

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

**Financial Statements
and Independent Auditor's Report
as of December 31, 2018**

**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, 2018, 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, 2018, 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 2019

Sisterhood Is Global Institute / Jordan
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Statement of Financial Position as of December 31 , 2018

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		JD	JD
<u>Assets</u>			
<u>current assets</u>			
Cash on Hand and at Banks	5	182,122	106,594
Other debit balances	6	15,296	12,197
Prepayments on account of projects(6b)	7	45,080	-
Total Current Assets		242,498	118,791
Properties , plant & equipment - Net	8	140,327	138,590
Total Assets		382,825	257,381
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Banks overdrafts		28,481	45,917
Accounts payable		5,783	4,744
Amounts received in advance on account of projects	9	296,192	57,030
Other credit balances		2,975	-
Total current liabilities		333,431	107,691
Deferred Revenue / Grants Properties , plant & equipment	10	30,940	28,822
<u>Accumulated surplus</u>			
Accumulated surplus at the end of the year		18,454	120,868
Total Accumulated surplus		18,454	120,868
Total Liabilities and Accumulated surplus		382,825	257,381

Accompanying notes form integral part of this statement

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Statement of revenues and expenses for the year ended December 31 , 2018

		<u>2018</u>	<u>2017</u>
	<u>Note</u>	JD	JD
Projects and programs revenues	11	306,773	227,269
Projects and programs expenses	11	<u>(207,363)</u>	<u>(178,201)</u>
Net revenues		99,410	49,068
General & administrative expenses	12	(255,792)	(63,999)
Depreciation		(17,641)	(15,935)
Revenue Grants / Properties , plant & equipment		7,735	7,205
Other revenues	13	<u>63,874</u>	<u>30,413</u>
surplus (Deficts) for the year		<u>(102,414)</u>	<u>6,752</u>

Accompanying notes form integral part of this statement

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Statement of Changes in Accumulated surplus For The Year Ended December 31,2018

Description	Accumulated surplus JD	Total JD
<u>For the year ended 31 December 2018</u>		
Balance as of Jan 1, 2018	120,868	120,868
(Deficts) for the year	(102,414)	(102,414)
balance as of December 31, 2018	18,454	18,454
<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

Accompanying notes form integral part of this statement

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Statement of Cash Flows For The Year Ended December 31, 2018

	2018	2017
	JD	JD
<u>Cash Flows From Operating Activities</u>		
(Deficts) surplus for the year	(102,414)	6,752
Depreciation	17,641	15,935
Cash Flow from Operating Activities before changes in working capital	(84,773)	22,687
<u>(Increase) Decrease in current Assets :</u>		
Other debit balances	(3,099)	18,466
Prepayments on account of projects	(45,080)	-
<u>Increase (Decrease) in current Liabilities :</u>		
Accounts payable	1,039	1,893
Amounts received in advance on account of projects	239,162	(1,141)
Other credit balances	2,975	(600)
Net Cash Provided by Operating Activities	110,224	41,305
<u>Cash flows from investing activities</u>		
Changes of property, plant and equipment	(19,378)	(2,180)
Revenue Grants / Properties , plant & equipment	2,118	(5,025)
Net cash flows (used in) from investing activities	(17,260)	(7,205)
<u>Cash Flows From Financing Activities</u>		
Banks overdrafts	(17,436)	45,655
Net Cash Financing Activities	(17,436)	45,655
Net increase in Cash	75,528	79,755
Cash on hand and at banks at beginning of year	106,594	26,839
Cash on hand and at banks at the end of the year	182,122	106,594

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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5- Cash on Hand and at Banks

This item consists of the following :

	2018	2017
	JD	JD
Cash on Hand	164	246
Current Accounts - Local Currencies	181,958	106,348
Total	182,122	106,594

6- Other debit balances

This item consists of the following :

	2018	2017
	JD	JD
Receivables staff	12,662	4,840
Prepaid expenses	1,054	4,261
Others	1,580	96
Refundable Debit	-	3,000
Total	15,296	12,197

7- Prepayments on account of projects

a- This item consists of the following :

	2018	2017
	JD	JD
WLP / Gac project (Note 7b)	21,269	-
Undef Project (Note 7b)	3,610	-
EU /Al balad radio(Note 7b)	9,684	-
Vital Voices(Note 7b)	10,517	-
Total	45,080	-

