

**Sisterhood Is Global Institute / Jordan
Amman - The Hashemite Kingdom of Jordan**

**Financial Statements
and Independent Auditor's Report
as of December 31, 2017**

**Sisterhood Is Global Institute / Jordan
Amman - The Hashemite Kingdom of Jordan**

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Independent Auditors' Report

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To the Members of
Sisterhood Is Global Institute/ Jordan
Amman- The Hashemite Kingdom of Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Sisterhood Is Global Institute - Jordan**, which comprise the statement of financial position as at December 31, 2017, and the statements of revenues and expenses, statements of changes Accumulated surplus and statement of cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Institute as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Institute in accordance with the ethical requirements that are relevant to our audit of the financial statements, 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 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 the Institute'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 Institute or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 Institute'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 Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Institute 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 those charged with 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.
- We also provide those charged with management with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

The Institute has proper accounting records which are, in all material respects, consistent with the financial statements, accordingly, we recommend approving these financial statements by the general assembly.

Al Abbasi & Partners Co.

Nabil M. Obeidat
License 877



Amman in
20 March 2018

Sisterhood Is Global Institute / Jordan
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Statement of Financial Position as of December 31 , 2017

	<u>Note</u>	<u>2017</u>	<u>2016</u>
		JD	JD
<u>Assets</u>			
<u>current assets</u>			
Cash on Hand and at Banks	5	106,594	26,839
Other debit balances	6	12,197	13,004
Prepayments on account of projects(6b)	7	-	17,659
Total Current Assets		118,791	57,502
Properties , plant & equipment - Net	8	138,590	152,345
Total Assets		257,381	209,847
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Banks overdrafts		45,917	262
Accounts payable		4,744	2,851
Amounts received in advance on account of projects	9	57,030	58,171
Other credit balances		-	600
Total current liabilities		107,691	61,884
Deferred Revenue / Grants Properties , plant & equipment		28,822	33,847
<u>Accumulated surplus</u>			
Accumulated surplus at the end of the year		120,868	114,116
Total Accumulated surplus		120,868	114,116
Total Liabilities and Accumulated surplus		257,381	209,847

Accompanying notes form integral part of this statement

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Statement of revenues and expenses for the year ended December 31 , 2017

	<u>Note</u>	<u>2017</u> JD	<u>2016</u> JD
Projects and programs revenues	10	227,269	194,330
Projects and programs expenses	10	<u>(178,201)</u>	<u>(143,159)</u>
Net revenues		49,068	51,171
General & administrative expenses	11	(63,999)	(78,582)
Depreciation		(15,935)	(13,756)
Revenue Grants / Properties , plant & equipment		7,205	7,777
Other revenues	12	<u>30,413</u>	<u>15,251</u>
surplus (Deficts) for the year		<u>6,752</u>	<u>(18,139)</u>

Accompanying notes form integral part of this statement

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Statement of Changes in Accumulated surplus For The Year Ended December 31,2017

Description	Accumulate d surplus JD	Total JD
<u>For the year ended 31 December 2017</u>		
Balance as of Jan 1, 2017	114,116	114,116
surplus for the year	6,752	6,752
balance as of December 31, 2017	120,868	120,868
<u>For the year ended 31 December 2016</u>		
Balance as of Jan 1, 2016	133,921	133,921
prior years expenses	(1,666)	(1,666)
Adjusted opening balance	132,255	132,255
surplus for the year	(18,139)	(18,139)
balance as of December 31, 2017	114,116	114,116

Accompanying notes form integral part of this statement

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Statement of Cash Flows For The Year Ended December 31, 2017

	2017	2016
	JD	JD
<u>Cash Flows From Operating Activities</u>		
surplus (Deficts) for the year	6,752	(18,139)
prior years expenses	-	(1,666)
Depreciation	15,935	13,756
Cash Flow from Operating Activities before changes in working capital	22,687	(6,049)
<u>(Increase) Decrease in current Assets :</u>		
Other debit balances	18,466	(11,589)
<u>Increase (Decrease) in current Liabilities :</u>		
Accounts payable	1,893	(194)
Amounts received in advance on account of projects	(1,141)	33,543
Other credit balances	(600)	(150)
Net Cash Provided by Operating Activities	41,305	15,561
<u>Cash flows from investing activities</u>		
Changes of property, plant and equipment	(2,180)	(27,590)
Revenue Grants / Properties , plant & equipment	(5,025)	21,480
Net cash flows (used in) from investing activities	(7,205)	(6,110)
<u>Cash Flows From Financing Activities</u>		
Banks overdrafts	45,655	262
Net Cash Financing Activities	45,655	262
Net increas in Cash	79,755	9,713
Cash on hand and at banks at beginning of year	26,839	17,126
Cash on hand and at banks at the end of the year	106,594	26,839

