

**Anar for Empowerment and Psychosocial Support  
Bethlehem**

**Financial Statement for  
The Year Ended December 31,2024  
And Auditors Report**

**El-Dar For Auditing  
Certified Public Accountants  
Sami bannoura**

**Anar for Empowerment and Psychosocial Support  
Bethlehem**

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Mrs.: Member of the General Assembly for  
Anar Charitable Society for Empowerment and Psychosocial Support  
Bethlehem

**Independent Auditor's Report**

**The opinion**

We have audited the financial statements of Anar Charitable Society for Empowerment and Psychosocial Support which comprise the statement of financial position as of December 31, 2024, statement of activities, statement of changes in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements show fairly, in all material respects, the financial position of Anar Charitable Society for Empowerment and Psychosocial Support as of December 31, 2024, and its financial performance and cash flows for the year ending on that date in accordance with International Financial Reporting Standards (IFRS) as shown in Note No. (2).

**Basis of opinion**

We conducted the audit in accordance with the International Standards on Auditing (ISAS). Our responsibility under those standards is explained in the Auditor's responsibility for auditing the financial Statements paragraph of our report. We are also independent from the Association in accordance with the International Conduct Standards of the Council of Accountants "Code of Conduct for Professional Accountants" and the Code of Professional Conduct related to our audit of the Association's financial statements. 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.

**Management responsibility**

Management is responsible for preparing and presenting these financial statements in a fair manner in accordance with the accounting policies as stated in Note No. (2) And for the internal control that enables it to prepare and present the financial statements in a fair manner free from fundamental errors, whether arising from Fraud or error.

When preparing the financial statements, management is responsible for evaluating the association's ability to continue as a going concern, disclosing, where appropriate, matters related to continuity and adopting the continuity of accounting principle unless management intends to liquidate the association or cease operations or has no real alternatives but to do so. The Management is responsible for supervising the association's financial reports.

**The Auditor's responsibility for auditing the financial statements**

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether resulting from fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, and does not guarantee that an audit conducted in accordance with International Standards of Auditing will always detect any material misstatement if it exists. Errors may arise from fraud or error and are considered material, individually or collectively, if they are expected to affect the economic decisions taken by users based on these financial statements. As part of the audit process in accordance with International Auditing Standards, we exercise professional judgment and use professional skepticism in all aspects of the audit, in addition to the following.

1. Identify and assess the risks of material misstatement in the financial statements, whether resulting from 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 include collusion, forgery, intentional omissions, misrepresentations, or the override of internal control .
2. Review the internal control system relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of internal control.



3. Evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related clarifications prepared by the Board of Directors.

4. Conclusion about the appropriateness of management's use of the continuity of accounting principle based on the audit evidence obtained, whether there are cases of uncertainty in the presence of events or circumstances that could raise doubts about the association's ability to continue as a going concern. If we find that such cases exist, we must draw the attention of management in our report as Auditors to the relevant disclosures contained in the financial statements, or if those disclosures are insufficient, we must modify our opinion accordingly. Our conclusion is based on the audit evidence obtained up to the date of our report as auditors. However, future events or circumstances may cause the Association to cease to continue as a going concern.

5. Evaluating the comprehensive presentation of the financial statements, their structure, and the data contained therein, including the clarifications, and whether the financial statements show the relevant operations and events in a way that achieves fair presentation.

We communicate with management regarding other matters, including the extent of planned audit procedures, the timing of the audit, and significant audit results, in addition to any material deficiencies in internal control that are identified and discovered during the audit process.

We also provide management with a statement of our compliance with the Code of Business Conduct relating to independence, and we communicate with them regarding all matters that could reasonably affect our independence.

El-Dar for Auditing

Sami Bannoura

License No. 110/98



*EL-Dar for Auditing*  
*Certified Public Accountants*  
*Sami M. Bannoura*  
*License no: 110/98*

Date: 22/2/2025



**Anar for Empowerment and Psychosocial Support**  
**Bethlehem**  
**Statement of Financial Position, as of December 31,2024**  
**Exhibit - A**

