

**AL MEZAN CENTER FOR HUMAN RIGHTS
GAZA - PALESTINE**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2009

Al Mezan Center for Human Rights

Gaza – Palestine

Financial Statements and Independent Auditor's Report
For the year ended 31 December 2009

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Independent Auditor's Report

To the Board of Directors
Al Mezan Center for Human Rights
Gaza – Palestine

Report on the financial statements

We have audited the accompanying financial statements of *Al Mezan Center for Human Rights (MCHR)*, which comprise of the statement of financial position as at 31 December 2009, the statement of activities and changes in net assets, statement of functional expenses and of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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 the United States of America Statements on Financial Accounting Standards No. 116, 117, and 124. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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 center'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 center'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.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of *Al Mezan Center for Human Rights-(MCHR)* as of 31 December 2009, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the United States of America Statements on Financial Accounting Standards No. 116, 117, and 124.



Gaza, April 14, 2010

Al Mezan Center for Human Rights

Gaza - Palestine

Statement of Financial Position

As of December 31, 2009

(In Us Dollars)

Assets	Note	2009	2008
Current assets			
Cash and cash equivalent	4	116,715	176,256
Pledges receivables and others	5	82,964	151,308
Total current assets		199,679	327,564
Property and equipment – net	6	85,991	54,117
Total assets		285,670	381,681
Liabilities and net assets			
Due to bank		---	35,593
Payables and accruals	7	105,216	79,191
Total liabilities		105,216	114,784
Paid in capital (Authorized capital of USD 10,000)	1	5,000	5,000
Net assets			
Unrestricted		89,463	93,858
Temporary restricted		---	113,922
Investment in property and equipment – net		85,991	54,117
Net assets		175,454	261,897
Total liabilities and net assets		285,670	381,681

The accompanying notes form an integral part of these financial statements

Financial statements included in pages 1-20 were approved by the center's management and signed on their behalf by:

Chairman
Board of Directors

“Member Board of Directors”

Financial
Department

Al Mezan Center for Human Rights

Gaza - Palestine

Statement of Activities

For the year ended December 31, 2009

(In Us Dollars)

		2009			2008
	Note	Temporary restricted	Un restricted	Total	Total
Revenue and grants		670,602	---	670,602	596,916
Other income		---	35,704	35,704	11,081
Total revenue and grants	8	<u>670,602</u>	<u>35,704</u>	<u>706,306</u>	<u>628,053</u>
<i>Expenses</i>					
Core programs costs		(477,035)	---	(477,035)	(549,606)
Special programs' expenses (statement of functional expenses)	9	<u>(279,431)</u>	---	<u>(279,431)</u>	<u>(166,736)</u>
Depreciation		<u>(36,283)</u>	---	<u>(36,283)</u>	<u>(41,570)</u>
Total expenses	10	<u>(792,749)</u>	---	<u>(792,749)</u>	<u>(757,912)</u>
<i>Change in net assets</i>		<u>(122,147)</u>	<u>35,704</u>	<u>(86,443)</u>	<u>(129,859)</u>

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Al Mezan Center for Human Rights

Gaza - Palestine

Statement of change in net assets

For the year ended December 31, 2009

(In Us Dollars)

	<u>Property and equipment</u>	<u>Temporary restricted</u>	<u>Un restricted</u>	<u>Total</u>
January 1, 2008	61,910	247,069	82,777	391,756
Change in net assets for the year	---	140,940-	11,081	(129,859)
Property and equipment acquired	33,777	(33,777)	---	---
Depreciation for the year	(41,570)	41,570	---	---
January 1, 2009	54,117	113,922	93,858	261,897
Change in net assets for the year	---	(122,147)	35,704	(86,443)
Property and equipment acquired	47,534	(47,534)	---	---
Depreciation for the year	(36,283)	36,283	---	---
Prior years income	20,623	---	(20,623)	---
Property and equipment released	---	(33,175)	33,175	---
Funds released from un restricted	---	52,651	(52,651)	---
	85,991	---	89,463	175,454

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Financial
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Al Mezan Center for Human Rights

Gaza - Palestine

Statement of Cash Flow

For the year ended December 31, 2009

(In Us Dollars)

