:

<u>Core Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Health of the Community	886,675	872,275	(14,400)
Educational Opportunities	434,194	446,604	12,410
Community Development	30,675	24,000	(6,675)
Advocacy	8,831	10,100	1,269
Administration	179,433	161,474	(17,959)
	<u>1,539,808</u>	<u>1,514,453</u>	<u>(25,355)</u>
Less: Local Revenues	<u>(118,229)</u>	<u>(129,925)</u>	
Net Budget	<u>1,421,579</u>	<u>1,384,528</u>	
<u>Additional Budget</u>			
Special emergency & projects	<u>310,040</u>		
Total	<u><u>1,731,619</u></u>		

11 Financial Instruments – Fair Values and Risk Management

(a) Fair Values of Financial Assets and Liabilities

The carrying book value of financial assets and liabilities are not materially different from their fair values applicable at the balance sheet date

(b) Credit Risk

Credit risk is the risk that a counter party will not settle its obligations in accordance with the agreed terms. NECCCRW's credit risk is primarily attributable to its liquid funds and loans receivable.

The credit risk on liquid funds is limited because the counter parties are prime banks and major donors

The credit risk associated with the loan portfolio is by the nature of this program is high. To mitigate the risks, the area committees' managements have established procedures for loan issuance, collateral obtained (guarantees), and follow up policies on collections. Higher risks are associated with old loans that are in arrear; however adequate provisions have been made to cover uncollectible debts.

(c) Currency Risk

Currency risk arises from the possibility that changes in exchange rates may affect negatively the value of financial assets and liabilities in case NECCCRW does not hedge its currency exposure by means of hedging instruments. Management considers that the net effect of currency risk would not affect it materially due to matching of donor funding with expenses on activities and due to matching of the loan portfolio fund balances with related deposits in banks and loans receivable in U.S. Dollar.

(d) Operational Risks

Dependency on donor funding: NECCCRW as a not-for-profit Organization is dependent upon donors to fund its activities. Due to that nature, it has an operational risk if donor funding decreases or stops.

Note (12) - Net assets released from restrictions
(In US Dollars)

								DISPOSITION OF GRANTS									
	Unspent Grants 12/31/2015	Amounts Received 2016	Pledge Receivable 12/31/2016	Interest earned Diff. of exchange and others	Available Funds for Y 2016	Unspent Balance 12/31/2016	Releases from restrictions in 2016	Health of community	Psycho Social	Education opportunity	Community development	Advocacy	General administration	Special emergency & Projects	Additions equipment & medicines	Total	
Restricted																	
UMCOR	152,690	-	-	-	152,690	152,690	-	-	-	-	-	-	-	-	-	-	
Carpentry Cooperative	23,491	-	-	-	23,491	23,491	-	-	-	-	-	-	-	-	-	-	
NECEF	33,013	-	-	-	33,013	33,013	-	-	-	-	-	-	-	-	-	-	
Materials and Embroidery Fund	71,422	-	-	-	71,422	71,422	-	-	-	-	-	-	-	-	-	-	
Church In Wales	-	10,939	-	-	10,939	-	10,939	10,939	-	-	-	-	-	-	-	10,939	
Embrace the Middle East - Well baby clinic	-	64,142	3,037	-	67,179	-	67,179	67,179	-	-	-	-	-	-	-	67,179	
Protestant Agency for Diakonia and Development, BfW (Project No. N-PSE-2015-0233)	-	318,089	-	-	318,089	40,342	277,747	156,795	7,505	79,742	4,930	2,075	26,700	-	-	277,747	
United Palestinian Appeal \ UPA	-	25,000	25,000	-	50,000	-	50,000	50,000	-	-	-	-	-	-	-	50,000	
Caritas France	-	84,320	-	-	84,320	79,050	5,270	-	-	-	-	-	-	5,270	-	5,270	
ACT Appeal PSE 161 (2016-2017)	-	133,236	-	-	133,236	-	133,236	92,083	5,137	36,016	-	-	-	-	-	133,236	
ACT Appeal PSE 151 (2015-2016)	-	20,191	-	-	20,191	-	20,191	20,191	-	-	-	-	-	-	-	20,191	
ACT for peace AusAID	81,280	204,598	-	-	285,878	20,810	265,068	193,896	-	43,464	-	-	21,534	-	6,174	265,068	
DanChurchAid (DCA) - Norwegian Church Aid (NCA) (1010306-18)	-	130,346	-	-	130,346	-	130,346	-	-	121,396	-	-	8,950	-	-	130,346	
DanChurchAid (DCA) - Norwegian Church Aid (NCA) (1010306-22)	-	74,065	60,642	-	134,707	25,447	109,260	90,755	7,943	-	-	-	10,562	-	-	109,260	
Norwegian Church Aid (NCA) (150046-5)	17,742	-	-	-	17,742	-	17,742	10,656	938	5,312	-	-	836	-	-	17,742	
Church of Scotland	7,658	13,669	-	-	21,327	-	21,327	21,327	-	-	-	-	-	-	-	21,327	
Pontifical Mission	2,881	45,000	-	-	47,881	-	47,881	19,654	-	8,823	-	-	19,404	-	-	47,881	
Mennonite Central Committee - MCC	13,046	25,000	-	-	38,046	7,984	30,062	-	-	-	-	-	-	30,062	-	30,062	
PORTICUS	109,719	16,868	-	-	126,587	-	126,587	-	-	126,587	-	-	-	-	-	126,587	
Pontifical Mission \ Upgrading and Renovation the Brotherhood Park	-	45,831	-	-	45,831	-	45,831	-	-	-	-	-	-	45,831	-	45,831	
Pontifical Mission \ for ALQISTS	-	3,500	-	-	3,500	-	3,500	-	-	-	-	-	-	3,500	-	3,500	
Medical Relief International (MRI)	-	19,400	-	-	19,400	-	19,400	-	-	-	-	-	-	19,400	-	19,400	
International Medical Corps (IMC) - Pledge Receivable	-	-	1,496	-	1,496	-	1,496	-	-	-	-	-	-	1,496	-	1,496	
UNICEF - Promoting the provision of quality Post Natal Care	2,406	5,697	-	-	8,103	-	8,103	-	-	-	-	-	-	8,103	-	8,103	
UNICEF - Promotion PNHV and Management of Malnutrition	-	169,777	-	-	169,777	52,043	117,734	-	-	-	-	-	-	117,734	-	117,734	
UNICEF - Promotion PNHV and Management of Malnutrition (provision of medical Equipment and supplies)	-	4,939	-	-	4,939	-	4,939	-	-	-	-	-	-	4,939	-	4,939	
UNICEF - Training the MOH Primary Health Care	-	72,457	-	-	72,457	-	72,457	-	-	-	-	-	-	72,457	-	72,457	
Federal Republic of Germany	12,745	-	-	-	12,745	-	12,745	-	-	-	-	-	-	1,248	11,497	12,745	
Donation in kind - Ministry of health.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Save the Children International, GIZ, UNICEF, ANERA, IMC	-	93,505	-	-	93,505	-	93,505	68,496	-	12,854	-	-	-	-	12,155	93,505	
Total restricted	528,093	1,580,569	90,175	-	2,198,837	506,292	1,692,545	801,971	21,523	434,194	4,930	2,075	87,986	310,040	29,826	1,692,545	
Unrestricted:																	
Local Revenues and unrestricted funds	437,748	118,229	-	(1,845)	554,132	367,003	187,129	9,756	53,425	-	25,745	6,756	91,447	-	-	187,129	
Total unrestricted	437,748	118,229	-	(1,845)	554,132	367,003	187,129	9,756	53,425	-	25,745	6,756	91,447	-	-	187,129	
Grand Total	965,841	1,698,798	90,175	(1,845)	2,752,969	873,295	1,879,674	811,727	74,948	434,194	30,675	8,831	179,433	310,040	29,826	1,879,674	

