

**“COMET-ME”**

**Community, Energy and Technology In The Middle East**

**(Community Interest Company)**

**FINANCIAL STATEMENTS**

**As of December 31, 2013**

**August 30, 2014**

**"COMET-ME"**  
**Community,Energy and Technology In The Middle East**  
**(Community Interest Company)**

**FINANCIAL STATEMENTS**

**As of December 31, 2013**

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**To The Board of Directors  
Community, Energy and Technology in the Middle-East (Comet-ME)  
(Community Interest Company)**

**Auditors' Report**

We have audited the balance sheet of Community, Energy and Technology in the Middle-East (Comet-ME) as of 31 December 2013 and 2012 and the related statement of activities for the years then ended. These financial statements are the responsibility of the organization's Board of Directors and management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards, including those prescribed by the Auditors, Regulations (Auditor of performance) - 1973. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the organization's Board of Directors and management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The above mentioned financial statements have been prepared in nominal values. Information as to the effect of the changes in the general purchasing power of the Israeli currency on the financial statements, in accordance with the pronouncements of the Institute of Certified Public Accountants in Israel, has not been included in the financial statements.

In our opinion, subject to non-inclusion of the information in the previous paragraph, the aforementioned financial statements present fairly, in conformity with generally accepted accounting principles applicable to non-profit organizations and subject to that stated above, in all material aspects the financial position of Community, Energy and Technology in the Middle-East (Comet-ME) as of December 31, 2013 and 2012 and the results of its operations, for the years then ended, on the basis of historical cost in nominal Israeli currency.

**George Deek  
Certified Public Accountant (Isr.)**

**Tel-Aviv-Jaffa  
30 August 2014**

**Community, Energy and Technology in the Middle East**  
**(Comet-ME)**  
**Balance Sheet**  
**As of 31 December 2013**

	<u>Note</u>	<u>2013</u>	<u>2012</u>
		<u>NIS</u>	<u>NIS</u>
<b><u>ASSETS</u></b>			
<b><u>CURRENT ASSETS:</u></b>			
Cash and Cash Equivalents		1,012,240	1,333,323
Contributions and allocations receivable		-	60,876
Inventory		<u>30,145</u>	<u>20,000</u>
		<b>1,042,385</b>	<b>1,414,199</b>
FIXED ASSETS	(3)	<u>128,301</u>	<u>131,239</u>
<b>TOTAL ASSETS</b>		<b><u>1,170,686</u></b>	<b><u>1,545,438</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>			
<b><u>CURRENT LIABILITIES:</u></b>			
Employee's		15,936	23,013
Suppliers and Checks Payable		9,863	4,355
Creditors and Accounts Payable	(4)	<u>628,813</u>	<u>1,032,348</u>
<b>Total Current Liabilities</b>		<b><u>654,612</u></b>	<b><u>1,059,716</u></b>
<b><u>Long Term Liabilities</u></b>			
Employee benefit liabilities, net		<u>1,455</u>	<u>4,035</u>
<b>Total Liabilities</b>		<b><u>656,067</u></b>	<b><u>1,063,751</u></b>
<b><u>NET ASSETS:</u></b>			
Unrestricted Net Assets of activities		<u>514,619</u>	<u>481,687</u>
Total Net Assets		<u>514,619</u>	<u>481,687</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>1,170,686</u></b>	<b><u>1,545,438</u></b>

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Director

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Director

The notes to the financial statements form an integral part thereof

**Community, Energy and Technology in the Middle East  
(Comet-ME)**

**Statement of Activities**

	<u>Note</u>	<u>2013</u> <u>NIS</u>	<u>2012</u> <u>NIS</u>
<b><u>GROSS INCOME FROM ACTIVITIES:</u></b>			
INCOME	(5)	<u>2,156,057</u>	<u>1,951,230</u>
<b><u>COST OF ACTIVITIES:</u></b>			
Salaries and Benefits	(6)	469,012	448,765
Material Costs		782,940	470,805
Service Providers	(7)	<u>349,479</u>	<u>284,140</u>
<b>Total Cost of Activities</b>		<u>(1,601,431)</u>	<u>(1,203,710)</u>
<b>Net Income from Activities</b>		554,626	747,520
General and Administrative Expenses	(8)	<u>488,885</u>	<u>389,508</u>
<b>Net Income (Expense) Before Financial Expenses</b>		65,741	358,012
Financial Expenses, Net		<u>(32,809)</u>	<u>(5,682)</u>
<b>Net Income After Financial Expenses</b>		<u><b>32,932</b></u>	<u><b>352,330</b></u>

The notes to the financial statements form an integral part thereof

# Community, Energy and Technology in the Middle East (Comet-ME)

## Notes to Financial Statements

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### 1. Background:

Community, Energy and Technology in the Middle-East (Comet-ME) is an NGO based in Israel – Tsafiririm.

Comet-ME is a Community Interest Company officially registered on 14<sup>th</sup> September 2009 under registration number 5-143261-07.

The mission of Comet-ME is to facilitate social and economical empowerment in the poorest and most marginalized communities of the occupied Palestinian territories through material support and capacity building. The core of our activity is the provision of basic energy services for off-grid communities using solar and wind power, in a way that is both environmentally and socially sustainable.

