

Basma Society for culture & Arts

PALESTINE

فلسطين

Financial Statements
Auditors Report
For The Ended Year
31-December-11

Auditor
Nael Fathei El-Nadem
مكتب الرباط للمحاسبة والتدقيق
إدارة / المحاسب القانوني
284.861

Table of Contents

	<u>Page number</u>
1-Auditor's Report	3
2-Balance sheet in 31/12/2011	4
3-Activities for the year ended 31/12/2011	5
4-Clarifications for the financial statement we examine	6,7,8,9,10,11,12

Board of Directors
Basma society for culture & Arts

Report
Independent Auditor's report
Basma Society for Culture And Arts
Gaza – Palestine

We have audited the attached financial position of the Society (Clarification 1), and the statement of activities (Clarification 2) as of December 31, 2011, where the audit included the society's account for the year 2011, and that the financial data are the responsibility of Basma management, and that our responsibility is to express an opinion based on our audit.

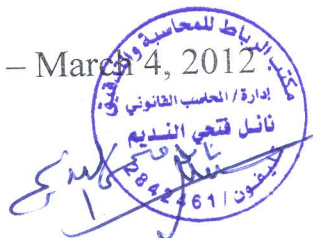
We conducted our audit in accordance with recognized auditing rules that generally accepted, which require that we plan and perform the audit to obtain reasonable assurance whether the financial statement does not include any fundamental error.

This audit includes examining on a basis of random sample of documents that supporting the financial statements and disclosures. Also, includes assessing the accounting principles used, and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The society follows the modified accrual principle for recording receipt and expenditures. Accordingly, revenues are recorded when received not when earned, and expenses are recorded when it paid.

In our opinion, the financial data fairly show the society financial position in all fundamental respects, as set out in the December 31, 2011 in accordance with accounting principles generally accepted, and applied on consistent basis, and the results of it's activities for fiscal year (the scope of examination), as well as receipts and disbursements for the period.

Gaza – March 4, 2012



Basma Society for culture & Arts

Gaza-Palestine

Balance Sheet 31-December2011

Amounts listed by Israeli Shekels & U.S Dollars

List(A)

31-Dec.

	Notes	NIS	U.S dollars
Assets			
Cash on hand& banks	3	24,527.16	6,433.95
Insurance of Jawal Company		528	148.41
Total Current Assets		25,055.16	6,582.36
Fixed Assets			
Net Fixed Assets	8	154,109.06	41,095.75
Total Fixed Assets		154,109.06	41,095.75
Total Assets		179,164.22	47,678.11
Liabilities & Net Assets			
Other payables	4	26,279	704.19
Surplus from previous years	6	240,048.11	67,377.91
Surplus or Deficit in the Budget		(87,162.89)	(26,703.99)
list(B)			
Total Liabilities & Net assets		179,164.22	47,678.11



Basma Society for culture & Arts
Gaza-Palestine

Activities for the year ended 31/12/2011
Amounts listed by Israeli Shekels & U.S Dollars

List(B)

31-Dec.

	Note	NIS	U.S dollars
Revenue			
Revenue	5	602,237.24	167,976.27
Total Revenue		602,237.24	167,976.27
Expenses			
Running Cost	7	689,400.13	194,680.2
Total Expenses		689,400.13	194,680.2
Net Increase (Decrease) in Revenue over Expenditure		(87,162.89)	(26,703.99)



Basma Society for culture &Arts Gaza-Palestine

Clarifications about the financial statement

31-December 2011

(1) Configuration and activity

Basma Society for Culture and Arts is a Palestinian non-governmental and non for profit organization. It is a cultural and arts NGO provides interactive cultural, educational, recreational and psychosocial support, as well as other creative programs and activities.

(2) Significant accounting Polices

A- Foreign Currency Exchange

Currencies are converted to the New Israeli Shekel at the time of the financial process.

B-Accounting Basis

The society follows the modifies accrual principle in recording receipts and expenditures. Accordingly, revenues are recognized when received, and expenses recognized when it is due.

c-Financial Documents

The society use sequential and signed by Ministry of Internal receipt and payment vouchers.

D-Accounting System

The society is using automatic accounting system and the golden Asseal program of accounting and finance to prove the financial operations of the society in US dollars.



(3) Cash on hand & banks

31-December

	NIS	U.S Dollars
Cash on hand	509	131.18
Cairo Amman Bank NIS	2,667.50	707.55
Cairo Amman Bank U.S dollars	21,350.66	5,595.22
Cash on hand & banks	24,527.16	6,433.95

(4) Other payables

	NIS	U.S Dollars
Mobile & Phone expense due	592	157.03
salaries expense due	21,375	5,700
Electricity expense due	84	22.28
Expense accounting fees payable	750	200
Other expenses due	2,205	584.88
Income tax salaries due	1,273	340
Other payables	26,279	7,004.19



(5) Revenue

31-December

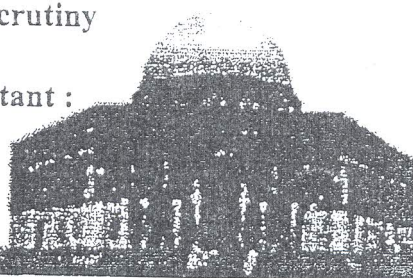
	NIS	U.S dollars
Membership fees and subscriptions	280	73.64
Revenue of plays	2,100	777.11
Other revenue	81,068.22	21,111.27
NGO Development Center grant	102,649.3	27,940
War Child Holland grant	279,906.5	78,781.73
U.S. Department of State grant	52,590	15,000
ARD grant	65,472	19,200
USAID/CRS grant	18,171.22	5,092.52
Revenue	602,237.24	167,976.27

(6) Surplus from previous years

31-December

	NIS	U.S dollars
Surplus from year 2006	2,388.4	572.76
Deficit from year 2007	(32,767.88)	(8,302.89)
Surplus from year 2008	126,124.5	36,073.94
Surplus from year 2009	33,681.81	6,260.72
Surplus from year 2010	110,621.28	32,773.38
Revenue	240,048.11	67,377.91





(7)Running Cost

31-December

	NIS	U.S dollars
Decoration expenses	1617.6	425.69
Poster and brochure expenses	7,318.192	2,030.8
Communication cost	6,896	2,048.32
Stationary cost	8,705.790	2,389.77
Hospitality cost	12,514.52	3,332.58
Transportation and fuel expenses	13,015.83	3,629.22
Expenses of maintenance and repair of truck	15,189.88	4,224.14
Audit fees, expenses	1,024	296.68
Other administrative cost	9,356.71	2,495.79
Electricity & Water Cost	2,322.5	650.11
Rent cost	21,490.6	6,353.71
wages and bonuses expenses	310,234.18	88,415.87
Salaries and wages expense	221,372.89	61,903.83
Bank fees	1,023.687	289.08
Consumption expenditure	24,749.7	6,932.69
Differences commissions	14,363.18	4,068.90
Expense to host the Society's website	500	138.12
Income tax expense on salaries	5,186.89	1,527
Membership fees and fees for subscriptions	529.5	150
Purchases Equipment	8,216.48	2,327.62
Expense for maintenance of Computer & Equipment	750	206.67
Equipment rent expenses	1,562	440
Services expense for AL-Shoroq Tower.	1,460	403.613
Total expenditure	689,400.13	194,680.2