Schedule (1)

Projects promoting health of community expenses For the year ended December 31, 2016

(In US Dollars)

	FHSC Shija'ia	FHSC Darraj	Mobile Dental Clinic	FHSC South	Training of Community Workers	Psycho Social	Total 2016	Total 2015
Salaries and benefits								
Basic salaries	133,231	121,466	18,413	44,588	-	53,876	371,574	305,708
Family allowances	4,543	8,760	640	3,120	-	1,480	18,543	14,897
Overtime	19	593	-	-	-	-	612	1,198
Social Workers	-	-	-	-	-	-	-	-
Training	1,451	1,229	-	1,192	100	-	3,972	4,591
Medical insurance	461	634	346	461	-	173	2,075	2,076
Indemnity	12,919	14,922	2,402	5,103	-	7,168	42,514	32,965
Difference rate of exchange	2,872	3,549	559	4,028	-	1,775	12,783	7,690
Total salaries and benefits	155,496	151,153	22,360	58,492	100	64,472	452,073	369,125
Professional services								
Audit Fees	3,500	3,500	-	3,000	-	-	10,000	8,000
Professional Services	2,600	2,600	-	3,100	633	-	8,933	7,511
Total professional services	6,100	6,100	-	6,100	633	-	18,933	15,511
General expenses								
Rental	6,500	6,000	1,000	4,725	-	1,200	19,425	13,870
Water	2,314	359	-	232	-	-	2,905	540
Postage	-	-	-	-	-	-	-	-
Electricity	1,723	1,947	-	892	-	-	4,562	1,259
Fuel for energy	3,770	2,894	-	10,553	-	-	17,217	160
Telephones	720	627	-	452	-	-	1,799	1,031
Internet cost	191	191	-	191	-	-	573	198
Bulk SMS cost	100	118	-	101	-	-	319	142
Printing and stationery and Adv.	578	263	-	232	53	90	1,216	2,634
Cleaning	1,497	1,499	-	817	-	-	3,813	3,843
Consumable supplies	810	1,474	-	465	76	292	3,117	1,573
Repairs and maintenance	1,417	2,208	-	1,408	-	265	5,298	19,907
Furniture and fittings	-	-	-	640	-	-	640	-
Equipment and maintenance	398	327	-	751	-	855	2,331	1,981
Materials and supplies	712	641	-	563	-	-	1,916	1,776
Travel expense	-	-	-	-	-	-	-	-
Computer software	50	50	-	50	-	-	150	480
MIS	-	-	-	-	-	-	-	-
Office / Other Expenses	160	150	-	100	8	3,629	4,047	280
Total general expenses	20,940	18,748	1,000	22,172	137	6,331	69,328	49,674
Medical expenses								
Medicines	91,190	70,548	-	41,340	-	-	203,078	159,006
Medicines - In kind	22,834	22,831	-	22,831	-	-	68,496	117,080
Medical Supplies	7,977	5,923	-	3,406	-	-	17,306	20,538
Medical / Others	7,941	6,175	-	3,936	-	-	18,052	72,301
Total medical expenses	129,942	105,477	-	71,513	-	-	306,932	368,925
Hospitality	973	787	-	546	555	3,564	6,425	4,584

Schedule (1) (Continued)
 Projects promoting health of community expenses For the year ended December 31, 2016
 (In US Dollars)

	FHSC Shija'ia	FHSC Darraj	Mobile Dental Clinic	FHSC South	Training of Community Workers	Psycho Social	Total 2016	Total 2015
Insurance								
Compulsory insurance	1,301	1,301	-	1,301	-	101	4,004	4,142
Buildings insurance	-	-	-	-	-	-	-	-
Fire Insurance	500	500	-	500	-	-	1,500	1,698
MEDICAL Insurance	-	-	-	-	-	-	-	-
Equipment insurance	-	-	-	-	-	-	-	-
Total insurance	1,801	1,801	-	1,801	-	101	5,504	5,840
Transportation and vehicle expenses								
Transportation	4,013	4,238	-	2,002	62	-	10,315	7,647
Fuel	963	1,011	-	564	-	-	2,538	41
Repairs and maintenance	2,190	2,162	468	1,880	-	-	6,700	7,691
Insurance	1,455	593	810	592	-	-	3,450	2,966
License	426	400	313	349	-	-	1,488	828
Other Vehicle Expenses	-	-	-	-	-	-	-	66
Total transportation and vehicle exp.	9,047	8,404	1,591	5,387	62	-	24,491	19,239
Trainees Incentives	-	-	-	213	1,559	-	1,772	1,761
Taxes	243	251	-	243	-	480	1,217	989
Total projects pro. heal. of comm. exp. 2016	324,542	292,721	24,951	166,467	3,046	74,948	886,675	835,648
Budget - 2016	285,446	305,379	27,807	182,093	3,080	68,470	872,275	861,401
Variance	(39,096)	12,658	2,856	15,626	34	(6,478)	(14,400)	25,753
Total projects pro. heal. of comm. exp. 2015	314,035	253,980	15,178	211,972	2,956	37,527	835,648	