Accompanying notes form integral part of this statement

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Notes to Financial Statements

1- General

Samar Khadr & Partners (International Institute for Women's Solidarity - Jordan) was established on October 11, 1998 and registered with the Ministry of Industry and Commerce under No. 4 in the registry of small companies. The company's main objective is to provide services, programs and activities in the field of communications and women's rights, Non profit company

in January 2011 , The company was correct its situation under the Associations Law No. (51) of 2008 and its amendments. The name of the company has been amended to become (Association of the Jordanian Women Solidarity Institute) as a special association within the jurisdiction of the Ministry of Social Development and Women Affairs,

2- Basis of Preparation of Financial Statements

- financial statements of the company have been prepared in accordance to International Financial Reporting Standards .(IFRS)
- The financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.
- The financial statements are presented in Jordanian Dinars (JOD) which is the financial currency of the company .

3- Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities . These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular , considerable judgement by management is required in the estimation of the amount and timing of future cash flows . Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions

Management beleive that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline , Management estimates the value of impairment and the same is charged in the statement of revenues & expenditures- An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable . For individually significant amounts , this estimation is performed on an individual basis . Amounts which are not individually significant , but which are past due , are assessed collectively and a provision applied according to the length of time past due , based on historical recovery rates

Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of revenues & expenditures.

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4- Significant Accounting Policies

Changes In Accounting Policies

Accounting policies followed in financial statements' preparation for this year are consistent with the policies followed the last year .

Property & equipments

Property & equipments are recorded at cost and depreciated (except lands) over its estimated useful lives under the **straight line** method by using annual depreciation rates as follows.

An assets carrying amounts is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount , the impairment record in statement of revenues & expenditures.

The expected production life for assets is reviewed at end of the year , whenever ther are changes between the expected life and the estimated , the depreciation method is changed to depreciate on net book value based on the remaining production life after re-estimation from the year re-estimated on .

When there are no expected economic benifits from usage , that item will be written down immediately .

Deferred income receivable / grant of property and equipment

Grants and in-kind assistance related to property and equipment are presented at fair value in the financial statements by recording them as deferred income and recognized in the statement of income and expenses on a regular basis at 20% per annum.

Revenues

Income and grants are recognized on an accrual basis.

Foreign currency translation

Foreign currency transactions are translated into Jordanian Dinars at the exchange rates prevailing at the date of transaction . Assets and liabilities expressed in foreign currencies are translated into Jordanian Dinars at the exchange rates prevailing as at the balance sheet date . Exchange differences arising from these translations are included in the statement of revenues & expenditures .

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Notes to Financial Statements

5- Cash on Hand and at Banks

This item consists of the following :

	<u>2017</u>	<u>2016</u>
	JD	JD
Cash on Hand	246	290
Current Accounts - Local Currencies	106,348	26,549
Total	<u>106,594</u>	<u>26,839</u>

6- Other debit balances

This item consists of the following :

	<u>2017</u>	<u>2016</u>
	JD	JD
Receivables staff	4,840	826
Prepaid expenses	4,261	6,178
Others	96	-
Refundable Debit	3,000	6,000
Total	<u>12,197</u>	<u>13,004</u>

7- Prepayments on account of projects

a- This item consists of the following :

	<u>2017</u>	<u>2016</u>
	JD	JD
Harassment Study Project (9)	-	7,901
Reproductive Health Project (7b)	-	9,758
Total	<u>-</u>	<u>17,659</u>

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7b- Reproductive Health Project

