

Treatment and Rehabilitation Center
For Victims of Torture (TRC)
Ramallah - Palestine

Financial Statements and
Independent Auditor's Report
For the Year Ended December 31, 2016

**Treatment and Rehabilitation Center
For Victims of Torture (TRC)
Ramallah - Palestine**

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of Treatment and Rehabilitation Center for Victims of Torture (TRC) Ramallah – Palestine

Opinion

We have audited the accompanying financial statements of **Treatment and Rehabilitation Center for Victims of Torture (TRC) - ("The Center")**, which comprise the statement of financial position as at December 31, 2016, the statement of activities, the 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 present fairly, in all material respects, the financial position of **Treatment and Rehabilitation Center for Victims of Torture (TRC)** as at December 31, 2016, its financial performance and its cash flows for the year then ended in accordance with relevant International Financial Reporting Standards and the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, presentation of financial statements of Not for Profit Entities.

Basis of 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 TRC 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.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with relevant International Financial Reporting Standards and the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, presentation of financial statements of Not for Profit Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 this financial statement.

INDEPENDENT AUDITOR'S REPORT (Continued)

As part of an audit in accordance with ISAs, 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 statement, 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.
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 TRC's 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 Company'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 is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

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.


Deloitte & Touche (M.E)

Ramallah

May 18, 2017

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Statement of Financial Position
As of December 31, 2016**

	Note	2016 USD	2015 USD
ASSETS			
Current Assets			
Cash on Hand and at Banks	5	263,910	244,742
Pledges Receivable	6	23,722	3,635
Prepaid Expenses	7	10,791	11,044
Other Debit Balances	8	13,639	2,317
Total Current Assets		312,062	261,738
Property and Equipment, Net	9	15,980	24,012
Total Assets		328,042	285,750
LIABILITIES AND NET ASSETS			
Current Liabilities			
Payables and Accruals	10	27,925	12,339
Total Liabilities		27,925	12,339
Net Assets			
Unrestricted Fund		124,140	140,288
Temporarily Restricted Fund		159,997	109,111
Investment In Property and Equipment		15,980	24,012
Total Net Assets		300,117	273,411
Total Liabilities and Net Assets		328,042	285,750

The Accompanying Notes Form an Integral Part of These Financial Statements

Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine

Statement of Activities
For the Year Ended December 31, 2016

		Unrestricted	Temporarily	Total	Total
		Fund	Restricted Fund	2016	2015
	Note	USD	USD	USD	USD
Grants and Revenues					
Temporarily Restricted Grants	11	-	571,131	571,131	354,060
Other Revenues	12	88,207	-	88,207	20,981
Total Grants and Revenues		88,207	571,131	659,338	375,041
Net Assets Released From Restriction	11	515,404	(515,404)	-	-
		603,611	55,727	659,338	375,041
Expenses					
Programs' Expenses					
Personnel Cost		317,642	-	317,642	257,817
Treatment & Rehabilitation		4,424	-	4,424	32,302
Advocacy & Public Awareness		41,685	-	41,685	11,625
Research and Capacity Building		104,771	-	104,771	3,310
Administrative Expenses		107,727	-	107,727	86,239
Conferences & International Events		549	-	549	2,025
Experts & Consultants		18,847	-	18,847	13,257
Total Programs' and Administrative Expenses		595,645	-	595,645	406,574
Depreciation Expense	9	11,387	-	11,387	17,910
Foreign Currency Loss		20,759	4,841	25,600	42,328
Total Expenses		627,791	4,841	632,632	466,812
(Decrease) Increase in Net Assets for the Year		(24,180)	50,886	26,706	(91,771)

The Accompanying Notes Form an Integral Part of These Financial Statements

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Statement of Changes in Net Assets
For the Year Ended December 31, 2016**