	<u>2009</u>	<u>2008</u>
<i>Cash flows from operating activities</i>		
Change in net assets	(86,443)	(129,859)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	36,283	41,570
Prior years income - depreciation	(20,623)	---
Pledges receivable and others	68,344	(145,836)
Payables and accruals	26,025	34,566
<i>Net cash (used in) provided by operating activities</i>	23,586	(199,559)
Cash flows from investing activities:		
Property and equipment acquired	(47,534)	(33,777)
<i>Net cash provided by financing activities</i>		
Paid in capital	---	5,000
<i>Net increase in cash and cash equivalents</i>	(23,948)	(228,336)
<i>Cash and cash equivalents at the beginning of the year</i>	140,663	368,999
<i>Cash and cash equivalents at the end of the year net of due to banks</i>	116,715	140,663

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Financial
Department

Al Mezan Center for Human Rights

Gaza - Palestine

Statements of Functional Expenses

For the year ended December 31, 2009

(In Us Dollars)

	2009						2008	
	Core Program	Non Core Program				Total		Total
		Diakonia	Care- Tazeez	others	Total			
Publications	21,076	7,958	3,577	2,500	14,035	35,111	25,631	
Trainers' fees	2,678	1,278	---	---	1,278	3,956	4,778	
Consultancy	24,066	---	---	---	---	24,066	8,650	
Summer camps	---	---	---	---	---	---	---	
Renting hall	---	550	---	---	550	550	1,413	
Legal fees	44,240	---	---	7,242	7,242	51,482	52,104	
Monitoring	---	---	---	---	---	---	---	
Salaries	---	17,450	2,800	72,026	92,276	92,276	38,417	
Transportation	---	---	---	4,425	4,425	4,425	548	
Communication	---	553	---	4,159	4,712	4,712	806	
Hospitality	---	10,213	---	---	10,213	10,213	6,069	
Advertisement	---	138	---	---	138	138	481	
Stationary	---	1,102	---	1,550	2,652	2,652	1,565	
VC Running Cost	---	590	---	---	590	590	2,103	
Others	---	6,416	---	5,374	11,790	11,790	267	
Capacity Building	19,377	---	---	853	853	20,230	18,904	
Manuals	---	---	---	17,240	17,240	17,240	5,000	
	<u>111,437</u>	<u>46,248</u>	<u>6,377</u>	<u>115,369</u>	<u>167,994</u>	<u>279,431</u>	<u>166,736</u>	

The accompanying notes form an integral part of these financial statements

Financial statements included in pages 1-20 were approved by the center's management and signed on their behalf:

Chairman
Board of Directors

"Member Board of Directors"

Financial
Department

1. Background

a. Organization:

Al Mezan Center For Human Rights (thereafter Center) is a non-profit organization established and registered in Gaza, Palestine on May 30, 1999 under the registration number 563130798. Al Mezan Center For Human Rights commenced its activities in the Palestinian territories and registered as a Limited Shareholders Company (LTD) according to commercial company's law for the year 1929 and its amendment.

For legal purposes and for maximum operation efficiency under local laws and prevailing conditions, the *Center* had been organized as a *non-profit corporation* rather than "charitable society" or a volunteer organization. This explains the "share capital" line item appearing in the accompanying financial statements. The article of incorporation, however, clearly indicates the non-profit nature of the organization, and prohibits the shareholders from collecting profit from the corporation or benefiting from the assets upon liquidation.

b. Objectives:

The following are the objectives of the Center:

- Working towards adopting democratic legislation in alignment with international standards on human rights.
- Documenting and publishing human rights violations.
- Contributing to public awareness with respect to human rights issues.
- Enhancing relation between citizens and the authorities.
- Providing legal assistance to human rights victim.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs)

The accounting policies adopted are consistent with those of the previous financial year except as follows:

2.1 Standards and Interpretations effective in the current period:

The organization has adopted the following relevant and amended IFRS and IFRIC interpretations as of 1 January 2009:

- IFRS 2 Share-based Payment: Vesting Conditions and Cancellations effective 1 January 2009,
- IFRS 2 Share-based Payment: Cash-settled Share-based Payment Transactions effective 1 January 2010 (early adoption is permitted)
- IFRS 3 Business Combinations (Revised) and IAS 27 Consolidation and Separate Financial Statements (Amended) effective 1 July 2009 (early adoption is permitted) including consequential amendments to IFRS 7, IAS 21, IAS 28, IAS 31 and IAS 39.
- IFRS 7 Financial Instruments: Disclosures effective 1 January 2009,
- IFRS 8 Operating Segments effective 1 January 2009,
- IAS 1 Presentation of Financial Statements effective 1 January 2009,
- IAS 23 Borrowing Costs (Revised) effective 1 January 2009,
- IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation effective January 1 2009,

