

**CENTER OF ARAB WOMEN FOR TRAINING AND
RESEARCH "CAWTAR"**

Independent auditor's report

**Financial Statements as at December 31st, 2021
(Free Translation of the French original)**

March 2022



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Center of Arab Women For Training And Research (CAWTAR)

Independent auditor's report

Financial statements as at December 31st, 2021

(Fee Translation of the French Original)

I. Report on the Audit of Financial States

1. Opinion

In compliance with the assignment entrusted to us, we present below our report on the financial statements of "CAWTAR" « The Organization » which comprise the statement of Financial Position as at December 31st, 2021, the Income Statement of Revenue and Expenses and the Cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

These financial statements show positive net assets of TND 3 279 436, including a surplus of income over expenses of the year amounting to TND 223 350.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as at December 31st, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Tunisian GAAP.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Tunisia, 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.

3. Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with Tunisian GAAPs 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization financial reporting process.

4. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with 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 Company'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 Organization'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 disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause The Organization 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.
- 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.

AMC Ernst & Young

Tunis, March 18, 2022

Mohamed Mehdi ZIDI

Associate Partner



FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Year ended as at December 31st, 2021
(Amounts expressed in Tunisian Dinars)

ASSETS	Notes	31/12/2021	31/12/2020
ACo1 : Cash and cash equivalents	1	3 561 744	4 301 357
ACo3 : Other current assets	2	1 846 826	586 751
ACo8 : Tangible Fixed Assets	3	483 351	521 538
ACo9 : Intangible Fixed Assets	4	19 916	7 167
Total assets		5 911 837	5 416 813
LIABILITIES			
PAo2 : Other current liabilities	5	2 428 480	2 025 103
PAo3 : Suppliers	6	203 922	319 824
Total liabilities		2 632 401	2 344 927
NET ASSETS			
ANo1 : Allocations		111 163	111 163
ANo3 : Investment grants		452 916	468 716
ANo6 : Surplus or Deficit deferred		2 492 007	2 485 288
ANo7 : Surplus or deficit of the year		223 350	6 719
Total NET ASSETS	7	3 279 436	3 071 886
TOTAL LIABILITIES AND NET ASSETS		5 911 837	5 416 813

STATEMENT OF REVENUE AND EXPENSES
Period of 12 months ended December 31st, 2021
(Expressed in Tunisian Dinars)

OPERATING INCOME	Notes	2021	2020
PR02: Income from activities and events	8	4 497 038	3 505 175
PR05: Other contributions	9	93 210	73 729
PR07: Share of grants and contributions registered in income		161 127	154 951
Total income		4 751 376	3 733 855
EXPENSES			
EX01: Purchases of consumed Supplies	10	188 707	96 432
EX02: Staff Expenses	11	1 084 011	1 060 311
EX03: Depreciation and provisions	12	170 765	165 413
EX04: Other current expenses	13	3 235 758	2 392 249
EX05: Net financial expense	14	(151 250)	11 598
EX06: Other losses		36	1 134
TOTAL EXPENSES		4 528 027	3 727 136
Surplus of the year		223 350	6 719

CASH FLOWS STATEMENT
Period of 12 months ended December 31st, 2021
(Expressed in Dinars)

Cash Flows from Operating Activities	Notes	2021	2020*
F02-Receipts of income from activities and events		4 270 323	4 971 022
F04: Receipts of other income and contributions		39 133	60 021
F05: Disbursement of amounts paid to suppliers		(3 991 821)	(2 276 507)
F06-Disbursement of salaries paid to staff		(1 115 189)	(1 078 251)
F07: Other disbursements from current activities		(73 116)	(85 804)
Cash Flows from Operating Activities		(870 670)	1 590 481
Cash Flows from Investing Activities			
F08: Payments for acquisitions of Tangible and Intangible Fixed Assets		(145 327)	(38 885)
Cash Flows from Investing Activities		(145 327)	(38 885)
Cash Flows from Financing Activities			
F13-Cashing grants		145 327	38 885
Cash Flows from Financing Activities		145 327	38 885
Exchange rate impact on cash		131 057	(596)
Treasury Variance		(870 670)	1 590 481
Cash at the beginning of the year		4 301 357	2 711 472
Cash at closing	1	3 561 744	4 301 357

(*) Comparative figures have been restated for comparative purposes

NOTES TO FINANCIAL STATEMENTS

I CENTER PRESENTATION

The Center of Arab Women for Training and Research (CAWTAR) is a non-profit Non-Governmental Organization (NGO).

