

PALTHINK FOR STRATEGIC STUDIES, GAZA
RESTORING THE COOPERATION AMONGST COMMUNITY ACTORS
TOWARDS A RECONCILED AND CIVILIZED SOCIETY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE PERIOD FROM JANUARY 1, 2011 TO DECEMBER 31, 2011

FUNDED BY

FEDERAL DEPARTMENT OF FOREIGN AFFAIRS, SEWITZERLAND

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

**To: The Board of Directors
PalThink for Strategic Studies
Gaza**

We have audited the accompanying statement of cash receipts and disbursements of Restoring the cooperation amongst community actors towards a reconciled and civilized society Project ("the Project") of PalThink for strategic Studies ("the Center") funded by the Swiss Federal Department of Foreign Affairs (FDFA) for the period from January 01, 2011 to December 31, 2011. This statement is the responsibility of the Center's management. Our responsibility is to express an opinion on this statement based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of cash receipts and disbursements is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of cash receipts and disbursements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of cash receipts and disbursements. We believe that our audit provides a reasonable basis for our opinion.

As explained in Note 3 to the accompanying statement of cash receipts and disbursements, this statement was prepared on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the statement of cash receipts and disbursements referred to above presents fairly, in all material respects, the cash receipts and disbursements of Restoring the cooperation amongst community actors towards a reconciled and civilized society Project of PalThink for strategic Studies for the period from January 1, 2011 to December 31, 2011 in accordance with the cash basis of accounting described in Note 3.

This report is intended for the information and use of PalThink for strategic Studies and the Swiss Federal Department of Foreign Affairs (FDFA) and it should not be used for any other purposes.

El Wafa Company

Gaza, Palestine
January 26, 2012



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(IN U. S. DOLLAR)

	<u>Notes</u>	<u>US. \$</u>		<u>CHF</u>	
		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
CASH RECEIPTS					
FDFA contribution	2	42,021	52,221	40,000	49,610
		<u>42,021</u>	<u>52,221</u>	<u>40,000</u>	<u>49,610</u>
DISBURSEMENTS					
Personal	4	25,310	25,263	24,105	24,000
Capital Costs	5	1,796	1,789	1,701	1,700
Activités	6	20,117	20,422	19,159	19,400
Over Head		4,744	4,747	4,497	4,510
TOTAL DISBURSEMENTS		<u>51,967</u>	<u>52,221</u>	<u>49,462</u>	<u>49,610</u>
EXCESS OF CASH RECEIPTS OVER CASH DISBURSEMENTS		<u>9,946</u>	<u>-</u>	<u>9,462</u>	<u>-</u>

The accompanying notes form an integral part of this statement.

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(IN U. S. DOLLAR)

1. The Center and its Activities

PalThink for strategic Studies Center (the Center) was established and registered in Gaza, Palestine as a non-for-profit organization in 1995 under registration number 563111046. The Center was founded to carry out the following goals: 1) Performing a constructive and facilitative roles in the rationalization of public discussions, thinking and decision processes . 2) Improving quality of life of the Palestinians by promoting innovative development solutions that challenges mainstream thinking on politics, economics and social issues.

2. The Project and Its Financing

Based on the agreement signed between the Swiss Federal Department of Foreign Affairs (FDFA) and the Center (the Agreement) dated February 08, 2011 and effective January 01, 2011 to December 31,2011, the Center was granted financial grant by FDFA to be used for performance the project activities in Gaza Strip, According to the Agreement, FDFA transferred the first installment of CHF 40,000 Equivalent U.S. \$ 42,021 to the Center , the second installment up to a maximum amount of CHF 9,462 equivalent approximately of U.S D \$ 10,100 on receipt and acceptance of an audited financial reports by FDFA .

3. Summary of Significant Accounting Policies

The statement of cash receipts and disbursements has been prepared under the historical cost convention. Significant accounting policies follow.

- **Basis of accounting** - The statement of cash receipts and disbursements was prepared on the cash basis of accounting. Receipts are recognized when cash provided by FDFA is received by the Center and disbursements are recognized when the cash payments are made.
- **Foreign currency** – The Center’s basic functional currency is the U. S. Dollar. Transactions, which are expressed or denominated in other currencies, were converted to U. S. Dollar using exchange rates in effect at the time of each transaction.

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4. *Human Resources (personnel)*

Salaries	Actual	Budget
Project coordinator 40%	11,368	11,368
IT specialist 60%	7,627	7,579
Secretary & logistic 80%	6,315	6,316
	<u>25,310</u>	<u>25,263</u>

5. *Capital Costs*

Equipment	Actual	Budget
Computers	1,260	1,263
Kitchen & office accessories	536	526
	<u>1,796</u>	<u>1,789</u>

6. *Activities*

	Actual	Budget
Seminars	6,413	6,316
papers developers	1,880	1,895
Community events	6,992	7,368
Office rent 50%	3,780	3,789
Audit fees 50%	526	526
Legal services 50%	526	526
	<u>20,117</u>	<u>20,422</u>