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

- IAS 39 Financial Instruments: Recombination and Measurement – Eligible Hedged Items effective 1 July 2009 (early adoption is permitted),
- IFRIS 9 Re-measurement of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement effective for periods ending on or after 30 June 2009,
- IFRIC 31 Customer Loyalty Programs effective 1 July 2008,
- IFRIC 16 Hedged of a Net Investment in a Foreign Operation effective 1 October 2008,
- IFRIC 18 *Transfers of Assets From Customers* effective 1 July 2009 (early adoption is permitted),
- Improvements To IFRSs (May 2008),
- Improvements To IFRSs (April 2009) ,(Early adoption is permitted).

Those amendments to the standards had no effect on the performance or the financial position of the center.

2.2 Standards issued but not yet effective

- Standards issued but not effective up to the date of issuance of the center’s financial statements are listed below.
- IFRIC 17 *Distributions of Non-Cash Assets to Owners*.
- This Interpretation is effective for annual periods beginning on or after 1 July 2009 with (early adoption is permitted). It provides guidance on how to account for non-cash distributions to owners. The interpretation clarifies when to recognize a liability, how to measure it and the associated assets, and when to derecognize the asset and the liability. The Center does not expect IFRIC 17 to have an impact on its financial statements as the center has not made non-cash distributions to owners in the past.

3. Summary of Significant Accounting Policies

The significant accounting policies followed are described below:

3.1 Basis of Accounting and Presentation:

The financial statements have been prepared on the accrual basis of accounting and in conformity with International Financial Reporting Standards and the United States of America Statements on Financial Accounting Standards No. 116, 117, and 124.

The net assets of **MCHR** and changes there in are classified and reported in accordance with United States of America Statements on Financial Accounting Standards No. 116, 117, and 124. “Financial Statements of Not-for-profit Organizations”, which establishes standards for external financial reporting by not-for-profit organizations.

Under the provision of these standards and statements, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. In order to ensure observance of limitations and restrictions placed on the use of the available resources, the accounts are maintained in accordance with the principles of fund accounting. Accordingly net assets of **MCHR** and changes therein are classified and reported as follows:

3. Summary of Significant Accounting Policies (continued)

- **Unrestricted net assets** - Net assets whose use by **MCHR** is not subject to donor-imposed restrictions.
- **Temporary 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 **MCHR** pursuant to those donor-imposed stipulations.
- **Revenues** are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified as unrestricted net assets and reported as net assets released from restrictions.

3.2 Contributions:

Contributions are recognized as revenues when received. Pledges receivable represents expenses incurred prior to 31 December and reimbursed by donors subsequently.

3.3 Property and equipment

Property and equipment are stated at cost including VAT less accumulated depreciation. Depreciation is calculated using the straight - line method based on the estimated useful lives of the assets. The annual rates used to depreciate these assets are:

	<u>Percentage</u>
Furniture	10-15
Computers ,software and printers	20-25
Vehicles	15
Office equipments	20-25
Information resources	25

3.4 End of Service

Provision for employees' end of service indemnity is calculated on the basis of at least 30 days for each year of service at the last salary paid which is in accordance with the labor law.

The Center's policy is to provide for the pension fund to its permanent employees at 14 percent of the employees' basic salaries matched with 7 percent of the basic salaries as contribution of the employees.

Theses benefits are accounted for separately. The end of service indemnity and the pension fund have a special bank account in the name of Al Mezan Center Employees Saving, into which benefits are deposited shortly after they accrued.

3. Summary of Significant Accounting Policies (continued)

3.5 Functional Expenses

The Center allocates its expenses on a functional basis among its various programs and general administration. Expenses that can be identified with a specific program or administration are charged directly. Other expenses that are common to several functions are allocated between functions based on best estimates and judgment of management.

