

**“COMET-ME”**

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

**(Community Interest Company)**

**FINANCIAL STATEMENTS**

**As of December 31, 2015**

**September 3, 2016**

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

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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 2015 and 2014 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, 2015 and 2014 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  
September 3, 2016**

**Community, Energy and Technology in the Middle East**  
**(Comet-ME)**  
**Balance Sheet**  
**As of 31 December 2015**

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		<u>NIS</u>	<u>NIS</u>
<b><u>ASSETS</u></b>			
<b><u>CURRENT ASSETS:</u></b>			
Cash and Cash Equivalents		324,604	1,129,096
Short term investments		303,476	302,347
Inventory		<u>62,203</u>	<u>-</u>
		<b>690,283</b>	<b>1,431,443</b>
FIXED ASSETS	(3)	<u>117,850</u>	<u>117,415</u>
<b>TOTAL ASSETS</b>		<b><u>808,133</u></b>	<b><u>1,548,858</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>			
<b><u>CURRENT LIABILITIES:</u></b>			
Employee's		3,266	19,759
Suppliers and Checks Payable		-	5,310
Creditors and Accounts Payable	(4)	<u>356,439</u>	<u>1,134,733</u>
<b>Total Current Liabilities</b>		<b><u>359,705</u></b>	<b><u>1,159,802</u></b>
<b><u>Long Term Liabilities</u></b>			
Employee benefit liabilities, net		<u>9,260</u>	<u>9,260</u>
<b>Total Liabilities</b>		<b><u>368,965</u></b>	<b><u>1,169,062</u></b>
<b><u>NET ASSETS:</u></b>			
Unrestricted Net Assets of activities		<u>439,168</u>	<u>379,796</u>
Total Net Assets		<u>439,168</u>	<u>379,796</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>808,133</u></b>	<b><u>1,548,858</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>2015</u> <u>NIS</u>	<u>2014</u> <u>NIS</u>
<b><u>GROSS INCOME FROM ACTIVITIES:</u></b>			
INCOME	(5)	<u>4,676,995</u>	<u>2,418,772</u>
<b><u>COST OF ACTIVITIES:</u></b>			
Salaries and Benefits	(6)	798,934	615,656
Material Costs		2,650,258	958,851
Service Providers	(7)	<u>500,368</u>	<u>416,052</u>
<b>Total Cost of Activities</b>		<u>3,949,560</u>	<u>(1,990,559)</u>
<b>Net Income from Activities</b>		727,435	428,213
General and Administrative Expenses	(8)	<u>665,230</u>	<u>574,666</u>
<b>Net Income (Expense) Before Financial Expenses</b>		62,205	(146,453)
Financial (Expenses) Income, Net		<u>(2,833)</u>	<u>11,630</u>
<b>Net Income After Financial Expenses</b>		<u><b>59,372</b></u>	<u><b>(134,823)</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>2015</u>	<u>2014</u>
Consumer price index (average base 1998)	139.9	141.25
EURO currency (N.I.S for 1 Euro)	3.902	3.889
U.S Dollar	4.246	4.724

## 3. Fixed Assets:

	<u>Accumulated</u>		<u>31 December</u>	
	<u>Cost</u>	<u>Depreciation</u>	<u>2015</u>	<u>2014</u>
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
Leasehold Improvements	64,684	20,999	43,685	50,153
Machinery and Equipment	<u>132,706</u>	<u>58,541</u>	<u>74,165</u>	<u>67,262</u>
	<b><u>197,390</u></b>	<b><u>79,540</u></b>	<b><u>117,850</u></b>	<b><u>117,415</u></b>

## 4. Creditors and Accounts Payables:

	<u>31 December</u>	
	<u>2015</u>	<u>2014</u>
	<u>NIS</u>	<u>NIS</u>
Other creditors	29,874	20,424
Income in advance *	318,514	1,105,342
Institutions	<u>8,051</u>	<u>8,967</u>
	<b><u>356,439</u></b>	<b><u>1,134,733</u></b>

\*The article income in advance includes income received at the current year for activities to be implemented in the year after.

## 5. Gross Income:

	<u>31 December</u>	
	<u>2015</u>	<u>2014</u>
	<u>NIS</u>	<u>NIS</u>
Donations from foreign funds *	4,617,346	2,387,452
Local private donations	20,100	14,660
Income from current activities	<u>39,549</u>	<u>16,660</u>
	<u><b>4,676,995</b></u>	<u><b>2,418,772</b></u>

### Donations from Foreign Funds:

	<u>31 December</u>	
	<u>2015</u>	<u>2014</u>
	<u>NIS</u>	<u>NIS</u>
Medico International – Germany	184,691	780,356
Swiss Olive Oil Campaign	167,265	164,541
European union	1,483,101	410,455
The Rockefeller brothers Foundation	197,377	172,900
Svenska	203,778	-
Irish Aid	344,973	358,311
French Ministry of Foreign Affairs	-	5,391
Belgian Development Agency - BTC	-	29,403
Ministry of Foreign Affairs of The Netherlands	1,805,093	166,086
The Osprey Foundation	179,168	19,544
Minax Uriel	7,438	-
PSCC	22,711	-
Other funds from abroad	<u>21,752</u>	<u>5,773</u>
<u><b>Total Donations from Foreign Funds</b></u>	<u><b>4,617,346</b></u>	<u><b>2,387,452</b></u>



## 6. Salaries And Benefits

	<u>31 December</u>	
	<u>2015</u>	<u>2014</u>
	<u>NIS</u>	<u>NIS</u>
Salaries and Benefits	331,409	342,153
Payroll Service Providers	<u>467,525</u>	<u>273,503</u>
	<u>798,934</u>	<u>615,656</u>

## 7. Service Provider's

	<u>31 December</u>	
	<u>2015</u>	<u>2014</u>
	<u>NIS</u>	<u>NIS</u>
Technical coordinator	296,000	234,000
Community Organizer	49,577	65,000
Fundraiser	70,791	57,052
Finance Manager	<u>84,000</u>	<u>60,000</u>
	<u>500,368</u>	<u>416,052</u>

## 8. General and Administrative Expenses:

	<u>31 December</u>	
	<u>2015</u>	<u>2014</u>
	<u>NIS</u>	<u>NIS</u>
Audit and Bookkeeping Expenses	20,414	17,500
Travel Expenses	322,453	301,674
Office Supplies Expenses	7,980	2,946
Communication Expenses	23,495	21,312
Fees and Membership	1,158	1,369
Legal Expenses	162,943	124,243
Refreshments Expenses	10,787	7,222
Printing and Publications Expenses	30,925	14,779
Depreciation Expenses	22,060	21,332
Travel Abroad Expenses	26,507	31,797
Professional Education	5,150	12,093
Business & equipment maintenance	<u>31,358</u>	<u>18,399</u>
	<u>665,230</u>	<u>574,666</u>