Its financial statements presented below are covering the period from January 1st, 2021 to December 31st, 2021.

II ACCOUNTING POLICIES

1. Framework for the preparation of annual financial statements:

The financial statements of "CAWTAR" as at December 31, 2021 have been prepared in accordance with the Tunisian standards as stated by the accounting law n° 96-112 dated December 30, 1996.

2. Accounting principles and fundamental concepts:

Financial statements as at December 31st, 2021 were prepared in conformity with the following accounting principles and fundamental concepts:

- The expenses are recorded at engagement date and grants at their collection date.
- At the end of the year and as part of the closing work, there shall be a matching of costs and grants for the exercise of their commitment.

2.1 Fixed assets

a. Initial recognition

Fixed assets are booked for their historical cost at the entry date. The Tunisian government has granted CAWTAR a piece of land N° A29-2 covering a surface of 3 138.33 square meters located in Tunisia "Centre Urbain Nord", under condition to build its headquarters there. The transfer of property is supported by an agreement concluded between CAWTAR and the relevant Tunisian Authorities. This land was recorded in the balance sheet for Tunisian symbolic Dinar in conformity with transfer agreement. This agreement stipulated also that property transfer should be cancelled in case such condition is not observed. The market value of the land was estimated to TND 1 883 000 according to architect expert report dated November 30st, 2007.

b. Depreciation of tangible and intangible assets

Fixed assets are depreciated using the straight-line method according to the length from the start-up date on the basis of the following rates:

Wording	Rate
Software	33,33%
Documentary films	33,33%
Buildings	5%
Rolling equipment	20%
Office equipment	10%
Hardware	37,50%
Tooling and equipment	10%
Accommodations	10%
Documentary funds	20%

Items whose value is less than TND 500 are fully amortized in the first year of their acquisition.

2.2 Cash and cash equivalents

Grants awarded to Center functioning or projects for which he is responsible, are paid in bank accounts denominated in U.S. Dollar, Euro or Tunisian Dinar. It is worth noting that some donors require keeping a separate bank account for the projects they fund.

Transactions denominated in US Dollar or in Euros made in 2021, are converted to Tunisian dinar using monthly average rates of United Nations for US\$ and European Commission for Euro.

The cash balances at December 31st, 2021, are translated using Central Bank of Tunisia (BCT) rates at the closing date as presented below:

1 USD=2,8865 TND

1 EUR=3,2820 TND

2.3 Grants

Grants related to assets are presented in equity and are reported annually to income statement using assets depreciations rates.

Operating grants are reported to income statement. However, when expenditures exceed the grants received, they are recognized as accrued income if collection is certain. Similarly, grants received and intended to cover future expenses are recognized as "deferred revenue".

III NOTES TO THE FINANCIAL STATEMENTS

III.1 NOTES TO THE STATEMENT OF FINANCIAL POSITION

Note 1 Cash and cash equivalents

Cash and cash equivalents amount to TND 3 561 744 as at December 31st, 2021 against TND 4 301 357 as at December 31st, 2020 and are detailed as follows:

Wording	31/12/2021	31/12/2020
ATB account in US\$ 1121 043824	65 503	61 378
ATB account in DT convertibles 1120 214674	159 516	379 996
ATB account in US\$ 1121 281270	381 286	686 558
ATB account in US\$ 1121 079893	379 419	474 986
ATB account in US\$ 1121 783448	133 820	125 392
ATB TND suspense account 1129 718654	74 350	94 672
ATB account in US\$ 1121 555702	161 316	102 480
ATB account in Euro 1121 555395	164 063	365 842
ATB account in US\$ 1121 5549 91	122 221	114 523
ATB account in US\$ 1121 617437	502 495	541 767
ATB account in Euro 1121 675233	583 858	631 848
ATB account in Euro 1121 761018	432 832	508 822
ATB account in US\$ 1121 771627	386 544	193 326
ATB account in US\$ 1121 7746 57	11 164	10 461
Cash in dinars	3 057	9 309
Cash advance in dinars	300	-
Total	3 561 744	4 301 357

Note 2 Other current assets

Other current assets amount to TND 1 846 836 as at December 31st, 2021 against TND 586 751 as at December 31st, 2020 and are detailed as follows:

Description	31/12/2021	31/12/2020
Suppliers-advances & deposits	431 753	96 841
UNOPS Tunisia salary	113 613	34 427
Accrued revenues (*)	1 238 774	406 076
Temporary account	10 698	10 698
Prepaid expenses	56 747	43 468
Gross value	1 851 584	591 509
Minus: Impairment on other current assets	(4 758)	(4 758)
Net value	1 846 826	586 751

(*) Accrued revenues

Accrued revenues amount to TND 1 238 774 and are related to grants not yet collected for which expenses were occurred in 2021, which are detailed follows:

Description	31/12/2021
Grant - CORE	1 018 149
Grant - EBSOMED	84 919
Grant UNDP	40 411
Grant OXFAM	39 600
Grant KVINNA	21 649
Grant IPPF	11 960
Grant – SCBF	11 021
Grant - FDF	9 500
Grant - TRANSGANG	1 565
Total	1 238 774

Note 3 Tangible assets

The net book value of tangible assets amounts to TND 483 351 as at December 31st, 2021 against TND 521 538 as at December 31st, 2020 and are detailed as follows:

Description	31/12/2021	31/12/2020
Lands (*)	1	1
Buildings	1 395 822	1 395 822
Material of transport	287 324	257 839
Accommodations	511 268	509 073
Office furniture	166 921	160 153
Office equipment	102 494	99 806
Audiovisual equipment	65 614	51 174
Computer hardware	491 422	429 826
Documentary funds	49 393	47 659
Material of general services	14 897	14 897
Advances paid on tangible assets	19 724	19 724
Gross Value	3 104 881	2 985 974
Depreciation	(2 601 806)	(2 444 712)
Provisions	(19 724)	(19 724)
Net value	483 351	521 538

(*) The Tunisian government has granted CAWTAR a piece of land N° A29-2 covering a surface of 3 138.33 square meters located in Tunisia "Centre Urbain Nord", under condition to build its headquarters there. The transfer of property is supported by an agreement concluded between CAWTAR and the relevant Tunisian Authorities. This land was recognized in the balance sheet for Tunisian symbolic Dinar in conformity with transfer agreement. This agreement stipulated also that property transfer shall be cancelled in case such condition is not observed. The market value of the land was estimated to TND 1 883 000 according to architect expert report dated November 30st, 2007.

Note 4 Intangible assets

Intangible fixed assets amount to TND 19 916 as at December 31st, 2021 against TND 7 167 as at December 31st, 2020 and are detailed as follows:

Description	31/12/2021	31/12/2020
License	106 238	101 318
Software	123 086	118 586
Films	293 947	276 946
Platform CRM	684 496	684 496
Intangible assets in Progress	5 720	5 720
Gross Value	1 213 487	1 187 067
Minus: accumulated Depreciation	(1 193 571)	(1 179 900)
Net value	19 916	7 167

Changes in tangible and intangible assets schedule between December 31st, 2020 and December 31st, 2021

Wording	Gross Value			Amortization and depreciation			Net book Value as at 31/12/2021
	Balance as at 31/12/2020	Additions 2021	Balance as at 31/12/2021	Balance at 31/12/2020	Amortization 2021	Balance at 31/12/2021	
Intangible assets							
License	101 318	4 919	106 238	(98 178)	(3 226)	(101 403)	4 835
Software	118 586	4 500	123 086	(118 586)	(1 188)	(119 774)	3 312
Films	276 946	17 001	293 947	(272 920)	(9 258)	(282 178)	11 769
Platform CRM	684 496		684 496	(684 496)		(684 496)	-
Intangible assets in progress	5 720		5 720	(5 720)		(5 720)	-
Total intangible assets	1 187 067	26 420	1 213 487	(1 179 900)	(13 671)	(1 193 571)	19 916
Tangible assets							
Lands (*)	1		1	-		-	1
Buildings	1 395 822		1 395 822	(1 038 879)	(69 791)	(1 108 670)	287 152
Material of transport	257 839	29 485	287 324	(188 521)	(23 085)	(211 605)	75 719
Accommodations	509 073	2 195	511 268	(483 821)	(7 259)	(491 081)	20 187
Office furniture	160 153	6 768	166 921	(157 771)	(2 147)	(159 917)	7 003
Office equipment	99 806	2 689	102 494	(97 075)	(2 306)	(99 382)	3 113
Audiovisual equipment	51 174	14 440	65 614	(48 705)	(5 980)	(54 685)	10 929
Computer hardware	429 826	61 596	491 422	(388 887)	(40 812)	(429 699)	61 723
Documentary funds	47 659	1 734	49 393	(31 835)	(4 814)	(36 650)	12 743
Material of general services	14 897		14 897	(9 217)	(900)	(10 117)	4 780
Advances paid on tangible assets	19 724		19 724	(19 724)		(19 724)	-
Total tangible assets	2 985 974	118 907	3 104 881	(2 464 436)	(157 094)	(2 621 530)	483 351
Total assets	4 173 041	145 327	4 318 368	(3 644 336)	(170 765)	(3 815 101)	503 267