3.6 Grants

Committed grants are accounted for on accrual basis. Pledges Receivable represents amounts due for expenses and costs incurred prior to year-end and reimbursed by donors in the subsequent period. Pledges receivable is recorded when related grants become measurable and available. Other contributions are recognized as revenues when received.

3.7 Taxation

Based on laws of Palestinian Authority, **MCHR** is exempted from direct tax. These laws oblige the **MCHR** to withhold tax for its staff and pay it to income tax department. All the expenses presented at the financial statements are related value added tax.

3.8 Foreign Currency Transactions

The books of accounts are maintained in US Dollar.

Transactions in foreign currencies are translated to US Dollar equivalent at the rate of exchange prevailing on the date of the transactions. Assets and liabilities denominated in foreign currencies are translated to U.S equivalent at the exchange rates prevailing on the date of the statement of the financial position. Exchange gains and losses, including foreign currency revaluation gains and losses are included in the statement of activities.

Foreign currency exchange rates as of 31 December 2009 were as follows:

	<u>2009</u>	<u>2008</u>
	USD	USD
New Israeli Shekel	0.264	0.264
Euro	1.441	1.410
Nok	0.173	0.139

3. Summary of Significant Accounting Policies (continued)

3.9 Used of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions as well as fair value changes reported in equity. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and that the actual results may differ from those estimates adopted by the **MCHR's** management. The management considers its estimates in the financial statements as reasonable. Estimates used in the preparation of the financial statements are as follows:

- Provision for end of service indemnity is booked according to the Palestinian respective laws and regulations,
- A periodic review is performed on the estimated useful lives of the fixed assets that are subject to amortization for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment loss, if any, is included in the statement of income.
- The **MCHR's** management reviews, on regular basis, the financial assets that are stated at cost to estimate any impairment, if any. Impairment loss is included in the statement of income,

4. Risk Management

Fair Values of Financial Assets and Liabilities

The carrying book values of the financial assets and liabilities are not materially different from their fair values at the date of the statement of financial position.

Operational Risk

The costs of the programs, administrative as well as property and equipment procurements are significantly financed by donors through donations. The management believes that the funding level in the year 2010 will be sufficient to finance all of its disbursements and will be consistent with the funding level in the prior years. Furthermore, the management believes that the political and economical conditions prevailing in the area will not materially affect its operations.

Credit Risk

The center's credit risk is primarily attributable to its liquid funds and receivables. The credit risk on liquid funds is limited because they are placed with reputable financial institutions. The Receivables are stated in the statement of financial position net of allowances for doubtful debts, if any, which is estimated by the center management based on prior experience and the current economic environment.

Interest Rate Risk

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

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 center's 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.

4. Cash and cash equivalent

	<u>2009</u>	<u>2008</u>
	USD	USD
Cash and cash equivalent	116,715	176,256
Due to bank	---	(35,593)
	<u>116,715</u>	<u>140,663</u>

5. Pledges receivable and others

	<u>2009</u>	<u>2008</u>
	USD	USD
Pledges receivable – NGO Development Center	80,200	150,000
Prepaid expenses	917	1,308
Renovation	1,847	---
	<u>82,964</u>	<u>151,308</u>

Al Mezan Center for Human Rights

Gaza – Palestine

Notes to the Financial Statements
For the year ended 31 December 2009

6. Property and equipment – Net

	<u>Total</u> USD	<u>Furniture</u> USD	<u>Vehicle</u> USD	<u>Office</u> <u>Equipment</u> USD	<u>Information</u> <u>resources</u> USD	<u>Computers</u> <u>and</u> <u>printers</u> USD
<i>Cost</i>						
January 1, 2009	292,736	41,401	19,200	86,157	71,449	74,529
Additions	47,534	1,479	---	9,637	10,500	25,918
December 31, 2009	<u>340,270</u>	<u>42,880</u>	<u>19,200</u>	<u>95,794</u>	<u>81,949</u>	<u>100,447</u>
<i>Depreciation</i>						
January 1, 2009	(238,619)	(29,225)	(14,383)	(63,332)	(62,978)	(68,701)
Adjustments	20,623	1,794	(41)	6,063	9,833	2,974
ADJ Opening	(217,996)	(27,431)	(14,424)	(57,269)	(53,145)	(65,727)
Addition	(36,283)	(4,568)	(2,880)	(12,216)	(9,110)	(7,509)
Disposals	---	---	---	---	---	---
December 31, 2009	<u>(254,279)</u>	<u>(31,999)</u>	<u>(17,304)</u>	<u>(69,485)</u>	<u>(62,255)</u>	<u>(73,236)</u>
<i>Net book value</i>						
December 31, 2009	<u>85,991</u>	<u>10,881</u>	<u>1,896</u>	<u>26,309</u>	<u>19,694</u>	<u>27,211</u>
December 31, 2008	<u>54,117</u>	<u>12,176</u>	<u>4,817</u>	<u>22,825</u>	<u>8,471</u>	<u>5,828</u>