Schedule (2)
Projects promoting educational opportunities expenses For the year ended December 31, 2016
(In US Dollars)

	VTC Gaza	VTC Qararah	Dress Making	Secretarial Training and Language	Total 2016	Total 2015
Salaries and benefits						
Basic salaries	157,382	23,690	11,061	29,643	221,776	186,358
Overtime	340	-	-	-	340	549
Family allowances	11,919	3,005	280	335	15,539	11,850
Training	-	112	-	-	112	-
Medical insurance	704	346	-	-	1,050	1,569
Indemnity	20,082	3,030	1,890	3,003	28,005	22,370
Difference rate of exchange	5,231	973	451	871	7,526	4,992
Total salaries and benefits	195,658	31,156	13,682	33,852	274,348	227,688
Professional services						
Audit Fees	2,000	2,000	2,000	2,000	8,000	10,074
Legal Expenses	-	-	-	-	-	-
Professional Services	1,512	1,512	212	2,912	6,148	5,625
Total professional services	3,512	3,512	2,212	4,912	14,148	15,699
General expenses						
Rental	2,400	93	1,500	10,000	13,993	17,678
Water	592	110	455	412	1,569	1,805
Postage	32	33	10	10	85	64
Electricity	4,133	515	966	1,651	7,265	2,112
Fuel for energy	7,104	-	2,894	2,894	12,892	2,273
Telephones	1,315	553	1,108	386	3,362	1,194
Internet Cost	191	191	-	-	382	136
Printing and stationery	373	132	242	200	947	1,017
Cleaning	864	169	361	663	2,057	1,928
Consumable supplies	920	44	139	70	1,173	4,892
Repairs and maintenance	4,200	22,982	1,117	645	28,944	8,393
Furniture and fittings	-	-	628	534	1,162	-
Equipment and maintenance	255	856	535	420	2,066	4,974
Management Information Sys.	-	-	-	-	-	-
Materials and supplies	32,265	651	-	-	32,916	37,738
In kind	12,854	-	-	-	12,854	-
Computer software	50	50	50	50	200	44
Advertisement	-	-	-	-	-	91
Other Exp.	183	-	-	-	183	64
Total general expenses	67,731	26,379	10,005	17,935	122,050	84,403
Hospitality	832	260	137	138	1,367	1,074

Schedule (2) (Continued)

Projects promoting educational opportunities expenses For the year ended December 31, 2016
(In US Dollars)

	VTC Gaza	VTC Qararah	Dress Making	Secretarial Training and Language	Total 2016	Total 2015
Insurance						
Compulsory insurance	702	1,200	101	101	2,104	2,884
Buildings insurance	-	-	-	-	-	-
Fire Insurance	495	500	500	496	1,991	2,264
Student Insurance	2,086	482	160	483	3,211	2,890
Total insurance	3,283	2,182	761	1,080	7,306	8,038
Transportation and vehicle expenses						
Transportation	5,624	422	974	495	7,515	6,353
Fuel	1,196	582	-	-	1,778	230
Repairs and maintenance	569	265	46	45	925	3,717
Insurance	292	330	134	134	890	1,220
License	410	166	163	163	902	1,122
Total transportation and vehicle exp.	8,091	1,765	1,317	837	12,010	12,642
Other expenses						
Taxes	1,207	210	210	210	1,837	2,030
Employees Incentives	1,000	-	-	-	1,000	-
Trainees Incentives	-	-	-	128	128	-
Total other expenses	2,207	210	210	338	2,965	2,030
Total projects pro. edu. opp. exp. 2016	281,314	65,464	28,324	59,092	434,194	351,574
Budget - 2016	273,276	88,219	27,205	57,904	446,604	436,960
Variance	(8,038)	22,755	(1,119)	(1,188)	12,410	85,386
Total projects pro. edu. opp. exp. 2015	225,070	51,583	23,076	51,845	351,574	

Schedule (3)
Community development expenses For the year ended December 31, 2016
(In US Dollars)

	2016	Budget	Variance	2015
Transportation and vehicle expenses				
Transportation	112	-	(112)	-
Total transportation and vehicle exp.	112	-	(112)	-
Other expenses				
Self help clothing - Benefits to Seamstress	21,548	20,000	(1,548)	19,612
Youth activities and societies	9,015	2,000	(7,015)	13,936
Kindergarten and schools	-	2,000	2,000	-
Total other expenses	30,563	24,000	(6,675)	33,548
Total community development exp.	30,675	24,000	(6,787)	33,548

Schedule - (4)
Advocacy's expenses For the year ended December 31, 2016
(In US Dollars)

	2016	Budget	Variance	2015
General expenses				
Telephones	523	2,000	1,477	-
Total general expenses	523	2,000	1,477	-
Hospitality	3,018	3,000	(18)	-
Transportation and vehicle exp.				
Transportation	2,113	2,000	(113)	-
Fuel	2,102	2,000	(102)	-
Repairs and maintenance	530	500	(30)	-
Insurance	250	250	-	-
License	195	250	55	-
Other Vehicle Expenses	100	100	-	-
Total transportation and vehicle exp.	5,290	5,100	(190)	-
Total advocacy's expenses	8,831	10,100	1,269	-

Schedule (5)
Administration's expenses For the year ended December 31, 2016
(In US Dollars)