Note 5 Other current liabilities

Other current liabilities amount to TND 2 428 480 as at December 31st, 2021 against TND 2 025 103 as at December 31st, 2020 and are detailed as follows:

Description	31/12/2021	31/12/2020
Prepaid income (*)	2 188 276	1 780 708
Staff and related accounts	115 109	93 740
Other creditors	59 357	44 455
State, withholding tax	54 192	36 133
Accrued expenses	11 546	70 068
Total	2 428 480	2 025 103

(*) Prepaid income

Prepaid income balance represents the amount of grants received and not yet used which are detailed as follows:

Description	31/12/2021
BADEA grant	531 618
Innovagrowomed grant	373 046
KVINNA grant	337 462
UNWOMEN grant	175 480
AECID grant	171 918
Grant Saudi Fund	152 256
AGFUND grant - projects	124 581
Orange grant	84 209
ISDB grant	60 327
CPIE grant	51 984
Hands grant	41 400
EBSOMED grant	21 493
FLOWER grant	20 220
MEPI grant	19 518
Tampere University Foundation grant	17 948
ONFP grant	4 814
Total	2 188 276

Note 6 Trade payables

Trade payables amount to TND 203 922 as at December 31st, 2021 against TND 319 824 as at December 31st, 2020 and are detailed as follows:

Description	31/12/2021	31/12/2020
Operating Suppliers	186 814	298 634
Suppliers of fixed assets-holdbacks	8 907	8 907
Suppliers' invoices not received	8 200	12 282
Total	203 922	319 824

Note 7. Net Assets

Changes of net assets between December 31st, 2020 and December 31st, 2021 are detailed as follows:

Description	Allocations	Investment grants	Surplus or deficit deferred	Surplus or deficit of the year	Total
Balance at 12/31/2020	111 163	468 716	2 485 288	6 719	3 071 886
Investment grants	-	145 327	-	-	145 327
Absorption of investment subsidies	-	(161 127)	-	-	(161 127)
Allocation of surplus from previous year	-	-	6 719	(6 719)	-
Surplus for the year	-	-	-	223 350	223 350
Balance at 12/31/2021	111 163	452 916	2 492 007	223 350	3 279 436

7-1 Allocations

Allocations amount to TND 111 163 as at December 31st, 2021 and are related to equipment's and funds from project phase I.

7-2 Investment Grants

Investment grants amount to 452 916 TND as at December 31st, 2021 against TND 468 716 as at December 31st, 2020 and are detailed as follows:

Description	31/12/2021	31/12/2020
Tunisian government Grant (Land)	1	1
POOL Grant	631 557	559 758
AGFUND Grant	1 746 708	1 746 708
Other donors	1 569 440	1 495 911
Share of grants in profit	(3 494 790)	(3 333 663)
Total	452 916	468 716

III.2 NOTES TO THE STATEMENT OF REVENUE AND EXPENSES

Note 8-Income from activities and events

Income from activities and events amount to TND 4 497 038 in 2021 against TND 3 505 175 in 2020 and are detailed as follows:

Description	2021	2020
Overhead received from different donors	670 194	287 831
AGFUND grants - Running cost	617 120	837 450
KVINNA grant	470 426	87 046
Innovagrowomed grant	449 291	316 484
AGFUND grant - projects	316 926	147 010
ONFP grant	305 996	286 304
Forum of Federations Grant	261 666	259 472
MEPI grant	202 024	148 064
AECID grant	174 143	108 059
OSF grant	139 604	403 224
PAM grant	129 002	-
Saudi Fund grant	126 231	82 138
SCBF grant	118 355	90 455
Government subsidy. Tunisian	100 000	100 000
IPPF grant	79 200	76 438
UNDP grant	62 803	-
BADEA grant	54 854	114 038
IEMED grant	52 143	-
UNWOMEN grant	47 683	-
FLOWER grant	37 304	-
OXFAM grant	36 800	39 671
Transgang grant	19 384	3 896
Orange grant	16 913	-
Grant HANDS	5 644	-
Tampere University Foundation grant	3 333	21 269
IPPF grant - Running cost	-	94 182
GMMP grant	-	2 143
Total	4 497 038	3 505 175

