

Basma Society for culture & Arts

PALESTINE

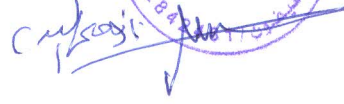
فلسطين

Financial Statements
Auditors Report
For The Ended Year
31-December-10

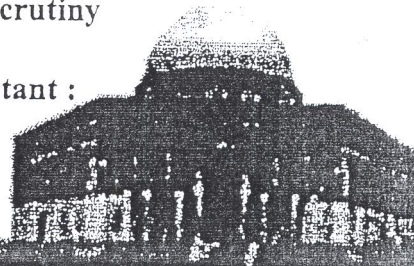
Auditor

Nael Fathei El-Nadem

Canonical Accountant







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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, 2010, where the audit included the society's account for the year 2010, 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, 2010 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 – January 24, 2011



Basma Society for culture & Arts

Gaza-Palestine

Balance Sheet 31-December2010

Amounts listed by Israeli Shekels & U.S Dollars

List(A)

31-Dec.

	Notes	NIS	U.S dollars
Assets			
Cash on hand& banks	3	73230.441	20540.274
Insurance of Jawal Company		604	148.41
Total Current Assets		73834.441	20688.684
Fixed Assets			
Net Fixed Assets	8	171318.7	48123.233
Total Fixed Assets		171318.7	48123.233
Total Assets		245153.14	68811.907
Liabilities & Net Assets			
Other payables	4	5105.0364	1433.997
Surplus from previous years	6	129426.83	34604.53
Surplus or Deficit in the Budget		110621.28	32773.38
Total Liabilities & Net assets		245153.14	68811.907



Basma Society for culture & Arts
Gaza-Palestine

Activities for the year ended 31/12/2010
Amounts listed by Israeli Shekels & U.S Dollars

List(B)

31-Dec.

	Notes	NIS	U.S dollars
Revenue			
Revenue	5	814031.59	222019.31
Total Revenue		814031.59	222019.31
Expenses			
Running Cost	7	703410.31	189245.93
Total Expenses		703410.31	189245.93
Net Increase (Decrease) in Revenue over Expenditure		110621.28	32773.38



Basma Society for culture & Arts Gaza-Palestine

Clarifications about the financial statement

31-December 2010

(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 Policies

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.

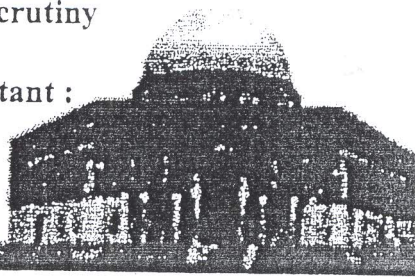
c-Financial Documents

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 Assel 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	1639.5	430.46
Cairo Amman Bank NIS	37525.62	10540.904
Cairo Amman Bank U.S dollars	30745.619	8636.41
Cairo Amman Bank Euro	3319.7022	932.50061
Cash on hand & banks	73230.441	20540.274

(4) Other payables

	NIS	U.S Dollars
Mobile expense due	300	84.269
Phone expense due	200	56.179
Electricity & services of Elshorook Tower money due	400	112.359
Expense accounting fees payable	712	200
Income tax on salaries expense due	3493.0364	981.19
Other payables	5105.0364	1433.997



(5) Revenue

31-December

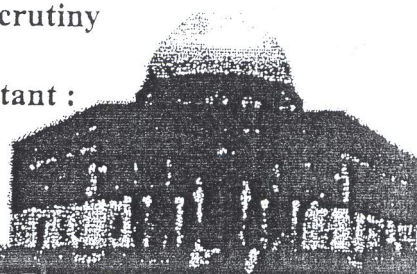
	NIS	U.S dollars
Membership fees and subscriptions	510	143.25842
Local donations and grants	68920	19359.55
Revenue of plays	14860.5	3989.15
Other revenue	8253.9844	2717.074
UNICEF grant	47600	13370.786
Middle East Partnership Initiative (MEPI) grant	36299.76	9758
NGO Development Center grant	172747.9	46910
U.S .Department of State-federal Assistance Award	127709.92	34498
War Child Holland grant	305005.05	82687.5
Alamidest grant	24816	6600
Capital of Arab Culture al-QUDS	7308.48	1986
Revenue	814031.59	222019.31

(6) Surplus from previous years

31-December

	NIS	U.S dollars
Surplus from year 2006	2388.4	572.76
Deficit from year 2007	(32767.88)	(8302.89)
Surplus from year 2008	126124.5	36073.94
Surplus from year 2009	33681.81	6260.72
Revenue	129426.83	34604.53





(7)Running Cost

31-December

	NIS	U.S dollars
Wages of administrative staff of war child Holland project	54143.185	14833.749
Wages for child to child trainer and technical of war child Holland project	24903.517	6822.8813
Wages for actors & drama trainers of war child Holland project	142482.02	39036.169
Staff wages of (NDC) project	129911.91	35592.304
Wages of MEPI project	8900	2438.3561
Wages of U.S .Department of State project	60164	16483.287
expenses of Theatrical text writer	1424	390.13698
Decoration expenses	6931.854	1899.138
Poster and brochure expenses	15760.404	4317.9189
Communication cost	8839.302	2421.7265
Stationary cost	8491.1696	2326.3478
Hospitality cost	16251.578	4452.4871
Transportation and fuel expenses	16401.988	4493.6953
Expenses of maintenance and repair of truck	13322.374	3649.9654
Audit fees, expenses	1648.8496	463.16
Other administrative cost	10702.428	2932.172
Electricity & Water Cost	2647.4652	743.67
Rent cost	18156	5100
Mail cost	96.476	27.1
wages and bonuses expenses	59775.07	16376.731
Salaries and wages expense	57138	16050
Bank fees	960.9508	269.93
Consumption expenditure	22482.81	6159.6739
Differences commissions	14878.178	0
Web Hosting society	3222.7256	905.26
Income tax cost	3493.0364	981.19
expenses of services tower	281.062	78.95
Total expenditure	703410.31	189245.93