	Unrestricted Fund USD	Temporary Restricted Fund USD	Investment in Property and Equipment USD	Total USD
Balance as of January 1, 2016	140,288	109,111	24,012	273,411
Change in Net Assets for the Year	(24,180)	50,886	-	26,706
Additions of Property and Equipment for the Year	(3,355)	-	3,355	-
Depreciation for the Year	11,387	-	(11,387)	-
Balance as of December 31, 2016	124,140	159,997	15,980	300,117
Balance as of January 1, 2015	318,514	7,043	39,625	365,182
Change in Net Assets for the Year	(193,839)	102,068	-	(91,771)
Additions of Property and Equipment for the Year	(2,297)	-	2,297	-
Depreciation for the Year	17,910	-	(17,910)	-
Balance as of December 31, 2015	140,288	109,111	24,012	273,411

The Accompanying Notes Form an Integral Part of These Financial Statements

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

Statement of Cash Flows

For the Year Ended December 31, 2016

	2016 USD	2015 USD
Operating activities:		
Grants received from contributors	551,044	352,152
Other revenues	88,207	20,981
Cash paid to employees and suppliers	<u>(616,728)</u>	<u>(488,830)</u>
Cash Provided from (Used in) Operating Activities	<u>22,523</u>	<u>(115,697)</u>
Investing Activities:		
Procurement of Property and Equipment	<u>(3,355)</u>	<u>(2,297)</u>
Cash (Used in) Investing Activities	<u>(3,355)</u>	<u>(2,297)</u>
Increase (Decrease) in Cash on Hand and at Banks	19,168	(117,994)
Cash on hand and at banks at beginning of the year	<u>244,742</u>	<u>362,736</u>
Cash on Hand and at Banks at End of the Year	<u>263,910</u>	<u>244,742</u>
Adjustments to reconcile cash Provided from (Used in) Operating Activities		
Change in Net Assets	26,706	(91,771)
Depreciation	11,387	17,910
(Increase) in Pledges Receivable	(20,087)	(1,908)
(Increase) in Other Debit Balances	(11,322)	(1,222)
Increase (Decrease) in Payables and Accruals	15,586	(39,065)
Decrease in Prepaid Expenses	<u>253</u>	<u>359</u>
Cash Provided from (Used in) Operating Activities	<u>22,523</u>	<u>(115,697)</u>

The Accompanying Notes Form an Integral Part of These Financial Statements

Treatment and Rehabilitation Center for Victims of Torture (TRC) Ramallah - Palestine

Notes to the Financial Statements For the Year Ended December 31, 2016

1. General

Treatment and Rehabilitation Center for Victims of Torture (TRC) is an independent, non-governmental and non-profit human rights organization. TRC aims to promote Human Rights in Palestine by researching and disseminating information regarding the plight of the torture victims. Through its highly expert and professional advocacy and research team, TRC has become a forerunner for the promotion and dissemination of information regarding human rights throughout the West Bank.

TRC works to reduce the traumatic and devastating physical and psychological consequences of torture and politically motivated violence, as well as the retaliatory behavior of the victims through its Treatment and Rehabilitation Programs. Through this, TRC offers the victims and their families' comprehensive medical, psychiatric, physical, and psychosocial care that is completely free of charge, in a safe and comfortable atmosphere. TRC works to combat systematic torture and violence throughout the West Bank. It also aims to tackle the belief of impunity that often the perpetrators feel, as well as the complete feeling of hopelessness often experienced by the victims. It aims to do all this through its treatment training, research and advocacy programs.

TRC was established in January 1997 to meet the urgent needs faced by survivors of torture, their families and their immediate social networks who are often in direct contact with them and share the subsequent impact of their traumas. It is the first and the only Center of its nature in the West Bank.

The total number of the Center's staff is (24) and (21) as at December 31, 2016 and 2015, respectively.

The financial statements have been approved by the Board of Directors on May 10, 2017.

The main goals of TRC are as follows:

1. Providing and developing treatment and rehabilitation services for victims of torture and organized violence, and their families.
2. Help to build a culture that fights torture and organized violence, and advocate the rights of victims of torture to ensure visibility of its work and to call the attention to the needs and rights of torture survivors. It creates awareness about this often overlooked group.
3. Facilitate the transfer of knowledge and experiences and build the capacity of individuals as well as other relevant organizations and institutions through training of trainers programs, coaching and other interventions, as appropriate.
4. Creating a culture against torture and violence, believes in respect human rights. This is through the workshops and media campaigns that targeted all society members.