	2016	Budget	Variance	2015
Salaries and benefits				
Basic salaries	73,460	84,272	10,812	62,133
Family allowances	1,440	1,301	(140)	1,495
Training	-	500	500	-
Medical insurance	-	-	-	173
Indemnity	8,295	11,444	3,149	8,206
Difference rate of exchange	2,167	4,578	2,411	1,806
Total salaries and benefits	85,362	102,095	16,733	73,813
Professional services				
Audit Fees	4,000	3,000	(1,000)	3,000
Professional Services	19,020	800	(18,220)	3,920
Evaluation	7,260	-	(7,260)	-
ACT Alliance Membership	2,000	5,000	3,000	4,000
Legal Expenses	3,000	3,000	-	3,000
Total professional services	35,280	11,800	(23,480)	13,920
General expenses				
Rental	3,150	3,500	350	3,169
Water	191	500	309	171
Postage	237	600	363	247
Electricity	1,658	3,200	1,542	1,993
Fuel for energy	351	2,400	2,049	600
Telephones	911	3,300	2,389	1,889
Printing and stationery	1,617	3,100	1,483	1,462
Books and magazines	-	-	-	-
Cleaning	593	1,100	507	588
Consumable supplies	818	500	(318)	777
Repairs and maintenance	3,109	2,000	(1,109)	4,533
Furniture and fittings	174	1,500	1,326	-
Equipment and maintenance	1,225	1,800	575	3,713
Materials and supplies	20	300	280	68
MIS	1,085	1,000	(85)	2,080
Internet cost	2,400	2,400	-	931
Computer software	50	100	50	44
Advertisement	-	1,000	1,000	335
Other general expenses	1,516	800	(716)	1,120
Central Office (DSPR) (*)	15,621	-	(15,621)	35,000
Total general expenses	34,726	29,100	(5,626)	58,720
Medicines / Medical Expenses	24	-	(24)	-
Hospitality	3,485	3,000	(485)	8,575

(*) DEBT NOTE EXP allocated to NCA Project

Schedule (5) (Continued)
Administration's expenses For the year ended December 31, 2016
(In US Dollars)

	2016	Budget	Variance	2015
Insurance				
Compulsory insurance	1,631	1,000	(631)	1,475
Buildings insurance	-	-	-	-
Fire Insurance	-	-	-	300
Medical Insurance	-	1,200	1,200	-
Travel insurance	20	-	(20)	-
Equipment insurance	-	-	-	-
Total insurance	1,651	2,200	549	1,775
Transportation and vehicle expenses				
Transportation	1,088	900	(188)	3,489
Fuel	130	150	20	250
Repairs and maintenance	413	400	(13)	2,694
Insurance	-	200	200	637
License	164	300	136	231
Other vehicle expenses	747	100	(647)	34
Total transportation and vehicle exp.	2,542	2,050	(492)	7,335
Travel expenses	11,419	6,500	(4,919)	9,893
Bank Charges	905	1,400	495	1,086
Taxes	4,039	3,329	(710)	3,701
Total administration's expenses	179,433	161,474	(17,959)	178,818

Schedule (6)
Income from projects promoting community health For the year ended December 31, 2016
(In US Dollars)

	FHSC Shija'ia	FHSC Darraj	FHSC South	Mobile Dental Clinic	Total Income 2016	Total Income 2015
Income - 2016						
Income from medicines	16,617	15,989	12,778	4,811	50,195	90,795
Income from patients	7,099	5,914	4,198	5,957	23,168	145,832
Income from tender	347	270	154	-	771	1,785
Total Income - 2016	24,063	22,173	17,130	10,768	74,134	238,412
Budget - 2016	25,000	29,000	11,125	5,000	70,125	
Variance	937	6,827	(6,005)	(5,768)	(4,009)	
Total Income - 2015	89,379	74,742	63,455	10,836	238,412	

Schedule (7)
Income from projects promoting education opportunities For the year ended December 31, 2016
(In US Dollars)

	VTC Gaza	VTC Qararah	Dress Making	Secretarial Training and Language	Total Income 2016	Total Income 2015
Income - 2016						
Income from centers	16,181	1,062	-	-	17,243	19,265
Income from tuition fees	10,821	5,602	1,936	6,524	24,883	26,680
Others	100	-	-	-	100	86
Total Income - 2016	27,102	6,664	1,936	6,524	42,226	46,031
Budget - 2016	31,000	16,286	2,286	8,228	57,800	
Variance	3,898	9,622	350	1,704	15,574	
Total Income - 2015	32,675	4,369	2,138	6,849	46,031	

Schedule (8)**Statement of educational loans fund For the year ended December 31, 2016****(In US Dollars)**

	<u>2016</u>	<u>2015</u>
Assets		
Balance - January 1, 2016	327,023	296,545
New Loans	61,250	88,250
Collections during the year	<u>(69,074)</u>	<u>(57,772)</u>
Balance - December 31, 2016	<u>319,199</u>	<u>327,023</u>
Cash and banks balances		
Arab Bank Rimal - December 31, 2016	38,930	38,918
Bank of Palestine - December 31, 2016	<u>337,921</u>	<u>338,562</u>
Total cash and banks balances	<u>376,851</u>	<u>377,480</u>
Total assets	<u>696,050</u>	<u>704,503</u>
Net Assets		
Accumulated earnings - January 1, 2016	<u>54,003</u>	<u>60,591</u>
Income and expenses form the year		
Interest earned	2,144	2,162
Expenses / Legal and other expenses	<u>(10,597)</u>	<u>(8,750)</u>
Net expense for the year	<u>(8,453)</u>	<u>(6,588)</u>
Net accumulated earnings 31/12/2016	<u>45,550</u>	<u>54,003</u>
Total capital amounts from budgets since inception	<u>650,500</u>	<u>650,500</u>
Total Net Assets 31 December 2016	<u><u>696,050</u></u>	<u><u>704,503</u></u>

Schedule (9)
Statement of provident fund and emergency fund For the year ended December 31, 2016
(In US Dollars)

	<u>2016</u>	<u>2015</u>
Assets		
Cash and bank balances		
Deposit at ING Bank \ Holland	2,007,741	2,007,741
Deposit at Arab Bank Gaza	376,383	376,383
Total	<u>2,384,124</u>	<u>2,384,124</u>
Restricted as follows:		
For provident fund	1,384,185	1,384,124
For emergency fund	999,939	1,000,000
Total	<u>2,384,124</u>	<u>2,384,124</u>
Liabilities		
Provident Fund		
Employees' provident fund - January 1, 2015	1,384,124	1,441,142
Employees' contribution during the year	100,179	102,003
NECCCRW contribution during the year	100,077	97,203
Withdrawals: terminal entitlements, advances	(200,195)	(258,158)
Interest earned - allocated to staff (*)	-	1,934
Total provident fund	<u>1,384,185</u>	<u>1,384,124</u>
Emergency fund Net Assets		
Balance - beginning of the year	1,000,000	563,754
Allocation during the year	(61)	59,863
Transferred from unrestricted fund	-	376,383
Total Net Assets - Emergency Fund	<u>999,939</u>	<u>1,000,000</u>
Total Provident Fund Liability and Emergency Fund Net Assets	<u>2,384,124</u>	<u>2,384,124</u>