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	(9,758)	-
Receipts at on project during the year	20,892	14,096
Total receipts	11,134	14,096
<u>Expenses during the year</u>		
Salaries, wages and accessories	-	14,084
Workshops expenses	6,643	4,240
consultants Fees	-	4,350
others	1,403	
Transportation	-	1,180
Total expenses	8,046	23,854
statementsTransfer to income and expenset	3,088	(9,758)

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8- Property & equipments - Net

This item consists of the following :

	Buildings		Vehicles		Electrical devices		Furnitures & fixtures		Books and references		Property and other equipment		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
cost														
Balance of jan 1,2017	139,329	37,350	7,400	3,440	22,669	44,602	254,790							
Additions	-	-	-	-	-	2,180	2,180							
disposals	-	-	-	-	-	-	-							
Balance of dec 31,2017	139,329	37,350	7,400	3,440	22,669	46,782	256,970							
<u>Accumulated Depreciations</u>														
Balance of jan 1,2016	31,353	13,290	6,117	3,440	22,669	34,815	102,445							
Additions	2,787	7,470	328	-	-	5,350	15,935							
Balance of dec 31,2016	34,140	20,760	6,445	3,440	22,669	40,165	118,380							
Net book value as of December 31, 2017	105,189	16,590	955	-	-	6,617	138,590							
Net book value as of December 31, 2016	107,976	24,060	1,283	-	-	9,787	152,345							

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9- Amounts received in advance on account of projects

a- This item consists of the following :

	ايضاح	2017	2016
		JD	JD
Swiss Agency Project	9b	16,221	-
Sanad project	9c	-	12,444
Najat project	9d	-	14,388
Hivos project	9e	7,190	15,009
British Institute Project		-	9,830
Nojood Project / Surgir	9f	15,868	-
Glopal fund Project	9g	13,710	-
Harassment Study Project	9h	4,041	
Project of the Ministry of Planning		-	6,500
Total		57,030	58,171

9b- Swiss Agency Project

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	-	-
Receipts on project during the year	20,000	-
Total receipts	20,000	-
<u>Expenses during the year</u>		
others	3,779	-
Total expenses	3,779	-
Increase in receipts over expenses (9a)	16,221	-

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9c- Sanad project

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	12,444	1,868
Receipts on project during the year	68,414	46,208
Total receipts	80,858	48,076
<u>Expenses during the year</u>		
Salaries, wages	57,236	32,180
Logistics expenses	9,519	-
Electricity and water expenses	753	2,088
Car expenses	3,107	-
Office supplies	2,394	-
Telephone expenses	15	46
Rent expenses	3,600	600
Activities and training courses	4,234	718
Total expenses	80,858	35,632
Increase in receipts over expenses (9a)	-	12,444

9d- Najat project

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	14,388	(17,685)
Receipts on project during the year	65,994	143,277
Total receipts	80,382	125,592
<u>Expenses during the year</u>		
Salaries, wages and accessories	64,917	72,154
Rent expenses	5,833	6,468
Operating expenses	-	21,108
Institutional capacity building costs	-	6,896
Telephone expenses	565	-
Office supplies	1,443	-
others	12,794	4,578
Total expenses	85,552	111,204
statements Transfer to income and expenset	(5,170)	14,388

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9e- **Hivos project**

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	15,009	-
Receipts on project during the year	115,653	97,546
Total receipts	130,662	97,546
<u>Expenses during the year</u>		
Salaries, wages and accessories	37,087	28,754
Expenses allocated to women in the 2017 elections	-	43,197
Rent expenses	6,960	4,680
Operating expenses	75,400	-
Transportation	401	418
Computers and printers	1,926	3,751
others	1,698	1,487
Stationary	-	250
Total expenses	123,472	82,537
Increase in receipts over expenses (9a)	7,190	15,009

9f- **Nojood Project / Surgir**

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	(7,901)	-
Receipts on project during the year	57,718	29,506
Total receipts	49,817	29,506
<u>Expenses during the year</u>		
Salaries, wages and accessories	27,052	13,703
Logistics expenses	2,286	-
Office supplies	4,204	-
others	407	-
Property and equipment	-	23,704
Total expenses	33,949	37,407
Increase in receipts over expenses (9a)	15,868	(7,901)

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9g- **Glopal fund Project**

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	-	-
Receipts on project during the year	14,160	-
Total receipts	14,160	-
<u>Expenses during the year</u>		
others	450	-
Total expenses	450	-
Increase in receipts over expenses (9a)	13,710	-