Treatment and Rehabilitation Center for Victims of Torture (TRC) Ramallah – Palestine

Notes to the Financial Statements For the Year Ended December 31, 2016

1. General (Continued)

Funding Partners:

Australian/Palestinian Partnership in Education and Health (APPEH): An agreement was signed between APPEH and TRC in 2016 in the amount of USD 20,000 for 1-year project in which 2 TRC Narrative Therapy Experts will provide Narrative Therapy treatment to 200 victims of torture. The project began implementation on May 1, 2016.

European Commission (EC): An agreement has been signed between the European Commission and TRC in which the EC provided a grant in the amount of Euro 500,000 under its European Instrument for Democracy and Human Rights (EIDHR) Program to TRC for 3 years. The project titled: *"Restoring the Rights to remedy and Reparations for Victims of Torture and Other Treatments"* which began implementation on June 1, 2016.

International Rehabilitation Council for Torture Victims (IRCT – DFI): TRC signed a Memorandum of Understanding with the IRCT to participate as a partner in the 3 years *"Data in the Fight against Torture"* (DFI) project which began implementation on April 1, 2014. Under this project, TRC is a pilot center partner which will provide training to MENA-based IRCT member centers on an IRCT-developed global database for the documentation of victims of torture.

United Nations Voluntary Fund for Victims of Torture (UNVFVT): An agreement has been signed between the UNVFVT and TRC during 2016 by which UNVFVT granted TRC an amount of USD 30,000 to cover some costs incurred by the Center specifically those related to the treatment of direct victims of torture including medication, transportation and others. In addition to the emergency project for a duration of approximately seven months and an amount of USD 69,000 in the most damaged areas.

Human Rights & IHL Secretariat: An agreement has been signed by the Human Rights & IHL Secretariat and TRC which provided a grant in the amount of USD 49,500 to support in the therapy and documentation of some of the violations of human rights which mainly comprise of the torture in the marginalized areas and specifically H2 area, Ramaida in Hebron, Susia in Yatta and Al Ramadeen in the south of the West Bank for the period from 16/12/2015 to 15/10/2016.

UN Women: An agreement has been signed by UN Women and TRC for an amount of NIS 723,255 on 01/09/2015 within the project of empowering women in Palestinian detention centers. The project is funded by the UN Joint Commission for the Advancement of Women, which includes the provision of psychological treatment, professional vocational training and the dissemination of a culture of human rights and the rights of inmates in reform centers (Jericho, Ramallah, and Jenin). Also, included is a large part of the activities mentioned above for male guests as well.

Spain Doctors without Borders (MSF Spain): An agreement has been signed with the Center for the Treatment and Rehabilitation of Victims of Torture to provide the Center with individual and collective psychological and social treatment for those affected by the occupation practices in East Jerusalem and the surrounding areas for a period of seven months, as well as several community awareness workshops and support and advocacy for EURO 107,982 between 15/09/2015 -30/05/2016.

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

2. Adoption of New and Revised International Financial Reporting Standards (IFRSs):

During the current year, the management of the Center has applied all the new and revised standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IASB) relating to its activities, which became effective for the financial period ended 31 December 2016. The adoption of new and revised standards and interpretations did not have any impact on the financial position or results of its operations.

3. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with relevant International Financial Reporting Standards (IFRS), the United States Statement on Financial Accounting Standards applicable to not for profit organizations, and applicable requirements of local laws and regulations.

Summary of significant accounting policies are as follows:

a. Net Assets of TRC and Changes Therein are Classified and Reported as Follows:

- **Unrestricted net assets** - Net assets whose use by TRC is not subject to donor-imposed restrictions.
- **Temporarily restricted net assets** - Net assets whose use by the Center is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and released by actions of TRC pursuant to those donor-imposed stipulations.

b. Pledge Receivables

Pledges receivable represent expenses incurred prior to 31 December and would be reimbursed by donors subsequently.