(*) NECC decided to transfer the deposit at ING Bank \ Holland to local bank in Palestine

Schedule - (10)
 Projects, For the year ended December 31, 2016
 (In US Dollars)

	Budget	Actual	Variance
1. Pontifical Mission \ Upgrading and Renovation the Brotherhood Park			
for the period from 01/10/2015 - 30/05/2016			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		45,831	
Available Funds for - 2016		45,831	
Disbursements			
Brotherhood park	42,651	42,647	4
Engineering fees	1,185	1,185	-
Management fees	1,995	1,999	(4)
Total Disbursements	45,831	45,831	-
Unspent Balance - Dec 31,2016		-	
2. Pontifical Mission \ for ALQISTS			
for the period from 22/06/2016 - 15/07/2016			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		3,500	
Available Funds for - 2016		3,500	
Disbursements			
Lap top	1,356	1,356	-
Led screen	1,120	1,120	-
LCD projector	630	630	-
Tablets	240	240	-
Accessories	154	154	-
Total Disbursements	3,500	3,500	-
Unspent Balance - Dec 31,2016		-	
3. Medical Relief International (MRI)			
for the period from 20/08/2016 - 19/11/2016			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		19,400	
Available Funds for - 2016		19,400	
Disbursements			
Medications	11,990	11,504	486
Food parcel	6,000	6,019	(19)
Telecommunication	50	51	(1)
Delivery	187	187	-
Staff	74	39	35
Stickers	85	100	(15)
Project	1,500	1,500	-
Accountant	100	-	100
Total Disbursements	19,986	19,400	586
Unspent Balance - Dec 31,2016		-	

Schedule - (10) (continued)
 Projects, For the year ended December 31, 2016
 (In US Dollars)

	Budget	Actual	Variance
4. International Medical Corps (IMC)			
for the period from 24/11/2016 - 23/11/2017			
Direct Grants			
Unspent Fund - 2015		-	
Pledge Receivable - 2016		1,496	
Available Funds for - 2016		1,496	
Disbursements			
In'am Abu Rokba / Team Leader	2,040	170	1,870
Physician / out sourcing	6,720	-	6,720
Isra Iweda / Nurse	2,328	194	2,134
Wala Al Masri / Nurse	2,760	230	2,530
Jaber Al Qrinawi / Lab Technican	1,764	147	1,617
Community Workers / out sourcing	7,560	-	7,560
Kamal Al Sourì / Pharmacist	1,680	140	1,540
Aman Abu Hashem / Cleaner	1,056	88	968
Executive director Assistant / Issam Farah	1,350	113	1,237
Amal Tarazi / Chief Accountant	900	75	825
Lubna Sabah / Health program coordinator	609	51	558
In'am Abu Rokba / Team Leader	286	24	262
Physician / out sourcing	560	-	560
Isra Iweda / Nurse	326	27	299
Wala Al Masri / Nurse	386	32	354
Jaber Al Qrinawi / Lab Technican	439	37	402
Kamal Al Sourì / Pharmacist	235	20	215
Aman Abu Hashem / Cleaner	148	12	136
Executive director Assistant / Issam Farah	201	17	184
Amal Tarazi / Chief Accountant	126	11	115
Lubna Sabah / Health program coordinator	265	22	243
Drugs	10,619	-	10,619
Iron	23,000	-	23,000
Technical Consultant	6,500	-	6,500
Transportation service for the project field visits	12,600	-	12,600
communication	600	40	560
Stationary	720	-	720
Visibility	250	-	250
Electricity	480	39	441
communication	239	7	232
Fuel for generators	4,469	-	4,469
Hemoglobin meter device	1,400	-	1,400
Cuvettes	2,400	-	2,400
Blood lancet	300	-	300
Disinfectant solution	400	-	400
Baby weight scale	600	-	600
Length measurement scale	480	-	480
Gloves Medium size	350	-	350
Alcohol solution	104	-	104
Safety sharp box	145	-	145
Disposable paper towel	105	-	105
Lab reagent closed system	2,500	-	2,500
Total Disbursements	100,000	1,496	98,504
Unspent Balance - Dec 31,2016		-	

Schedule - (10) (continued)
Projects, For the year ended December 31, 2016
(In US Dollars)

	Budget	Actual	Variance
5. UNICEF			
for the period from 01/08/2016 - 16/02/2017			
Direct Grants			
Unspent Fund - 2015		2,406	
Amounts Received - 2016		5,697	
Available Funds for - 2016		8,103	
Disbursements			
Health program coordinator	308	308	-
Doctor	472	472	-
Supervisors -3- 30%	511	511	-
Midwives/nurses	1,147	1,147	-
Stationery	226	290	(64)
Transportation for	1,324	1,473	(149)
Capacity building	1,488	1,275	213
End project review	2,185	2,185	-
Senior accountant	328	328	-
SMS	114	114	-
Total Disbursements	8,103	8,103	-
Unspent Balance - Dec 31,2016		-	
6. UNICEF - Promotion PNHV and Management of Malnutrition in Gaza			
for the period from 10/04/2016 - 09/04/2017			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		169,777	
Available Funds for - 2016		169,777	
Disbursements			
Act. 1.2 - Provide Technical Assistance in identifying and case management and treatment in the project facilities.	101,761	70,953	30,808
Act. 1.5 - Performing Monitoring activities on continuous basis including reporting	12,322	8,933	3,389
Act 2.1 - Conducting a four day training for NECC staff involved in PNC project	1,917	839	1,078
Act 4.1 Conducting screening for children under 5 years living in Rafah, Darraj and Shijaia areas at the well-baby clinics by performing anthropometric measurement of children	32,126	22,702	9,424
Act 4.4 - Field Monitoring and Supervision activities on continuous basis	4,122	2,902	1,220
Act 6.1 - Conducting 2 Day- training to NECC staff members on the-State-of the art techniques in managing malnutrition	1,278	-	1,278
Act 7.2 - Designing, printing and distribution of brochures/booklets featuring relevant messages to caregivers and community members	799	-	799
Act 8.1 - In-country management & support staff pro-rated to their contribution to the programme (representation, planning, coordination, logistics, admin, finance)	6,090	4,362	1,728
Act 8.2 - Operational costs pro-rated to their contribution to the programme (office space, equipment, office supplies, maintenance)	2,588	1,831	757
Act 8.3 - Planning, monitoring, evaluation and communication , pro-rated to their contribution to the programme (venue, travels...)	6,774	5,212	1,562
Total Disbursements	169,777	117,734	52,043
Unspent Balance - Dec 31,2016		52,043	

