

Hanan for Cultural and Social Development Association

Statement of Financial

Year ended December 31,2012

With Financial Auditing Report

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Hanan for Cultural and Social Development Association

Financial Auditing Report

We have audited the attached Statement of Financial Position (**for Hanan Association for Culture and Community Development - Nuseirat**), a non-profit, as at 31 December and the statement of income and expenditure for the year ended on that date. These financial statements are the responsibility of the association, but our responsibility is to express an opinion on these financial statements based on our audit, and what we got from the information and explanations we believe are necessary for the purposes of our audit.

We conducted our audit in accordance with International Standards on Auditing, which require that we plan and perform the audit in order to reach a reasonable degree of assurance that the financial statements do not contain any material misstatement. The audit also includes assessing the accounting principles used and significant estimates made by management, In addition to a comprehensive assessment of the presentation of the financial statements as a whole. We believe that what we have done audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of the Assembly of Hanan for culture and community development Nuseirat as at 31 December 2012 and as a result of its work for the year ended on that date in accordance with international accounting standards.

Date: 07 March 2012

ALRAHMA For Accounting & Audit

Auditor
Husam N. ALnafar



Hanan for Cultural and Social Development Association
Statement of Financial Position
Year ended December 31, 2012

Item	Notes	NIS	
		<u>2011</u>	<u>2012</u>
Current Assets:			
Cash and Equivalents	3	205.64	7466.82
Account Receivable	4	273.00	598.00
Total of Current Assets		478.64	8064.82
Net Fixed assets	5	36472.13	24068.88
Total of Assets		<u>36950.77</u>	<u>32133.70</u>
Current Liabilities :			
Account payable	6	7089.90	58874.51
Other Liabilities	7	2972.12	22920.61
Total of Current Liabilities		10062.02	81795.12
Net Assets		<u>26888.75</u>	<u>-49661.42</u>
Total of Liabilities and Net Assets		<u>36950.77</u>	<u>32133.70</u>

See Notes to Financial Statement



Hanan for Cultural and Social Development Association

Statement of Activities
Year ended December 31, 2012

<u>Item</u>	<u>Notes</u>	<u>NIS</u>	
		<u>2011</u>	<u>2012</u>
Revenues	8	454157.72	297181.17
Expenses			
Programs Expenses	9	341696.40	356441.12
General and Admin Expenses	10	8606.38	4886.97
Depreciate Expenses		14246.89	12403.25
Total Expenses		364549.67	373731.34
Excess Revenues over(under)Expenses			
Change in Net Assets		89608.05	-76550.17
Net Assets at Year End		26888.75	-49661.42

See Notes to Financial Statement



Hanan Association for Culture and Community Development
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2012
Currency: NIS

1- Establishment of the organization:

Hanan establishments:

With an initiative from qualified and prominent volunteer's persons in the middle camps whom in charge of an important governmental and civil organizations, shoulder a series responsibilities toward participant in the social positive interference. Improving the marginalized areas targeting (children - poverty women – families - and other categorizes) Hanan for cultural and social development has been founded to be a civil organization present a non traditional and discerning services to all Gaza geographic scope. Hanan for Cultural and Social Development Association was established in 2007 as Non-governmental organization and registered under the license number 7848 of the Ministry of Inferior in 10/02/2007.

Hanan goals and objectives:

- 1- Defense and protecting the children rights, through organizing and implementing programs, activities and the special interactive projects which meet the main target.
- 2- Mixing and encouraging the disable child in his society among practicing his general and special rights as (education – health – housing).
- 3- Developing and gaining the child the development and creation his own skills and talents in knowledge and qualifications.
- 4- Growing the social participating working to protect childhood particularly in the marginalized areas.
- 5- Improving the gifted child abilities also the disables one and the lack students who escapes from their schools.
- 6- Organizing the literate and training courses aiming to raise the society awareness towards the children.
- 7- Observing the whole current infringement against the children rights whatever civilization damage or war damage.
- 8- Cooperation and coordination among the civil and the official organization which related with the childhood defenses.
- 9- Participating in the society renovation to form the participant development in the local society.
- 10- Reinforcing and interactive the women role in the development society process and decision making.
- 11- Developing the youth and forth coming generation gift in the Palestinian society as cultural and aesthetics abilities.