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

3. Summary of Significant Accounting Policies (Continued)

c. Property and Equipment:

Property and Equipment are stated at cost net of accumulated depreciation and any identified impairment loss. Depreciation is computed on a straight-line based on the estimated useful lives of the related assets as follows:

Office Equipment	15%
Office Furniture	10%
Vehicles	20%

When the expected recoverable amount is less than the net book value, the Property and Equipment amount is reduced to the lower of the cost or net realizable value and the difference (if any) is included in the statement of activities

d. Severance Pay and Provident Fund:

In compliance with labor law prevailing in the area of the Palestinian National Authority, the Center provides for severance pay by accruing for one month compensation for each year of service based on the last salary paid during the year.

e. Foreign Currency Transactions:

The books of accounts are maintained in U.S. Dollar. Transactions which are denominated in local currency (Israeli Shekel) are converted into U.S. Dollar as follows:

- Transactions which are expressed or denominated in local currency are converted into U.S. Dollar equivalent at the exchange rate prevailing on the date of each transaction.
- Balances of assets and liabilities in currencies other than U.S. Dollar are converted into U.S. Dollar equivalent at the exchange rates prevailing at the date of the financial statements.

Conversion rates were as follows:

Currency	2016 USD	2015 USD
NIS	0.260	0.257
Euro	1.046	1.058
JOD	1.410	1.410

- Exchange differences arising from the translation of local currency balances are charged to the statement of activities.

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgements and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

4.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated useful lives of Property and Equipment

Management reviews the residual values and estimated useful lives of Property and Equipment items at the end of each annual reporting period in accordance with IAS 16. Management determines that current year expectations do not differ from previous estimates based on its review.

Impairment of assets values

At the end of each reporting date, the TRC reviews the assets values to determine that their book values have not exceeded amounts recoverable from them. The management estimates the recoverable amount of various assets individually or based on the cash generating unit to which the individual asset belongs.

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

5. Cash on Hand and at Banks

	2016 USD	2015 USD
Cash on Hand	32	96
Deposits with Banks (EURO)	246,711	209,696
Deposits with Banks (Other Currencies)	17,167	34,950
	<u>263,910</u>	<u>244,742</u>

6. Pledges Receivable

	2016 USD	2015 USD
UNWOMEN	13,822	-
Human Rights & IHL Secretariat	9,900	-
International Rehabilitation Council (IRCT)	-	3,635
	<u>23,722</u>	<u>3,635</u>

7. Prepaid Expenses

	2016 USD	2015 USD
Prepaid Insurance	9,765	11,044
Prepaid Rent	353	-
Other	673	-
	<u>10,791</u>	<u>11,044</u>

8. Other Debit Balances

	2016 USD	2015 USD
Prepaid Expenses for Rescate Center	12,168	-
Prepaid Transportation	1,119	-
Income Tax Advance	-	1,903
Other	352	414
	<u>13,639</u>	<u>2,317</u>

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

9. Property and Equipment, Net

	Motor Vehicle USD	Furniture and Fixtures USD	Equipment USD	Total USD
Cost:				
Balance as of January 1, 2016	23,667	40,127	176,751	240,545
Additions	<u>-</u>	<u>-</u>	<u>3,355</u>	<u>3,355</u>
Balance as of December 31, 2016	<u>23,667</u>	<u>40,127</u>	<u>180,106</u>	<u>243,900</u>
Accumulated Depreciation:				
Balance as of January 1, 2016	23,667	30,476	162,390	216,533
Depreciation	<u>-</u>	<u>2,718</u>	<u>8,669</u>	<u>11,387</u>
Balance as of December 31, 2016	<u>23,667</u>	<u>33,194</u>	<u>171,059</u>	<u>227,920</u>
Net Book Value as of December 31, 2016	<u>-</u>	<u>6,933</u>	<u>9,047</u>	<u>15,980</u>
Fully Depreciated Assets	<u>23,667</u>	<u>17,565</u>	<u>149,055</u>	<u>190,287</u>