		2024	2023
	Note	Amount NIS	Amount NIS
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent			
Accounts Receivable	4	372,952	141,263
<b>Total Current Assets</b>	5	<u>16,403</u>	<u>1,079</u>
		<b>389,355</b>	<b>142,342</b>
<b>Fixed assets</b>			
Fixed Assets- Net			
<b>Total Fixed Assets</b>	6	<u>37,554</u>	<u>20,861</u>
		<b>37,554</b>	<b>20,861</b>
<b>Total Assets</b>		<u><b>426,909</b></u>	<u><b>163,203</b></u>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts Payable			
Accrued Expenses	9	10,937	24,984
<b>Total Current Liabilities</b>		<u>1,750</u>	<u>1,500</u>
		<b>12,687</b>	<b>26,484</b>
<b>Non Current Liabilities</b>			
Reserve for Severance Pay and Pension fund			
<b>Total Non Current Liabilities</b>	8	<u>65,471</u>	<u>12,037</u>
		<b>65,471</b>	<b>12,037</b>
<b>Net Asset</b>			
Temporary Restricted Net Assets			
Net Assets December 31,2023	10	287,804	126,719
Board Designated Fund		947	-2,037
<b>Total Net Assets</b>	13	<u>60,000</u>	<u>0</u>
		<b>348,751</b>	<b>124,682</b>
<b>Total Liabilities and Net Assets</b>		<u><b>426,909</b></u>	<u><b>163,203</b></u>

the accompanying disclosures are an integrant part of these statements

**Anar for Empowerment and Psychosocial support**  
**Bethlehem**  
**Statement of Activities and Changes in Net Assets for**  
**the Year Ended December 31,2024**

**Exhibit - B**

	Note	2024			2023
		Nis			Nis
		Unrestricted	Restricted	Total	Total
<b>Revenues</b>					
Restricted Contributions			604,979	604,979	20,195
Unrestricted Contributions	14	55,930		55,930	68,439
<b>Total Revenues</b>		<b>55,930</b>	<b>604,979</b>	<b>660,909</b>	<b>88,634</b>
Less:					
Operating	12			561,773	6,862
Administration	11			19,588	79,760
<b>Total Expenses</b>				<b>581,361</b>	<b>86,622</b>
<b>Net changes in Net Assets</b>				<b>79,548</b>	<b>2,012</b>
Less:					
Depreciation Expenses				-5,147	-1,574
Currency Differences				-11,417	-2,475
<b>Net assets for the year 2024</b>				<b>62,984</b>	<b>-2,037</b>
Board Designated Fund				-60,000	0
<b>Net assets for the year 2024</b>	13			<b>2,984</b>	<b>-2,037</b>

The Accompanying disclosures are an integrant part of this statements

**Anar for Empowerment and Psychosocial Support**  
**Bethlehem**  
**Statements of changes in Net Assets as of December 31, 2024**  
**Exhibit - C**

	Net Assets			
	Board Designated			Total Nis
	Unrestricted	Restricted	Fund	
	Nis	Nis	Nis	
<b>Net Assets as on December 31, 2022</b>	0	0	0	0
Changes During the year 2023				
Temporary restricted contributions		146,914		146,914
Net assets released from restriction	33,565	-33,565		0
Change in Unrestricted Net Assets	-22,232			-22,232
Reclassifications	-13,370	13,370		0
	<b>-2,037</b>	<b>126,719</b>		<b>124,682</b>
<b>Changes During the year 2024</b>				
Temporary restricted contributions		766,064		766,064
Net assets released from restriction	604,979	-604,979		0
Change in Unrestricted Net Assets	-541,995			-541,995
Transfer to Board Designated Fund	-60,000		60,000	0
Changing during the year	2,984	161,085	60,000	224,069
<b>Net Assets December 31, 2024</b>	<b>947</b>	<b>287,804</b>	<b>60,000</b>	<b>348,751</b>



**Anar for Empowerment and Psychosocial Support**  
**Bethlehem**  
**Statement of cash flow for the Year Ended December ,31,2024**

**Exhibit - D**

	<b>2024</b>	<b>2023</b>
	<b>Amount</b>	<b>Amount</b>
	<b>Nis</b>	<b>Nis</b>
<b>Cash flow from operating activity</b>		
Net Assets	2,984	-2,037
Temporary restricted net assets	221,084	126,719
Total net assets	224,068	124,682
Adjustment:		
Depreciations	5,147	1,574
Provision for Severance pay	25,337	4,122
Cash flow from operating activity	254,552	130,378
<b>Change in operating activities</b>		
Increase in Accounts Receivable	-15,323	-1,079
Increase in Accounts Payable	14,050	32,899
Increase in Accrued Expenses	250	1,500
<b>Net Changes in operating Activities</b>	<b>253,529</b>	<b>163,698</b>
<b>Change in investing activities</b>		
Additions to Fixed Assets	-21,840	-22,435
<b>Net Changes in investing Activities</b>	<b>-21,840</b>	<b>-22,435</b>
Increase in Cash During the Year	231,689	141,263
Cash on Hand Beginning of year	141,263	0
<b>Cash On Hand End of the Year</b>	<b>372,952</b>	<b>141,263</b>