Note 9- Other Contributions

Other Contributions amount to TND 93 210 in 2021 against TND 73 729 in 2020 and are detailed as follows:

Description	2021	2020
Rental Revenues	93 155	73 329
Book's sales and photocopies	55	400
Total	93 210	73 729

Note 10 - Purchases of consumed supplies

Purchases of consumed supplies amount to TND 188 707 in 2021 against TND 96 432 in 2020 and are detailed as follows:

Description	2021	2020
Consumables	2 908	1 779
Consumable supplies	9 552	3 090
Seminar and Training Supplies	18 123	5 053
Computer Consumable Supplies	3 956	5 236
Other Supplies	12 571	162
Office furniture's	14 165	7 764
Supplies / Seminar	349	636
Purchase of materials, equipment and works	45 430	-
Miscellaneous Purchases	17 705	9 659
Purchase of Hotel and Kitchen Equipment	14 600	8 013
Fuel	2 403	4 737
Water	1 562	6 580
Electricity	45 381	43 524
Material and other product	-	200
Total	188 707	96 432

8-4 Staff expenses

Staff expenses amount to TND 1 084 011 in 2021 against TND 1 060 311 in 2020 and are detailed as follows:

Description	2021	2020
Wages and salary supplements	792 666	776 408
Paid vacation	110 122	93 740
Social contribution	124 208	111 799
IRPP Employee UNDP	70 728	91 260
UNOPS common fees & salaries	(13 713)	(12 897)
Total	1 084 011	1 060 311

8-5 Depreciations and provisions

Depreciations and provisions amount to TND 170 765 in 2021 against TND 165 413 in 2020 and are detailed as follows:

Description	2021	2020
Depreciation of intangible assets	13 671	29 235
Depreciation of tangible fixed assets	157 094	134 981
Impairment of other current assets	-	1 196
Total	170 765	165 413

8.6 Other current expenses

Other current expenses amount to TND 3 235 758 in 2021 against TND 2 392 249 in 2020 and are detailed as follows:

Description	2021	2020
Consultants Fees	2 167 327	1 343 177
Remuneration of intermediaries and fees	221 983	189 099
General subcontracting	151 038	300 994
Travel expenses	114 513	33 138
Participating subsistence costs	114 214	36 648
Hotel Expenses	103 475	103 454
Printing costs	62 900	5 622
Maintenance and repairs	58 234	27 863
Print Review	45 173	53 882
Distribution of prizes and awards	44 128	16 740
sound management	27 440	10 316
Transport costs	23 998	12 716
Perdiems	19 003	11 837
External audit remuneration	18 508	10 916
Internet charges	18 457	19 816
Insurance premiums	14 537	13 326
Membership fees and donations	13 675	13 000
Telephone charges	11 955	10 689
Concept and design	11 842	31 641
Advertising Fees	9 393	132 567
Development costs Photos and Video Report	6 951	180
Transport equipment rental	6 878	17 477
Equipment rental / Seminar	4 727	-
Agios & bank commissions	3 738	3 770
Maintenance subscription fees	3 695	-
Miscellaneous taxes	3 360	8 797
Guiding GSM invoice	2 878	2 788
GSM card	2 113	1 640
Purchase of Gifts	1 096	3 367
Postage and telecommunications costs	827	476
Miscellaneous operating costs	394	30
Driver Fee	61	192
Internship fees; Training or Registration	-	2 645
Fees writting articles/ website	-	351
Operating expense transfers	(52 751)	(26 901)
Total	3 235 758	2 392 249

8Net financial costs

Net financial costs amount to TND 151 250 (incomes) in 2021 against TND 11 598 in 2020 (expenses) and are detailed as follows:

Description	2021	2020
Exchange losses	62 087	132 135
Agios creditors	(5 747)	(4 743)
Exchange gains	(207 589)	(115 794)
Total	(151 250)	11 598

III.4 Note on off-balance sheet commitments

The association has not granted or received any commitments towards third parties, which are in force as of December 31, 2021.

III.5 Note sur les Evènement postérieurs

These financial statements have been approved by management on March 18, 2022 and do not reflect events that occurred after that date.