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7B Prepayments on account of projects

This item consists of the following :

		2018							
		WLP / Gac project		EU / AL Balad Radio		Vital Voices		Total	
		JD	JD	JD	JD	JD	JD	JD	JD
<u>Revenues</u>									
Receipts at on project		-		-		-		-	
Total		-		-		-		-	
<u>Project expenses</u>									
Salaries, wages and accessories others		15,250	-	9,684	10,517	35,451	-	474	-
Workshops expenses		444	30	-	-	9,155	-	-	-
Total expenses		21,269	3,610	9,684	10,517	45,080	-	45,080	-
Net		21,269	3,610	9,684	10,517	45,080	-	45,080	-

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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 1,2018	139,329	37,350	7,400	3,340	22,669	46,782	256,870							
Additions	-	-	-	-	-	19,378	19,378							
Balance of dec 31,2018	139,329	37,350	7,400	3,340	22,669	66,160	276,248							
Accumulated Depreciations														
Balance of jan 1,2018	34,140	20,760	6,445	3,340	22,669	30,926	118,280							
Additions	2,787	7,470	327	-	-	7,057	17,641							
Balance of dec 31,2018	36,927	28,230	6,772	3,340	22,669	37,983	135,921							
book value as of December 31, 2018	102,402	9,120	628	-	-	28,177	140,327							
book value as of December 31, 2017	105,189	16,590	955	-	-	15,856	138,590							

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9- Deferred Revenue / Grants Properties , plant & equipment

This item consists of the following :

	2018	2017
	JD	JD
Balance at the Beginning of the year	28,822	33,847
Additions	9,853	2,180
Amortization	(7,735)	(7,205)
Balance at the Ending of the year	30,940	28,822

10- Amounts received in advance on account of projects

a- This item consists of the following :

	Note	2018	2017
		JD	JD
Swiss Agency Project	10b	-	16,221
CFLI	10b	11,463	-
Rule of Law Project	10b	51,667	-
Hivos project	10b	56,394	7,190
Project eye on women / Spanish Agency	10b	149,715	-
Nojood Project / Surgir	10b	-	15,868
Glopal fund Project	10b	26,953	13,710
Harassment Study Project	10b	-	4,041
Total		296,192	57,030

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10b Amounts received in advance on account of projects

This item consists of the following :

	2018										
	Rule of Law Project		Hivos project		CFLI		Project eye on women / Spanish Agency		Glopal fund Project		Total
<u>Current year</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the year	-	7,190	-	-	-	-	-	13,710	-	20,900	
Receipts at on project	87,019	80,375	13,361	160,800	14,160	355,715					
Total	87,019	87,565	13,361	160,800	27,870	376,615					
Project expenses											
Salaries, wages and accessories	23,540	14,531	-	11,085	-	49,156					
others	4,874	1,080	-	-	-	5,954					
operating expenses	-	14,408	-	-	-	14,408					
Telephone	260	40	-	-	-	300					
Office equipment and supplies	2,882	1,112	-	-	-	3,994					
Workshops expenses	3,796	-	1,898	-	917	6,611					
Total	35,352	31,171	1,898	11,085	917	80,423					
Net	51,667	56,394	11,463	149,715	26,953	296,192					

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Amounts received in advance on account of projects

	2017													
	<u>last year</u>		Project Hivos		Project Sanad		Harassment Study Project		Project Glopal fund		Harassment Study Project		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the year	-	15,009	12,444	-	(7,901)	-	-	-	-	-	-	-	-	19,552
Receipts at on project	20,000	115,653	68,414	57,718	10,694	14,160	10,694	10,694	286,639	-	-	-	-	286,639
Total	20,000	130,662	80,858	49,817	10,694	14,160	10,694	10,694	306,191	-	-	-	-	306,191
<u>Project expenses</u>														
Salaries, wages and accessories	-	37,087	57,236	27,052	-	-	-	-	-	-	-	-	-	121,375
Rents	-	6,960	3,600	-	-	-	-	-	-	-	-	-	-	10,560
Logistics expenses	-	-	9,519	2,286	-	-	-	-	-	-	-	-	-	11,805
operating expenses	-	75,400	3,860	-	-	-	-	-	-	-	-	-	-	79,260
others	3,779	2,099	-	-	-	450	6,653	-	12,981	-	-	-	-	12,981
Training courses and conferences	-	-	4,234	407	-	-	-	-	4,641	-	-	-	-	4,641
Telephone	-	-	15	-	-	-	-	-	15	-	-	-	-	15
Office equipment and supplies	-	1,926	2,394	4,204	-	-	-	-	8,524	-	-	-	-	8,524
Total	3,779	123,472	80,858	33,949	450	450	6,653	6,653	249,161	-	-	-	-	249,161
Increase in receipts over expenses	16,221	7,190	-	15,868	13,710	13,710	4,041	4,041	57,030	-	-	-	-	57,030