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

9. Property and Equipment, Net (Continued)

	Motor Vehicle USD	Furniture and Fixtures USD	Equipment USD	Total USD
Cost:				
Balance as of January 1, 2015	23,667	40,127	174,454	238,248
Additions	<u>-</u>	<u>-</u>	<u>2,297</u>	<u>2,297</u>
Balance as of December 31, 2015	<u>23,667</u>	<u>40,127</u>	<u>176,751</u>	<u>240,545</u>
Accumulated Depreciation:				
Balance as of January 1, 2015	23,667	27,148	147,808	198,623
Depreciation	<u>-</u>	<u>3,328</u>	<u>14,582</u>	<u>17,910</u>
Balance as of December 31, 2015	<u>23,667</u>	<u>30,476</u>	<u>162,390</u>	<u>216,533</u>
Net Book Value as of December 31, 2015	<u>-</u>	<u>9,651</u>	<u>14,361</u>	<u>24,012</u>
Fully Depreciated Assets	<u>23,667</u>	<u>8,789</u>	<u>87,770</u>	<u>120,226</u>

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

10. Payables and Accruals

	2016 USD	2015 USD
Accrued Professional Fees	9,176	4,640
Due to Hurriyat Center	3,685	-
End of Service – Payable	779	2,019
Due to Other Suppliers	14,285	5,680
	<u>27,925</u>	<u>12,339</u>

TRC pays end of service benefits to employees on an annual basis. The below schedule demonstrates the movement of the end of service account:

	2016 USD	2015 USD
Beginning Balance	2,019	18,764
Provision for the Year	18,376	16,552
Paid during the Year	(19,616)	(33,297)
Ending Balance	<u>779</u>	<u>2,019</u>

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah – Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

11. Disposition of Grants – Net Assets Released From Restriction

Unspent Grants as of 31/12/15	Currency Difference	Grants Received in 2016		Grants Pledges Receivables for 2016		Available Grants Spent in 2016		Unspent Grants as of 31/12/16		Personnel Cost		Treatment & Rehabilitation		Advocacy & Public Awareness		Research and Capacity Building		Administrative Costs		Experts Expenses		International Travel		Capital Addition		Total
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD		
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD		
European Commission	-	-	273,624	-	273,624	210,955	62,669	145,741	-	-	17,076	19,491	21,995	3,297	-	207,600	3,355	210,955								
IRCT- DFI	-	(726)	25,807	-	25,081	25,081	-	22,727	-	-	-	-	98	2,256	-	25,081	-	25,081								
UNVFVT	16	-	99,886	-	99,902	71,493	28,409	57,131	3,842	1,760	-	-	8,760	-	-	71,493	-	71,493								
UNWOMEN	22,799	(1,628)	108,492	13,822	143,485	143,485	-	34,702	-	4,224	85,280	19,279	-	-	-	143,485	-	143,485								
MSF	83,809	-	-	-	83,809	14,890	68,919	10,400	-	1,591	-	2,899	-	-	-	14,890	-	14,890								
AECI 2012 - 2013 human rights & IHL	2,487	(2,487)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								
Secretariat	-	-	39,600	9,900	49,500	49,500	-	21,821	188	8,806	-	5,136	13,000	549	49,500	-	49,500	-	49,500							
	109,111	(4,841)	547,409	23,722	675,401	515,404	159,997	292,522	4,030	33,457	104,771	58,167	18,553	549	512,049	3,355	515,404									

**Treatment and Rehabilitation Center for Victims of Torture (TRC)
Ramallah - Palestine**

**Notes to the Financial Statements
For the Year Ended December 31, 2016**

12. Other Revenues

	2016 USD	2015 USD
Various Contributions	73,086	20,981
Aus. – Pal. PTRs in Edu. & Hlth Inc. APPEH 2015	12,781	-
World Peace Center	2,340	-
	88,207	20,981

13. Risk Management

• **Operational Risk**

The costs of the programs, administrative as well as Property and Equipment procurement are fully financed by donors through donations. The management believes that the funding level in the year 2016 was the same as prior years and it's sufficient to finance all the center's disbursements.