Schedule - (10) (continued)
 Projects, For the year ended December 31, 2016
 (In US Dollars)

	Budget	Actual	Variance
7. UNICEF - Promotion PNHV and Management of Malnutrition (provision of medical Equipment and supplies)			
for the period from 10/04/2016 - 24/08/2016			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		4,939	
Available Funds for - 2016		4,939	
Disbursements			
Provision of medical Equipment and supplies	4,939	4,939	-
Total Disbursements	4,939	4,939	-
Unspent Balance - Dec 31,2016		-	
8. UNICEF - Training the MOH Primary Health Care			
for the period from 01/07/2016 - 31/12/2016			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		72,457	
Available Funds for - 2016		72,457	
Disbursements			
Lunch & refreshment for participants	23,017	24,139	(1,122)
Stationary for participants	6,966	6,063	903
Transportation expenses for participants	25,803	25,584	219
Trainers fees	9,545	9,545	-
Medical secretary for each training	476	476	-
Overhead support 10%	6,650	6,650	-
Total Disbursements	72,457	72,457	-
Unspent Balance - Dec 31,2016		-	
9. Federal Republic of Germany			
for the period from 01/12/2015 - 24/05/2016			
Direct Grants			
Unspent Fund - 2015		12,745	
Amounts Received - 2016		-	
Available Funds for - 2016		12,745	
Disbursements			
Suction machine	17	-	17
Water path 4 liters	1,500	552	948
Laryngoscope set	696	696	-
Total Disbursements	2,213	1,248	965
Hemocus - hb	7,470	7,447	23
Feotal dopplar	4,050	4,050	-
Total Fixed Assets	11,520	11,497	23
Unspent Balance - Dec 31,2016		-	

Schedule - (10) (continued)
 Projects, For the year ended December 31, 2016
 (In US Dollars)

	Budget	Actual	Variance
10. Menmoniet Central Committee - MCC - Supporting Education for Low-Income			
Students in the Gaza Strip			
for the period from 01/01/2016 - 31/03/2016			
Direct Grants			
Unspent Fund - 2015		13,046	
Amounts Received - 2016		-	
Available Funds for - 2016		13,046	
Disbursements			
TECHNICAL ENG.	2,108	2,108	-
TRAINING	682	750	(68)
PROFESSIONAL	597	357	240
CONSUMABLE	121	78	43
PRINTING AND STATION	-	-	-
MATERIALS & SUPPLIES	4,000	4,365	(365)
TRANSPORTATION	1,038	1,028	10
RENTAL	2,500	2,500	-
Motors For Training	2,000	1,860	140
Total Disbursements	13,046	13,046	-
Unspent Balance - Dec 31,2016		-	
11. Menmoniet Central Committee - MCC - Supporting Education for Low-Income			
Students in the Gaza Strip			
for the period from 01/04/2016 - 31/03/2017			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		25,000	
Available Funds for - 2016		25,000	
Disbursements			
TECHNICAL ENG.	8,415	6,311	2,104
TRAINING	3,000	2,257	743
PROFESSIONAL	1,705	993	712
CONSUMABLE	330	71	259
PRINTING AND STATION	1,550	1,699	(149)
MATERIALS & SUPPLIES	4,080	3,836	244
TRANSPORTATION	2,420	1,849	571
RENTAL	2,500	-	2,500
Motors For Training	1,000	-	1,000
Total Disbursements	25,000	17,016	7,984
Unspent Balance - Dec 31,2016		7,984	
12. Caritas France			
for the period from 01/11/2016 - 30/06/2017			
Direct Grants			
Unspent Fund - 2015		-	
Amounts Received - 2016		84,320	
Available Funds for - 2016		84,320	
Disbursements			
Improvement of Livel	75,000	-	75,000
Part Time Senior So	5,000	1,250	3,750
Part Time Social Ass	3,124	781	2,343
Full Time Coordinati	8,263	2,066	6,197
Operation Costs 5%	4,694	1,174	3,521
Life Skills Workshop	2,500	-	2,500
Total Disbursements	98,581	5,270	93,311
Unspent Balance - Dec 31,2016		79,050	

Appendix I
DanChurchAid (DCA) - Norwegian Church Aid (NCA) (1010306-18)

Project note

Year 2016

DCA Project ID 1010306-18

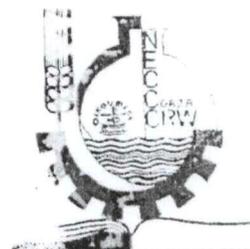
Reporting Period from 01.01.2016 - 31.12.2016

Local Agreement No

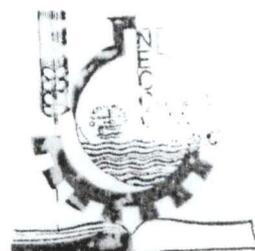
Partner: Department of Service for Palestinian Refugees DSPR/Gaza Area