The accounting system:

1. The Accrual basis Principle is used in the association, where all the receipts and payment concerning certain period are registered even them is actually implemented or not.
2. The Fixed Line Principle is used to account the depreciation of the fixed assets except the sport materials if are available, books, magazines and toys are completely depreciated and preparing a minute report for this purpose.
3. Donations are divided into 2 main parts:

A. Ordinary donations:

These donations which are gained from the local public directly and re-applied to the bank current account of organization and withdrawing from to running daily expenses of the organization.

B. Special Donations:

They are special and un-periodically donations, allocated for implementing certain activities and re-applied in special bank account, opened for this purpose and used to cover the expenses of the suggested activities.

3. Cash and Equivalents

	<u>2011</u>	<u>2012</u>
Palestine Bank – current Account \$	205.64	24.96
Palestine Bank – Euro	0.00	1.98
Palestine Bank – NIS	0.00	252.00
Palestine Bank – Gazala-Usd	0.00	7187.88
Total of Cash and Equivalents	205.64	7466.82

4. Account Receivable

	<u>2011</u>	<u>2012</u>
Incomes - checks \$	85.00	0.00
IMPREST	188.00	598.00
Total of Account Receivable	273.00	598.00

5. Fixed Assets:

	<u>2012</u>		
Asset	Cost	Addition	Book Value
Equipments-Pc-Printer	29206.30	0.00	29206.30
Furniture	25570.00	0.00	25570.00
Equipments electrical	26617.19	0.00	26617.19
Total Assets	81393.49	0.00	81393.49
Depreciation			
Equipments-Pc-Printer 0.20	18323.43	5525.78	23849.21
Furniture 0.10	6943.45	2557.00	9500.45
Equipments electrical 0.20	19654.48	4320.47	23974.95
Total Depreciation	44921.36	12403.25	57324.61
Net Book Value	36472.13	12403.25	24068.88

6. Account payable

	<u>2011</u>	<u>2012</u>
Ex - checks \$	6615.80	38681.32
Ex - checks NIS	467.29	20111.43
Palestine Bank – Azala Us	6.81	0.00
Palestine Bank – Children's Parliament Usd	0.00	53.19
Palestine Bank – Children's Parliament Nis	0.00	28.57
Total of Account payable	7089.90	58874.51

7. Other Liabilities

payable expenses

	<u>2011</u>	<u>2012</u>
Telephone	177.10	312.53
Wage for audit	2649.50	1885.00
Water and electricity	145.52	881.64
Salaries payable	0.00	18898.94
Accrued expenses	0.00	942.50
Total	2972.12	22920.61

8. Revenues

	<u>2011</u>	<u>2012</u>
Membership fee	390.00	260.00
Incomes – Erick Anderson	207394.98	0.00
Incomes – Friendship Association	195052.42	281794.64
Incomes outcome – Others Association	50697.43	9854.20
Income currency variety	622.89	0.00
Other income	0.00	5272.33
Total	454157.72	297181.17

9. Programs Expenses

	<u>2011</u>	<u>2012</u>
Salaries	96935.01	75419.28
Rents	19710.00	15438.08
Telephone	7744.24	5053.86
Supplies	3470.95	3042.00
Stationary	13472.20	2820.00
Transportation	3194.38	2819.00
Help humanity and Cash	165991.15	243911.72
Printing cost	11000.00	0.00
Training	0.00	5968.10
Miscellaneous	11152.00	1969.08
Expenses of entertainments	9026.47	0.00
Total of Programs Expenses	341696.40	356441.12

10. General and Admin Expenses

	<u>2011</u>	<u>2012</u>
Water and electricity services	1301.24	816.12
Accountancy fee	2588.00	1885.00
Bank charges	1736.14	1008.72
Admin Expenses	2981.00	1177.13
Total	8606.38	4886.97