

ACADF  
Financial  
Report

2015

## Independent Auditor's Report

### The Shareholders'

**ACAD Finance and Development Co.**

**Ramallah – Palestine**

### Report on the financial statements

We have audited the accompanying financial statements of **ACAD Finance and Development Co. - Private Shareholding Company-Ltd - (the "Company")**, which comprise the statement of financial position as of December 31, 2015, the statement of income and other comprehensive income, the statement of changes in shareholders' equity, and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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 responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## Independent Auditor's Report (Continued)

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **ACAD Finance and Development Co. (Private Shareholding Company-Ltd)** as of December 31, 2015, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in blue ink, appearing to read "Deloitte &amp; Touche M.E.", with a stylized flourish above it.

Deloitte & Touche M.E

Ramallah :

April 17, 2016

ACAD Finance and Development Co.  
Ramallah - Palestine  
Statement of Financial Position  
As of 31 December 2015

	Note	2015	2014
Assets		USD	USD
Cash and Cash Equivalent	5	1,121,730	1,339,983
Loans Receivable - Net	6	9,160,600	5,155,599
Accounts and Other Receivable	7	396,703	375,913
Intangible Assets (Software) - Net		9,931	10,005
Property, and Equipment - Net	8	220,960	231,267
<b>Total Assets</b>		<b>10,909,924</b>	<b>7,112,767</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Liabilities</b>			
Loans Payable	9	5,574,353	1,938,299
Due to Arab Center for Agricultural Development		49,769	52,316
Other Credit Balances	10	136,521	136,047
Provident Fund	11	136,816	63,506
Provision for End of Service Benefits	12	82,061	36,848
<b>Total Liabilities</b>		<b>5,979,520</b>	<b>2,227,016</b>
<b>Shareholders' Equity :</b>			
Paid in Capital	1&19	5,335,000	5,335,000
General Risk Reserve	13	92,027	49,426
Accumulated Losses		(496,623)	(498,675)
<b>Net Shareholders' Equity</b>		<b>4,930,404</b>	<b>4,885,751</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>10,909,924</b>	<b>7,112,767</b>

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Finance Manager

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General Manager

The accompanying notes form an integral part of these financial statements



ACAD Finance and Development Co.

Ramallah - Palestine

Statement of Income and Other Comprehensive Income

For the Year Ended 31 December 2015

	Notes	2015	2014
		USD	USD
Interest Income from Loans		1,334,049	1,020,829
Interest from Deposits		6,864	16,486
Interest Expense		(86,263)	(11,020)
<b>Net Interest Income</b>		<u>1,254,650</u>	<u>1,026,295</u>
Salaries and Related Expenses	14	(756,511)	(650,668)
General and Administrative Expenses	15	(501,763)	(466,464)
Depreciation and Amortization	8	(39,368)	(23,949)
Allowance for Impairment of Loans	6	14,602	(286,494)
<b>Total Expenses</b>		<u>(1,283,040)</u>	<u>(1,427,575)</u>
<b>Net (Loss) from Operations</b>		<u>(28,390)</u>	<u>(401,280)</u>
Other Income	16	85,535	3,894
Other Charges	17	(34,129)	(33,745)
Foreign Currency Gain / (Loss)		21,637	(18,118)
<b>Net Profit (Loss) for the Year</b>		<u>44,653</u>	<u>(449,249)</u>
<b>Comprehensive Income</b>			
Comprehensive Income Items		-	-
<b>Comprehensive Income (Loss) for the Year</b>		<u><u>44,653</u></u>	<u><u>(449,249)</u></u>

The accompanying notes form an integral part of these financial statements

ACAD Finance and Development Co.  
Ramallah - Palestine  
Statement of Changes in Shareholders' Equity  
For the Year Ended 31 December 2015

	Paid in Capital	General Reserve	Accumulated Losses	Total Shareholders'	
	USD	USD	USD	Equity	USD
<b>Balances as of 1 January 2014</b>					
Share Capital	5,335,000	-	-	5,335,000	-
Comprehensive Loss for the Year	-	-	(449,249)	(449,249)	
Transfer to General Risk Reserve	-	49,426	(49,426)	-	
<b>Balances as of 31 December 2014</b>	<b>5,335,000</b>	<b>49,426</b>	<b>(498,675)</b>	<b>4,885,751</b>	
Comprehensive Income for the Year	-	-	44,653	44,653	
Transfer to General Risk Reserve	-	42,601	(42,601)	-	
<b>Balances as of 31 December 2015</b>	<b>5,335,000</b>	<b>92,027</b>	<b>(496,623)</b>	<b>4,930,404</b>	

The accompanying notes form an integral part of these financial statements