Property and equipment – Net (continued)

- Property and equipment include property additions that was financed by donors as follows:

Cost	<u>Diakonia</u> USD	<u>Care- Tazeez</u> USD	<u>Total non- core program</u> USD	<u>NDC</u> USD	<u>Total</u> USD
Furniture	651	325	1,479	---	2,455
Equipment Office	12,835	950	2,505	1,554	17,844
Computers and printers	2,550	4,350	11,648	6,500	25,048
Information resources	2,934	---	---	---	2,934
	<u>18,970</u>	<u>5,625</u>	<u>15,632</u>	<u>8,054</u>	<u>48,281</u>

7. Payables and accruals

	<u>2009</u> USD	<u>2008</u> USD
Payroll income tax payables	54,439	36,291
Legal fees payables	26,511	16,625
Accrued expenses	24,266	26,275
	<u>105,216</u>	<u>79,191</u>

Al Mezan Center for Human Rights
Gaza – Palestine

Notes to the Financial Statements
For the year ended 31 December 2009

8. Disposition of grants

	Total	Unrestricted	Temporary restricted fund		
			Funds	Total	Core
	USD	USD	USD	USD	USD
<i>Opening balance - January 1, 2009</i>	261,897	156,238	105,659	44,554	61,105
<i>Revenue during the year</i>					
Norwegian	80,200	---	80,200	80,200	---
NGO Development Center	300,000	---	300,000	300,000	---
Open Society Institution	25,000	---	25,000	25,000	---
Medico International	14,099	---	14,099	14,099	---
Global Ministries	74,124	---	74,124	74,124	---
Trocare	23,658	---	23,658	---	23,658
Care –Tazeez	8,443	---	8,443	---	8,443
Ford	---	---	---	---	---
Al Haq	15,984	---	15,984	---	15,984
NDC PROJECT	40,050	---	40,050	---	40,050
Save The Children	16,613	---	16,613	---	16,613
Open Society Institution	10,700	---	10,700	---	10,700
Rights & Democracy	7,886	---	7,886	---	7,886
Adalah	53,844	---	53,844	---	53,844
	670,602	---	670,602	493,424	177,178
Other Income	35,704	35,704	---	---	---
<i>Funds available</i>	968,203	191,942	776,261	537,978	238,283
Less: Expenses					
<i>Core programs costs</i>	(477,035)	---	(477,035)	(477,035)	---
Special program's Functional expenses	(279,431)	---	(279,431)	(111,437)	(167,994)
Depreciation	(36,283)	---	(36,283)	(36,283)	---
<i>Total expenses</i>	(792,749)	---	(792,749)	(624,755)	(167,994)
<i>Net assets December 31, 2009</i>	175,454	191,942	(16,488)	(86,777)	70,289
Less: Fixed Assets purchased					(26,289)
Fund balance					44,000

Al Mezan Center for Human Rights

Gaza – Palestine

Notes to the Financial Statements
For the year ended 31 December 2009

8. Disposition of grants (continued)

Temporary restricted fund balance of US\$ 44,000 is made up as follows:

<i>Non Core funds</i>												
	Total	Diakonia	Trocare	Care Tazeez	Ford	Al Haq	NDC PROJECT	Save The Children	Open Society Institution	Rights & Democracy	Adalah	Other
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<i>Opening balance - January 1, 2009</i>												
Core funds balances	17,240	---	---	---	17,240	---	---	---	---	---	---	---
Temporary restricted funds	43,865	31,125	9,600	3,140	---	---	---	---	---	---	---	---
	61,105	31,125	9,600	3,140	17,240	---	---	---	---	---	---	---
<i>Revenue during the year</i>												
Trocare	23,658	---	23,658	---	---	---	---	---	---	---	---	---
Care –Tazeez	8,443	---	---	8,443	---	---	---	---	---	---	---	---
Al Haq	15,984	---	---	---	---	15,984	---	---	---	---	---	---
NDC PROJECT	40,050	---	---	---	---	---	40,050	---	---	---	---	---
Save The Children	16,613	---	---	---	---	---	---	16,613	---	---	---	---
Open Society Institution	10,700	---	---	---	---	---	---	---	10,700	---	---	---
Rights & Democracy	7,886	---	---	---	---	---	---	---	---	7,886	---	---
Adalah	53,844	---	---	---	---	---	---	---	---	---	53,844	---
	177,178	---	23,658	8,443	---	15,984	40,050	16,613	10,700	7,886	53,844	---
<i>Funds available</i>	238,283	31,125	33,258	11,583	17,240	15,984	40,050	16,613	10,700	7,886	53,844	---
Less: Expenses												
Special program's Functional expenses	(167,994)	(46,246)	(1,485)	(6,377)	(17,240)	(15,984)	(36,420)	(15,248)	(9,392)	(3,779)	(14,119)	(1,704)
<i>Net assets December 31, 2009</i>	70,289	(15,121)	31,773	5,206	---	---	3,630	1,365	1,308	4,107	39,725	(1,704)
Less: Fixed Assets purchased	(26,289)	(2,603)	---	---	---	---	(8,054)	(3,894)	(1,300)	(3,759)	(6,679)	---
	44,000	(17,724)	1,773	5,206	---	---	(4,424)	(2,530)	8	348	33,046	(1,704)

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9. Core programs costs

	<u>2009</u>	<u>2008</u>
	USD	USD
Salaries	180,105	215,353
Volunteers (special services agreement)	172,589	175,541
Staff rewards and compensations	42,895	68,947
Stationery	5,502	5,087
Office rent	19,716	21,467
Utilities and communications	17,667	22,712
Transportation and fuel	3,798	5,111
Translation	---	388
Hospitality	4,011	3,066
Bank charges	597	347
Advertisement	654	871
Maintenance	9,091	11,453
Professional fees	8,000	8,000
Subscription and mail	1,527	1,246
Miscellaneous and others	2,109	2,489
Insurance	6,219	7,528
Staff Training	2,555	---
	<u>477,035</u>	<u>549,606</u>

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10. Actual expenses versus budget for core- program 2009

	NORWAY	F-O-S-I	Medico International	ICCO Kerkinactie	NDC	Total Expenses	Budget	Variances
	USD	USD	USD	USD	USD	USD	USD	USD
Expenditures:								
<u>Personal Costs:</u>								
Director	7,589	1,077	---	6,154	25,180	40,000	40,000	---
Administrative Assistant	1,121	637	---	1,275	8,637	11,670	15,560	3,890
Accountant	2,824	819	---	2,638	10,835	17,116	17,117	1
Information System Officer	2,524	652	---	2,305	9,478	14,959	14,959	---
Cleaners	1,295	731	---	1,461	6,000	9,487	9,487	---
Driver	1,273	716	---	1,431	5,877	9,297	9,297	---
<i>Fieldwork Unit</i>								
Coordinator	4,282	864	---	3,727	15,327	24,200	24,202	2
Fieldworkers (3)	4,576	1,236	---	5,234	22,806	33,852	34,922	1,070
Data entry officer	644	861	---	1,722	7,359	10,586	10,335	(251)
<i>Legal Aid Unit</i>								
Coordinator	---	---	---	---	---	---	10,039	10,039
<i>Training & Mass Communication Unit</i>								
Coordinator	5,015	---	---	3,627	14,908	23,550	23,551	1
Trainer/Facilitator(1)	---	---	---	---	---	---	8,143	8,143
<i>Technical Assistance & Advocacy unit</i>								
Coordinator	3,582	---	---	2,592	14,209	20,383	24,462	4,079
Researcher	1,482	---	---	733	2,790	5,005	15,863	10,858
<i>Special Service Agreement</i>								
Fieldworkers (3)	9,775	---	---	5,908	22,579	38,262	36,942	(1,320)
Lawyer (2)	5,418	---	---	4,546	17,349	27,313	25,246	(2,067)
Cleaners (2)	3,143	---	---	2,180	8,847	14,170	14,170	---
Secretary (3)	4,558	---	---	1,669	10,049	16,276	24,414	8,138
Liberian(1)	1,944	---	---	1,378	5,635	8,957	8,957	---
Trainer/Facilitator(1)	2,792	---	---	2,769	8,261	13,822	12,454	(1,368)
Assistant Researcher(1)	1,792	---	---	1,274	6,848	9,914	11,973	2,059
Translator(1)	---	---	---	978	2,897	3,875	11,778	7,903
Admin & Financial officer (1)	---	---	---	-	-	0	8,611	8,611
Staff rewards and compensation	---	5,737	---	22,949	14,209	42,895	31,579	(11,316)
Total Personal Cost	65,629	13,330	---	76,550	240,080	395,589	444,061	48,472