• **Credit Risk**

TRC credit risk is primarily attributable to its liquid funds and receivables. The credit risk on liquid funds is limited because liquid assets are placed with reputable financial institutions.

• **Currency Risk**

Currency risk arises from the possibility that changes in the exchange rates may affect negatively the value of the financial assets and liabilities in case the TRC does not hedge its currency exposure by means of hedging instruments. The management usually distributes its liquid assets over its functional currencies to minimize any possible loss from currency rates fluctuation.

• **Interest Rate Risk**

Interest rate risk arises from the possibility that changes in market interest rates may affect the value of the Center's interest bearing assets. The management usually monitors the fluctuation in interest rates in every individual currency in order to maximize the benefits from placements.

Treatment and Rehabilitation Center for Victims of Torture
Ramallah-Palestine

Appendix - A

Statement of Functional Expenses
For the Year Ended December 31, 2016

	European Commission	IRCT- DFI	UNVFVT	UNWOMEN	MFS Spain	Human Rights & IHL	TRC	2016 Total	2015 Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Personnel Cost:									
Salaries	116,681	22,727	54,659	31,297	10,400	20,171	19,830	275,765	215,963
Accommodation	13,978	-	1,493	1,162	-	-	1,743	18,376	-
Severance Pay	-	-	-	-	-	1,650	550	2,200	16,552
Health Insurance Expense	14,831	-	901	2,051	-	-	2,398	20,181	24,332
Over Time	251	-	78	192	-	-	599	1,120	236
Incentives	-	-	-	-	-	-	-	-	733
Sub-total	145,741	22,727	57,131	34,702	10,400	21,821	25,120	317,642	257,816
Treatment & Rehabilitation									
Medication & Therapy Sessions	-	-	3,842	-	-	-	394	4,236	5,341
Summer Camps	-	-	-	-	-	188	-	188	1,519
Vocational Rehabilitation	-	-	-	-	-	-	-	-	25,442
Sub-total	-	-	3,842	-	-	188	394	4,424	32,302
Advocacy & Public Awareness									
Media Campaign	3,996	-	-	793	-	856	340	5,985	329
Conference and International Events	-	-	-	-	-	-	-	-	5,494
Workshops	13,080	-	1,760	3,431	1,591	7,950	7,888	35,700	5,802
Sub-total	17,076	-	1,760	4,224	1,591	8,806	8,228	41,685	11,625
Research and Capacity Building									
Training Programs	19,491	-	-	85,280	-	-	-	104,771	3,310
Sub-total	19,491	-	-	85,280	-	-	-	104,771	3,310
Administrative Expenses									
Rent	8,533	-	1,737	7,856	769	-	15,263	34,158	34,148
Transportation	6,249	-	2,599	464	2,130	3,238	7,166	21,846	5,539
General Expense	12	98	1,258	1,225	-	39	9,529	12,161	11,584
Communication	93	-	434	7,485	-	41	5,139	13,192	9,086
Vehicle Cost	-	-	2,574	-	-	-	4,162	6,736	7,050
General Insurance	-	-	-	-	-	318	2,769	3,087	2,436
Audit	3,037	-	-	-	-	1,500	4,640	9,177	4,640
Utilities and Maintenance	4,071	-	158	2,249	-	-	892	7,370	11,756
Sub-total	21,995	98	8,760	19,279	2,899	5,136	49,560	107,727	86,239
External Experts & Consultants									
Experts Costs	3,297	2,256	-	-	-	13,000	294	18,847	13,257
Sub-total	3,297	2,256	-	-	-	13,000	294	18,847	13,257
International Travel									
International Conferences	-	-	-	-	-	549	-	549	2,025
Sub-total	-	-	-	-	-	549	-	549	2,025
Total Expenses	207,600	25,081	71,493	143,485	14,890	49,500	83,596	595,645	406,574
Additions to Property and Equipment	3,355	-	-	-	-	-	-	3,355	2,297
Total Expenses and Property and Equipment	210,955	25,081	71,493	143,485	14,890	49,500	83,596	599,000	408,871