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Notes to Financial Statements

11- program revenues and expenses

This item consists of the following :

	Current year											2018
	WLP /women learning partnership	JCAP Project	Sanad project	KTK	Nojood Project / Surgir	Oxfam Project	Project Dom	/ JOHD Harassment study	Swiss Agency Project	Total		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
revenues												
Project Receipts	1,843	32,531	42,701	31,311	71,155	87,479	6,437	12,141	21,175			306,773
Total	1,843	32,531	42,701	31,311	71,155	87,479	6,437	12,141	21,175			306,773
Project and program expenses												
Salaries, wages and accessories	-	-	11,485	20,004	14,364	22,213	-	5,250	-	-	-	73,316
Rents	-	-	4,000	2,000	-	670	-	-	-	-	-	6,670
Logistics expenses others	-	-	3,936	2,259	2,325	15,000	-	2,500	-	-	-	26,020
Training courses and conferences	5,510	1,160	370	10,104	289	600	-	195	1,526	-	-	19,754
Website expenses	1,153	-	3,145	3,981	-	29,189	-	-	-	-	-	37,468
Telephone expenses	2,085	-	-	-	-	-	-	-	-	-	-	2,085
Office supplies	-	-	340	1,010	-	-	-	-	-	-	-	1,350
Workshop expenses	-	-	864	477	1,838	6,648	-	-	-	-	-	9,827
Total	8,748	4,500	13,397	39,835	30,184	74,320	1,608	7,945	1,526			207,363
Net revenue	(6,905)	26,871	5,164	(8,524)	40,971	13,159	4,829	4,196	19,649			99,410

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program revenues and expenses

This item consists of the following :

	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	JD	JD	JD	JD	JD	JD	JD	JD
revenues																
Project Receipts	38,958	11,134	80,382	21,950	44,644	15,371	14,830	227,269								
Total	38,958	11,134	80,382	21,950	44,644	15,371	14,830	227,269								
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	-	-	-	5,268							
Website expenses	4,254	-	-	-	-	-	-	-	4,254							
Telephone expenses	-	-	565	-	292	-	-	-	857							
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	35,234	11,410	14,030	16,300	178,201							
Net revenue	-	3,088	(5,170)	16,300	9,410	11,410	14,030	16,300	49,068							

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Notes to Financial Statements

12- General & Administrative Expenses

This item consists of the following :

	2018	2017
	JD	JD
Salaries and wages	91,611	11,188
social security	27,654	14,313
bouns	56,266	17,377
Bank Expenses	1,268	546
others	12,106	5,836
Professional fees	2,996	-
Bank Expenses	10,942	7,773
Rents	22,000	6,966
OM WASFI center Expenses	6,032	-
Excise tax	10,526	-
Maintenance of offices	11,400	-
Maintenance of computer programs	2,991	-
Total	255,792	63,999

13- Other revenues

a This item consists of the following :

	2018	2017
	JD	JD
other	96,334	35,375
Exchange rate loss	(13,309)	3,486
Net (Loss) Salon	(19,151)	(8,448)
Total	63,874	30,413

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Notes to Financial Statements

b Net (Loss) Salon

This item consists of the following :

	2018	2017
	JD	JD
Income of the salon	16,627	500
<u>Expenses</u>		
Salaries	13,810	500
Consumables	3,000	3,000
Replacement of saloon free	-	3,000
Rent	7,196	2,448
Electricity	1,014	-
Governmental fees	345	-
maintenance	6,400	-
Salon equipment	2,650	-
Miscellaneous	1,363	-
Total expenses	35,778	8,948
<u>Net (Loss) Salon</u>	(19,151)	(8,448)

14- Comparative Figures

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