Project Name :TVET Empowerment Programme

Total DCA grant committed for the current year		887,097.00	DKK		
Total received in DCA transferred currency		887,097.00	DKK		
Total received in local currency according to Confirmation of Transfer		130,345.75	USD		
Accounting currency: (USD)	Total approved budget	Actual as per prior period	Variance as per reporting period	Variance in %	Note
Project Opening Balance					
DCA	134,859.00	130,345.75	4,513.25	3%	
Act for Peace	62,900.00	59,708.64	3,191.36	5%	
Bftw	90,880.00	93,172.14	2,292.14-	-3%	
Mennonite	25,000.00	25,000.00	-	0%	
Pontifical Mission	20,000.00	20,000.00	-	0%	
Porticus	128,800.00	126,586.50	2,213.50	2%	
The Amos Trust	15,000.00	-	15,000.00	100%	
Subtotal Income	477,439.00	454,813.03	22,625.97	5%	
In-kind contribution	-	-	-		
Subtotal in-kind contributions	-	-	-	100%	
TOTAL INCOME	477,439.00	454,813.03	22,625.97	5%	
TOTAL EXPENDITURES					
VTC Gaza					
Salaries and Benefits	192,762.00	201,815.18	9,053.18-	-5%	
Professional Services	3,000.00	3,812.50	812.50-	-27%	1
Consumable Supplies	420.00	920.44	500.44-	-119%	2
Materials & Supplies	40,000.00	32,265.52	7,734.48	19%	10
Rentals	2,400.00	2,400.00	-	0%	
Water	450.00	591.67	141.67-	-31%	3
Postage	50.00	32.60	17.40	35%	11
Electricity	5,000.00	4,133.59	866.41	17%	12
Fuel for energy	4,800.00	7,592.52	2,792.52-	-58%	4
Cleaning	700.00	864.01	164.01-	-23%	2
Telephones	2,500.00	1,314.55	1,185.45	47%	11
Internet Cost	50.00	191.36	141.36-	-283%	5
Printing & Stationery	1,400.00	187.38	1,212.62	87%	11
Advertisement	100.00	185.78	85.78-	-86%	7
Furniture's & Fittings	400.00	-	400.00	100%	19
Repairs & Maintenance	3,400.00	4,200.24	800.24-	-24%	6
Equipment & maintenance	900.00	1,148.22	248.22-	-28%	6
Computer Software	50.00	50.00	-	0%	
Hospitality	1,400.00	832.41	567.59	41%	11
Insurance	5,295.00	3,781.50	1,513.50	29%	13
Transportation and Vehicle Expenses	6,200.00	8,491.25	2,291.25-	-37%	2
Other Expenses	2,000.00	181.62	1,818.38	91%	17
Sub-Total VTC Gaza	273,277.00	274,992.34	1,715.34-	-0.63%	
VTC Qararah					
Salaries and Benefits	70,589.00	42,240.72	28,348.28	40%	14
Professional Services	3,000.00	3,812.50	812.50-	-27%	1



Consumable Supplies	100.00	115.31	15.31-	-15%	2
Materials & Supplies	1,000.00	652.26	347.74	35%	10
Rentals	2,500.00	2,592.78	92.78-	-4%	
Water	130.00	109.90	20.10	15%	11
Postage	50.00	32.60	17.40	35%	11
Electricity	500.00	515.48	15.48-	-3%	
Fuel for energy	200.00	-	200.00	100%	12
Cleaning	150.00	168.74	18.74-	-12%	2
Telephones	1,000.00	552.70	447.30	45%	11
Internet Cost	50.00	191.36	141.36-	-283%	5
Printing & Stationery	600.00	26.67	573.33	96%	11
Advertisement	100.00	105.96	5.96-	-6%	
Repairs & Maintenance	500.00	138.96	361.04	72%	15
Equipment & maintenance	600.00	856.39	256.39-	-43%	6
Computer Software	50.00	50.00	-	0%	
Hospitality	800.00	259.54	540.46	68%	11
Insurance	3,400.00	2,181.50	1,218.50	36%	13
Transportation and Vehicle Expenses	2,500.00	3,885.02	1,385.02-	-55%	2
Sub-Total VTC Qararah	87,819.00	58,488.39	29,330.61	33%	
<u>Secretarial Training Center</u>					
Salaries and Benefits	30,189.00	35,171.22	4,982.22-	-17%	9
Professional Services	5,000.00	5,912.50	912.50-	-18%	1
Consumable Supplies	700.00	69.71	630.29	90%	10
Materials & Supplies	500.00	-	500.00	100%	10
Rentals	10,000.00	10,000.00	-	0%	
Water	220.00	412.62	192.62-	-88%	3
Postage	50.00	9.67	40.33	81%	11
Electricity	2,100.00	1,651.37	448.63	21%	12
Fuel for energy	2,200.00	2,893.64	693.64-	-32%	4
Cleaning	600.00	662.95	62.95-	-10%	2
Telephones	1,000.00	1,017.77	17.77-	-2%	
Internet Cost	50.00	-	50.00	100%	18
Printing & Stationery	500.00	42.56	457.44	91%	11
Advertisement	100.00	158.04	58.04-	-58%	7
Repairs & Maintenance	900.00	645.26	254.74	28%	15
Equipment & maintenance	500.00	420.38	79.62	16%	15
Computer Software	50.00	50.00	-	0%	
Hospitality	800.00	138.54	661.46	83%	11
Insurance	845.00	1,077.83	232.83-	-28%	8
Transportation and Vehicle Expenses	1,400.00	837.54	562.46	40%	16
Other Expenses	200.00	-	200.00	100%	17
Sub-Total Secretarial Training Center	57,904.00	61,171.60	3,267.60-	-6%	
<u>Dress Making Center</u>					
Salaries and Benefits	13,735.00	14,187.47	452.47-	-3%	
Professional Services	2,200.00	3,212.50	1,012.50-	-46%	1
Consumable Supplies	150.00	139.18	10.82	7%	
Materials & Supplies	200.00	-	200.00	100%	10
Rentals	1,500.00	1,500.00	-	0%	
Water	220.00	454.27	234.27-	-106%	3
Postage	50.00	9.67	40.33	81%	11
Electricity	1,250.00	990.83	259.17	21%	12
Fuel for energy	2,200.00	2,893.64	693.64-	-32%	4
Cleaning	150.00	360.63	210.63-	-140%	2
Telephones	1,000.00	1,017.78	17.78-	-2%	
Internet Cost	50.00	-	50.00	100%	18
Printing & Stationery	500.00	136.32	363.68	73%	11
Advertisement	100.00	105.96	5.96-	-6%	
Repairs & Maintenance	1,200.00	1,117.40	82.60	7%	



Equipment & maintenance	400.00	535.45	135.45-	-34%	6
Computer Software	50.00	50.00	-	0%	
Hospitality	150.00	137.01	12.99	9%	
Insurance	800.00	761.83	38.17	5%	
Transportation and Vehicle Expenses	1,200.00	1,316.76	116.76-	-10%	2
Other Expenses	100.00	-	100.00	100%	17
Sub-Total Secretarial Training Center	27,205.00	28,926.70	1,721.70-	-6%	
Indirect Cost					
Admin costs DSPR -Gaza % 6.86	31,234.00	31,234.00	-	0%	
Sub-Total Indirect Cost	31,234.00	31,234.00	-	0%	
Subtotal expenditures	477,439.00	454,813.03	22,625.97	5%	
In kind expenses (description)			-	100%	
Subtotal expenses in-kind	-	-	-	100%	
TOTAL EXPENSES	477,439.00	454,813.03	22,625.97	5%	
Closing balance	-	-	-		
DISTRIBUTION OF CLOSING BALANCE					
	Donor/income source	%	Acc. currency		
	NCA	28.66	0		
* Percentages to be calculated on the basis of total income less opening balance and in-kind contribution expensed.	Act for Peace	13.13	0		
	Bltw	20.49	0		
	Mennonite	5.50	0		
	Pontifical Mission	4.40	0		
	Porticus	27.83	0		
	The Amos Trust	0.00	0		
	Total	100.00	0		