Exhibit - A

The accompanying disclosures are an integrant part of this statements

## **Anar for Empowerment and Psychosocial Support Association**

### **Bethlehem**

#### **Notes to the Financial Statements for the Year Ended December 31, 2024**

##### **1. Establishment of the Association and its Objectives:**

Anar Society for Empowerment and Psychosocial Support was established in compliance with the Charitable Society and Civil Society Law no (1) of 2000 AD, dated August 27, under registration No. BL-3499-C.

The society's objectives are outlined as follows:

- To empower Palestinian children who have endured the adverse effects of oppression and violence by bolstering their psychological well-being, aiding in their recovery journey, and facilitating their holistic development, with a primary focus on providing psychological and social support and empowering these children.
- To facilitate access to community-based psychosocial health support programs for Palestinian children impacted by violence and injustice.
- To advocate for psychosocial support and healing by fostering awareness and capacity-building within the community.
- To enhance the skills and capabilities of psychosocial support practitioners, community leaders, and volunteers to advance psychosocial well-being.
- To facilitate cultural and artistic programs aimed at fostering resilience.

##### **2. Summary of Significant Accounting Policies:**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the significant accounting policies outlined below, and based on the accrual basis of accounting using the historical cost principle.

- **Cash and Cash Equivalents:** Cash and cash equivalents consist of cash on hand and balance with various banks.
- **Unrestricted Net Assets:** They are assets used by the association that are not subject to restrictions imposed by donors.
- **Temporarily Restricted Net Assets:** They are assets used by the association that are restricted for use due to conditions imposed by donors, which either expire over time or can be released by the association upon meeting the conditions imposed by the donors.
- **Restricted Net Assets for Fixed Assets:** They are fixed assets that are restricted in use against the fixed assets owned by the association and presented in financial statements.

### 3. Grants Revenues:

- Unconditional donor pledges are pledges provided to the association by donors without any attached conditions.
- Grant revenues from unrestricted and temporarily restricted donor pledges are recognized as follows:
- Grant revenues from unrestricted pledges, intended for specific purposes, are recognized upon receipt of an unconditional pledge from the donor.
- Grant revenues from temporarily restricted pledges, designated for a specific purpose or subject to a specified period of time, are recognized as revenue upon the execution of that purpose or upon the specified time period elapsing.

### In-kind Donations:

In-kind donations are recognized at their fair value when received.

### Recognition of Expenses:

Expenses are recorded when they are incurred in accordance with the accrual principle, which includes any applicable value-added tax.

### Property and Equipment

Property and Equipment are stated at cost net of accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful life of the respective assets. The designated depreciation rates are as follows:

Assets	Percentage
Equipment	20%
Computers	20%
Office Furniture	10-15%
Electrical Equipment	15%

### End of Service Benefits:

The severance provision is calculated in accordance with the Palestinian Labour law no. (7) Of 2000AD.

### Foreign Currencies:

- Foreign currency transactions throughout the fiscal year are converted based on prevailing exchange rates at the transaction dates. At the end of the year, current assets and liabilities are converted using the exchange rate effective on the date of the Financial Statements. Any gains or losses resulting from currency fluctuations are reflected in the Statement of Activity and changes in net assets. Below is the exchange rate as of December 31, 2024:

Currency	Exchange Rate / NIS
US Dollar	3.66948
Sterling Pound	4.59800
Euro	3.81143
Jordanian Dinar	5.16129



#### 4. Cash and Cash Equivalent:

The following are the cash and cash equivalent as of December 31:

	2024 Amount	2023 Amount
Bank Name	Nis	NIS
Bank of Palestine Current Nis	238,446	134,793
Bank of Palestine USD	60,838	1,348
Bank of Palestine check deposit Nis	1,000	1,000
Bank of Palestine Euro	1	
Bank of Palestine Saving - Nis	65,471	4,122
Bank of Palestine Saving - Euro	5,069	
Cash on Hand	2,127	
<b>Total</b>	<b>372,952</b>	<b>141,263</b>

#### 5. Accounts receivable:

The Accounts **Receivable** stands as follows:

	2024	2023
Description	Amount (NIS)	Amount (NIS)
Contribution from Latin Patriarchate of Jerusalem	15,303	0.00
Returnable Insurances	1,100	1,079
<b>Total</b>	<b>16,403</b>	<b>1,079</b>

#### 6. Fixed Assets and Accumulated Depreciation:

				Accumulated Depreciation	Depreciation 2024	Accumulated Depreciation	Net Book
	Cost	Addition	Total	1/1/2024		31/12/2024	Value 31/12/2024
<b>Assets</b>				NIS			
Equipment's	9,000	6,420	15420	824	2,060	2,884	12,536
Computers	5,900	6,600	12,500	689	2,024	2,713	9,787
Furniture's	7,535	8,820	16,355	61	1,063	1,124	15,231
<b>Total</b>	<b>22,435</b>	<b>21,840</b>	<b>44,275</b>	<b>1,574</b>	<b>5,147</b>	<b>6,721</b>	<b>37,554</b>

#### 7. Employees' Pension Fund:

Eight percent is deducted from the fixed employee and an equal amount is recorded for the employees' fund account.

#### 8. Provision for end of service Severance payments:

At the end of each year, the end of service bonus for employees is calculated according to Labor law in Palestine.

Description	Amount (NIS)
Provision for Severance 1-1-2024	4,122
Additional during the year	25,337
Pension (Provident) fund	36,012
<b>Balance end of the year</b>	<b>65,471</b>

#### 9. Accounts Payable:

The Accounts Payable stands as follows:

	2024	2023
Description	Amount (NIS)	Amount (NIS)
Postdated checks*	8,854	24,684
Other payable	2,083	300
<b>Total</b>	<b>10,937</b>	<b>24,984</b>

\* These are checks issued in 2024 payable in 2025.

#### 10. Temporary restricted net assets:

	Amount
Description	Nis
Temporary restricted Net Assets- other donors	74,397
BENEVOLENTIA Project	121,763
UNICEF Project	34,576
Villa International	36,695
ELCA - United State	3,669
World without orphans	16,705
<b>Total</b>	<b>287,804</b>

#### 11. Administrative Expenses:

	2024	2023
	Amount Nis	Amount Nis
Salaries		51,067
End of service expense		4,122
Provident fund expense		3,957
Office rent	7,119	3,205
Advertising & Publicity	654	2,548
Bisan program subscription		2,597
Audit fees		1,500
Stationary expense		291
Newspaper subscription		1,180
Legal fees		1,100
Maintenance expense	3,617	2,095
Office supplies	689	2,094
Kitchen utensils expenses	112	933
Entertainment expense		1,004
Electricity & Water	1,060	550
Telephone and internet expense	1,142	800
Interest & bank charges	729	364
Cleaning expense	1,437	353
Hospitality	598	
Insurance expenses	2,130	
Sundry expenses	301	
<b>Total</b>	<b>19,588</b>	<b>79,760</b>



**12. Operation Expenses:**

	2024	2023
Descriptions	Amount (NIS)	Amount (NIS)
Salaries	310,532	
Severance expenses	25,337	
Pension expenses	14,049	
Internship fees	11,059	
Electricity & water	3,520	
Telephone Mobile & internet expenses	3,709	
Interest and bank charges	800	
Office rent	11,326	
Cleaning expenses	4,039	
Hospitality	3,679	
Maintenance expenses	7,443	
Travel & accommodation expenses	40,743	
Tool, supplies and stationary	16,181	2,413
Community initiatives & awareness raising	4,303	
Volunteers expenses	3,700	
Refreshments & meals expenses	30,359	1,149
Trainer expenses	15,393	
Media Production fees	3,397	
Workshop expenses	8,229	
Costume expense	2,314	
Design & printing expense	3,209	
Subscription fees expense	2,410	
Auditing fees expense	3,250	
Professional fees	3,000	200
Transportation & car fuel	28,215	3,099
Sundry expenses	1,577	
<b>Total Operating expenses</b>	<b>561,773</b>	<b>6,861</b>

**13. Board Designated Fund:**

A Fund recommended by the Board of Directors has been established as an emergency fund for the Purpose of securing the Association and its employees from emergency crises.

**14. Unrestricted Contributions:**

	Amount Nis
Training & Consultations Revenue	26,341
Performance & Event Revenue	3,200
Unrestricted revenue	16,365
Donation	7,782
Participation fees - Workshop	1,675
Miscellaneous Revenue	292
Membership fees –Anar Society Assembly Members	275
Gifts in Kind Donations	
<b>Total</b>	<b>55,930</b>