Its main initiative is to build renewable energy systems for communities that are not connected to the electricity grid because of political reasons and build local capacity to install and maintain those systems.

#### 1.1 Source of Funds:

Comet-ME sources of funds are donations from international and local organizations and from current activities.

### 2. Principal Accounting Policies:

- a. The financial statements have been compiled in accordance to audit statement no. 69 of the institute of Certified Public Accountant in Israel and according to standard no. 5 of the institute of accounting standards.
- b. **Cash and cash equivalents** – include bank deposits for up to three months deposit from the balance sheet date.

## 2. Principal Accounting Policies: (continued)

- c. **Fixed assets** – include computers, furniture and office equipment. The annual rates of depreciation are between 6% and 33%, improvements to rented premises are amortized on a straight line method over the rental contract period, which does not exceed the estimated useful life of the improvements.
- d. Below are the details of consumer price index and the Euro rate of exchange:

	<u>31 December</u>	
	<u>2013</u>	<u>2012</u>
Consumer price index (average base 1998)	141.55	139.03
EURO currency (N.I.S for 1 Euro)	4.781	4.9206
U.S Dollar	3.471	3.733

## 3. Fixed Assets:

	<u>Accumulated</u>		<u>31 December</u>	
	<u>Cost</u>	<u>Depreciation</u>	<u>2013</u>	<u>2012</u>
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
Leasehold Improvements	62,631	8,109	54,522	56,048
Machinery and Equipment	<u>101,818</u>	<u>28,039</u>	<u>73,779</u>	<u>75,191</u>
	<u>164,449</u>	<u>36,148</u>	<u>128,301</u>	<u>131,239</u>

## 4. Creditors and Accounts Payables:

	<u>31 December</u>	
	<u>2013</u>	<u>2012</u>
	<u>NIS</u>	<u>NIS</u>
Other creditors	21,827	24,269
Income in advance *	598,987	996,427
Institutions	<u>7,999</u>	<u>11,652</u>
	<u>628,813</u>	<u>1,032,348</u>

\*The article income in advance includes income received at 2013 for activities to be implemented in 2014.

## 5. Gross Income:

	<u>31 December</u>	
	<u>2013</u>	<u>2012</u>
	<u>NIS</u>	<u>NIS</u>
Donations from foreign funds *	1,909,070	1,876,094
Foreign private donations	190,612	20,084
Local private donations	-	8,300
Income from current activities	<u>56,375</u>	<u>46,752</u>
	<b><u>2,156,057</u></b>	<b><u>1,951,230</u></b>

### Donations from Foreign Funds:

	<u>31 December</u>	
	<u>2013</u>	<u>2012</u>
	<u>NIS</u>	<u>NIS</u>
Medico International – Germany	593,397	664,716
Swiss Olive Oil Campaign	10,484	205,635
German Representative office – Ramallah	-	100,000
The Rockefeller brothers Foundation	149,106	-
Swedish postcode foundation	456,075	318,365
The Almoney Fund	17,912	19,903
Irish Aid	287,149	293,649
Accion Contra El Hambre	-	208,400
Anonymous Donor	-	18,751
Swiss Agency For Development	-	33,771
Engineers Without Borders	-	12,904
French Ministry of Foreign Affairs	137,466	-
Belgian Development Agency - BTC	28,693	-
Ministry of Foreign Affairs of The Netherlands	59,347	-
The Osprey Foundation	141,583	-
New Zealand Ministry of Foreign Affairs	22,098	-
Slits Phm	3,317	-
ISRAA	<u>2,443</u>	-
<b><u>Total Donations from Foreign Funds</u></b>	<b><u>1,909,070</u></b>	<b><u>1,876,094</u></b>



## 6. Salaries And Benefits

	<u>31 December</u>	
	<u>2013</u>	<u>2012</u>
	<u>NIS</u>	<u>NIS</u>
Salaries and Benefits	348,000	358,099
Payroll Service Providers	<u>121,012</u>	<u>90,666</u>
	<u>469,012</u>	<u>448,765</u>

## 7. Service Provider's

	<u>31 December</u>	
	<u>2013</u>	<u>2012</u>
	<u>NIS</u>	<u>NIS</u>
Technical coordinator	216,000	188,766
Community Organizer	55,000	52,000
Fundraiser	46,479	34,374
Finance Manager	<u>32,000</u>	<u>9,000</u>
	<u>349,479</u>	<u>284,140</u>

## 8. General and Administrative Expenses:

	<u>31 December</u>	
	<u>2013</u>	<u>2012</u>
	<u>NIS</u>	<u>NIS</u>
Audit and Bookkeeping Expenses	35,000	20,500
Travel Expenses	232,902	201,287
Office Supplies Expenses	5,960	5,907
Communication Expenses	14,361	11,132
Fees and Membership	1,410	1,978
Legal Expenses	89,728	78,575
Rent	-	5,500
Professional Services	-	5,104
Refreshments Expenses	2,339	4,086
Printing and Publications Expenses	50,329	41,021
Depreciation Expenses	19,539	9,598
Travel Abroad Expenses	23,856	4,820
Professional Education	3,600	-
Business & equipment maintenance	<u>9,861</u>	-
	<u>488,885</u>	<u>389,508</u>