Notes: The actual costs exceeded the budget. This variance was due to the following reasons:

- 1* Upgrading the financial, management procedure manual and the personnel policy manual.
- 2* Unstable prices due to closure and siege.
- 3* The consumption of drinking/clean water which we buy in addition to normal municipal water line increased due to the quality and shortage of municipal water.
- 4* The consumption of the diesel for the electrical generators increased due to the increase of electricity cuts and instability current.
- 5* Connecting a new internet line for the center.
- 6* Due to more urgent maintenance works occurred and spare parts prices increased.
- 7* We advertise several times in the news paper for candidates to the VTC program for the year 2016.
- 8* Due to the increment in the insurance prices.
- 9* Due to having assistant from a part time experts.
- 10* Some items were purchased in December 2015, so in some centers it appears zeros or under spending
- 11* Actual expenses was under estimation due to unstable prices
- 12* Electricity cut differ from one area to other in Gaza strip. Some centers were depending on generators and that affect the electricity bills.
- 13* Insurance includes many types of insurance like workmen, fire, students etc. Some offers provided from the companies were lower than the previous year
- 14* Al Qararah supervisor was retired and NECC recruit anew employee with a lower salary
- 15* Depends on the actual cost and the type of repair.
- 16* This item includes the estimated cost of transportation for staff & visitors, fuel, license, insurance and maintenance of vehicles. The actual cost of maintenance & transportation were less the estimation.
- 17* There was no unexpected expense
- 18* There is no direct line for the center and it's supplied from HQ internet line
- 19* There was no need for it in 2016

Date 21.02.2017

Signature
Dr. Issa Tarazi
Executive Director



Date 21.02.2017

Signature
Amal Ayyad
Chief Accountant

Project note (template)

Year 2016

DCA Project ID 1010306-22

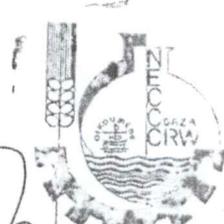
Local Agreement No

Partner: NECC/DSPR GAZA

Project Name : Emergency Health Care-Gaza

Total DCA grant committed for the current year	520,000.00	DKK
Total received in DCA transferred currency	DKK 520,000.00	state currency denomination
Total received in local currency according to Confirmation of Transfer	USD 74,064.58	state currency denomination

Accounting currency: USD	Total approved budget	Actual as per reporting period	Variance as per reporting period	Variance in %	Note
Project Opening Balance (if cofinanced)					
PROJECT INCOME (specified per Donor)	134,707.00	74,064.58	60,642.42	45%	
(Including DCA bridge funding for the current year and NCA unused funds from previous year)					
Subtotal Income	134,707.00	74,064.58	60,642.42	45%	
In-kind contribution (description)				100%	
Subtotal in-kind contributions				100%	
TOTAL INCOME	134,707.00	74,064.58	60,642.42	45%	
TOTAL EXPENDITURES					
health assistance to prevent and mitigate the care services including nutrition and psychosocial health nutrition services to Palestinian women &					
Salaries and Benefits	27,182.20	20,386.65	6,795.55	25%	
Medication & supplements	14,163.35	14,163.35	0.00	0%	
Medical supplies	1,287.58	1,287.58	0.00	0%	
General Expenses	5,007.25	3,755.43	1,251.81	25%	
Sub-Total FHSC Shija'ia	47,640.38	39,593.01	8,047.37	17%	
Salaries and Benefits	21,419.14	16,064.36	5,354.79	25%	
Medication & supplements	11,015.94	11,015.94	0.00	0%	
Medical supplies	715.32	715.32	0.00	0%	
General Expenses	4,005.80	3,004.35	1,001.45	25%	
Sub-Total FHSC Daraj	37,156.20	30,799.96	6,356.24	17%	
Salaries and Benefits	14,802.71	11,102.03	3,700.68	25%	
Medication & supplements	6,294.82	6,294.82	0.00	0%	
Medical supplies	572.26	572.26	0.00	0%	
General Expenses	3,190.33	2,392.75	797.58	25%	
Sub-Total FHSC South	24,860.12	20,361.86	4,498.26	18%	
Salaries and Benefits	9,662.56	7,246.92	2,415.64	25%	
8 Group sessions for 2000 child (8*2000*\$.25)	953.76	602.66	351.10	37%	
1 Group sessions for 1000 mother (1*1000*\$.25)	59.61	59.61	0.00	0%	
7 Group sessions for 220 student (7*220*\$.25)	91.80	33.94	57.86	63%	
Sub-Total Psycho Social	10,767.73	7,943.13	2,824.60	26%	
Partners operational support costs				100%	
Transportation	1,192.20	881.82	310.38	26%	
Chief Coordinator - Central office 12 months	4,291.93	3,173.96	1,117.97	26%	
Financial Officer - Central office 12 months	3,433.54	2,539.56	893.98	26%	
Secreterial and other support - Central office	2,432.09	1,798.28	633.82	26%	
Communication- Central office	1,144.51	846.19	298.33	26%	
Telephone, fax, postage, stationary	1,430.64	1,057.99	372.66	26%	
Hospitality	357.66	264.25	93.41	26%	
Total Indirect Cost	14,282.57	10,562.04	3,720.54	26%	



Total outcome 2	134,707.00	109,260.00	25,447.01	19%	
In kind expenses (description)				100%	
Subtotal expenses in-kind	-			100%	
TOTAL EXPENSES	134,707.00	109,260.00	25,447.01	19%	
Closing balance	(0.00)	(35,195.42)			

DISTRIBUTION OF CLOSING BALANCE*	Donor/income source	%	Acc. currency
		#REF!	#REF!
		#REF!	#REF!
		#REF!	#REF!
		#REF!	#REF!

* Percentages to be calculated on the basis of total income less opening balance and in-kind contribution expensed.

Notes:

Date 2.2.2017

Signature
Name in block letters ISSA TARAZI
Partner Management