9h- **Harassment Study Project**

This item consists of the following :

	2017	2016
	JD	JD
Balance beginning of the year	-	-
Receipts on project during the year	10,694	-
Total receipts	10,694	-
<u>Expenses during the year</u>		
others	6,653	-
Total expenses	6,653	-
Increase in receipts over expenses (9a)	4,041	-

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10- program revenues and expenses

This item consists of the following :

	Current year						2017	
	Research and Training Project for Women	Reproductive Health Project	Najat project	A new opportunity project	Project for the Protection of Women in Danger	National Center Project	British Institute Project	Total
	JD	JD	JD	JD	JD	JD	JD	JD
revenues								
Project Receipts	38,958	11,134	80,382	21,950	44,643	15,371	14,830	227,268
Total	38,958	11,134	80,382	21,950	44,643	15,371	14,830	227,268
Project and program expenses								
Salaries, wages and accessories	14,743	-	64,917	-	24,752	-	-	104,412
Rents	-	-	5,833	-	2,019	-	-	7,852
audit fees	-	-	-	-	2,259	-	-	2,259
others	18,756	1,403	12,794	-	2,649	-	-	35,602
Training courses and conferences	1,205	-	-	-	3,263	-	800	5,268
Website expenses	4,254	-	-	-	-	-	-	4,254
Telephone expenses	-	-	565	-	291	-	-	856
Office supplies	-	-	1,443	-	-	-	-	1,443
Workshop expenses	-	6,643	-	5,650	-	3,961	-	16,254
Total	38,958	8,046	85,552	5,650	35,233	-	800	178,200
Net revenue	-	3,088	(5,170)	16,300	9,410	11,410	14,030	49,068

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10- program revenues and expenses

This item consists of the following :

	<u>last year</u>										2016
	Research and Training Project for Women	Emergency Assistance Project (Sarger)	project IREX	Project Workshop (Crtda)	Project for the Protection of Women in Danger	project Care	project CFLI	project Asambleade Coopc	Total	JD	JD
revenues	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Project Receipts	42,168	16,372	83,241	961	28,667	6,640	15,412	869	194,330		
Total	42,168	16,372	83,241	961	28,667	6,640	15,412	869	194,330		
Project and program expenses											
Salaries, wages and accessories	2,337	-	-	-	20,230	-	-	-	22,567		
Training courses and conferences	-	-	56,226	-	-	-	-	-	56,226		
Transportation	23,313	-	-	-	4,928	-	-	-	28,241		
Telephone expenses	14,655	1,900	-	-	2,655	-	-	-	19,210		
Office supplies	1,863	-	-	-	-	-	-	-	1,863		
others	-	2,570	-	-	-	-	-	-	2,570		
Workshop expenses	-	2,116	-	-	-	-	-	-	2,116		
Hospitality and the establishment of parti	-	540	-	-	-	-	-	-	540		
Translation	-	355	-	-	937	-	-	-	1,292		
Stationery	-	-	-	-	1,394	-	-	-	1,394		
Participant Awards	-	-	-	500	-	-	-	-	7,140		
Total program expenses	42,168	7,481	56,226	500	30,144	-	6,640	-	143,159		
Net revenues	-	8,891	27,015	461	(1,477)	6,640	8,772	869	51,171		

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Notes to Financial Statements

11- General & Administrative Expenses

This item consists of the following :

	<u>2017</u>	<u>2016</u>
	JD	JD
Salaries and wages	11,188	4,088
social security	14,313	11,493
bouns	17,377	53,534
Bank Expenses	546	597
others	5,836	8,270
Professional fees	-	600
Bank Expenses	7,773	-
Rents	6,966	-
Total	<u>63,999</u>	<u>78,582</u>

12- Other revenues

This item consists of the following :

	<u>2017</u>	<u>2016</u>
	JD	JD
other	35,375	16,789
Currency differences	3,486	(2,063)
Gains from sale of property	-	525
saloon - net revenue	(8,448)	-
Total	<u>30,413</u>	<u>15,251</u>

13- Comparative Figures

Certain of prior year figures have been reclassified to conform with the current year classification .