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10. Actual expenses versus budget for core- program 2009 (Continued)

	NORWAY	F-O-S-I	Medico International	ICCO Kerkinactie	NDC	Total Expenses	Budget	Variances
<u>Administrative And Running Cost</u>								
Rent	---	1,216	429	7,018	11,053	19,716	19,180	(536)
Utilities	---	455	1,171	1,106	1,480	4,212	3,619	(593)
Communication	---	1,168	4,209	3,282	4,794	13,453	7,400	(6,053)
Stationary	---	400	1,400	1,880	1,822	5,502	4,006	(1,496)
Transportation	---	440	514	1,247	1,597	3,798	3,174	(624)
Advertisement	---	16	15	25	597	653	1,842	1,189
Translation	---	---	---	---	---	---	909	909
Hospitality	---	629	629	1,438	1,315	4,011	4,500	489
Staff Trainings	---	-	239	813	1,503	2,555	2,671	116
Insurance	---	496	844	496	4,383	6,219	6,656	437
Auditing & Evaluation	---	646	292	1,840	5,222	8,000	6,190	(1,810)
Maintenance	---	586	---	1,368	7,137	9,091	6,045	(3,046)
Bank Charges	---	162	---	81	354	597	574	(23)
Subscription & Mail	---	38	---	61	1,428	1,527	2,159	632
Miscellaneous	---	98	---	114	1,900	2,112	4,533	2,421
Total Administrative And Running Cost	---	6,350	9,742	20,769	44,585	81,446	73,458	(7,988)
<u>Activities</u>								
Capacity Building	1,678	577	884	2,743	13,495	19,377	16,528	(2,849)
Publications	3,942	779	779	4,674	10,902	21,076	27,052	(5,976)
Consultants & Training fees	6,119	1,964	1,399	2,960	14,301	26,743	22,324	(4,419)
Legal Fees	---	2,000	1,295	4,179	36,767	44,241	42,464	(1,777)
Summer Camp	---	---	---	---	---	---	---	---
Total Activities Cost	11,739	5,320	4,357	14,556	75,465	111,437	108,368	(3,069)
<u>Capital Costs</u>								
Renovation	---	---	---	1,847	---	1,847	1,500	(347)
Furniture	---	---	---	---	---	---	2,934	2,934
Equipment	---	---	---	3,768	6,475	10,243	8,155	(2,088)
Information Resources	2,832	---	---	2,266	3,402	8,500	7,503	(997)
Computer Software	---	---	---	---	---	---	500	500
Total Capital Cost	2,832	---	---	7,881	9,877	20,590	20,592	2
Total Personal, Admin, Activities and Capital Cost	80,200	25,000	14,099	119,756	370,007	609,062	646,479	37,417

11. Core contributions

The Center's activities are funded through the restricted funds received from core donors that cover the core program costs. The agreed budget plan from these donors for the year 2009 was as follows:

Donors	Currency	Actual Received 2009	Budget 2009
NGO Development Center	USD	300,000	412,779
ICCO Kerkinactie	USD	74,124	114,500
Open Society Institution	USD	25,000	25,000
Medico International	USD	14,099	14,000
Norway	USD	---	80,200

12. Management cost (highest five salaries and benefits)

	2009 USD	2008 USD
Salaries	96,120	105,549
Pension @ 14 % of basic salaries	8,071	9,337
End of services benefits	8,010	8,795
	112,201	123,681

13. Prior year financial statements

Certain figures of financial statements of the prior year were adjusted and reclassified to confirm with the current year presentation.