

**NGO DEVELOPMENT CENTER (NDC)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
AND INDEPENDENT AUDITOR'S REPORT**

- TABLE OF CONTENTS -

	<u>PAGE</u>
Independent Auditor's Report	2
Statement of financial position	3
Statement of activities and changes in net assets	4
Statement of cash flows	5
Notes to the financial statements	6



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**Independent Auditor's Report  
To the Board of Directors of NGO Development Center (NDC)  
Jerusalem - Palestine**

**Report on the financial statements**

We have audited the accompanying financial statements of the NGO Development Center ("NDC") which comprise the statement of financial position as of December 31, 2011, the statement of activities, and cash flow statement 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. 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

**Auditors' 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 of material misstatement.

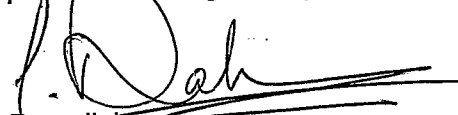
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 on the financial statements**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NDC as of December 31, 2011 and the results of its activities and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PRICEWATERHOUSECOOPERS 



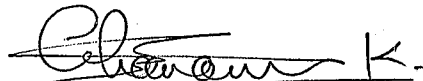
Ramallah  
April 18, 2012

NGO Development Center (NDC)  
 Financial statements for the year ended December 31, 2011

**STATEMENT OF FINANCIAL POSITION**  
 (All amounts in U.S Dollars)

	<u>Note</u>	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property plant and equipment	(3)	91,783	89,744
<b>Current assets</b>			
Pledges receivable	(4)	11,436,164	21,692,174
Other current assets	(5)	67,717	28,934
Cash and cash equivalents	(6)	5,222,969	4,447,855
<b>Total current assets</b>		<u>16,726,850</u>	<u>26,168,963</u>
<b>Total assets</b>		<u>16,818,633</u>	<u>26,258,707</u>
 <b>NET ASSETS AND LIABILITIES</b>			
<b>Net assets</b>			
Unrestricted net assets		1,179,273	1,217,584
Temporarily restricted net assets	(7)	15,278,706	24,702,103
<b>Total net assets</b>		<u>16,457,979</u>	<u>25,919,687</u>
<b>Non-current liabilities</b>			
Provision for end-of-service indemnity	(8)	208,825	181,395
Provident fund liability	(9)	55,059	31,147
<b>Total non-current liabilities</b>		<u>263,884</u>	<u>212,542</u>
<b>Current liabilities</b>			
Current liabilities	(10)	96,770	126,478
<b>Total net assets and liabilities</b>		<u>16,818,633</u>	<u>26,258,707</u>

- The notes on pages 6 to 29 are an integral part of these financial statements.
- The financial statements on page 3 to 29 were authorized for issue by the Board of directors on April 9, 2012 and were signed on its behalf.



Mr. Ghassan Kasabreh  
 Director



Mr. Shadi Qara'  
 Finance & Admin Manager

NGO Development Center (NDC)  
 Financial statements for the year ended December 31, 2011

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
 (All amounts in U.S Dollars)

	Note	2011	2010
<b>Changes in unrestricted net assets</b>			
Interest income		12,961	9,925
Other revenues		107,585	68,674
<b>Total unrestricted revenues</b>		<b>120,546</b>	<b>78,599</b>
Released from temporarily restricted net assets	(7)	9,236,503	8,133,652
<b>Total unrestricted revenues</b>		<b>9,357,049</b>	<b>8,212,251</b>
<b>Expenses and losses</b>			
Projects' expenses	(11)	9,172,924	7,915,873
Depreciation		63,295	54,599
Currency variances		60,309	93,280
Other expenses		98,832	12,228
<b>Total expenses</b>		<b>9,395,360</b>	<b>8,075,980</b>
Net change in unrestricted net assets		<b>(38,311)</b>	<b>136,271</b>
<b>Changes in temporarily restricted net assets</b>			
Grants and donations	(7,4)	-	24,700,000
Net assets released from restriction	(7)	(9,236,503)	(8,133,652)
Written off during the year	(7)	(100,031)	(437,430)
Currency variances	(7)	(86,863)	142,855
<b>Net changes in temporarily restricted net assets</b>		<b>(9,423,397)</b>	<b>16,271,773</b>
Changes in net assets for the year		(9,461,708)	16,408,044
Net assets, beginning of the year		25,919,687	9,511,643
<b>Net assets, end of the year</b>		<b>16,457,979</b>	<b>25,919,687</b>

- The notes on pages 6 to 29 are an integral part of these financial statements.

NGO Development Center (NDC)  
 Financial statements for the year ended December 31, 2011.

**STATEMENT OF CASH FLOWS**  
 (All amounts in U.S Dollars)

	<u>2011</u>	<u>2010</u>
<b>Cash flows from operating activities</b>		
Changes in net assets for the year	(9,461,708)	16,408,044
<b>Adjustments:</b>		
Depreciation	63,295	54,599
End of service indemnity expense	75,051	73,113
Provident fund	23,912	31,147
Gain on property, plant and equipment disposal	(2,425)	(142)
<b>Adjustments to reconcile changes in net assets to net</b>		
<b>Cash provided by / (used in) operating activities:</b>		
Pledges receivable	10,256,010	(15,296,152)
Other current assets	(38,783)	2,254
Current liabilities	(29,708)	(29,115)
End of service indemnity paid	(47,621)	(18,112)
<b>Net cash provided by/(used in) operating activities</b>	<u><b>838,023</b></u>	<u><b>1,225,636</b></u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(65,724)	(9,897)
Proceed from selling property, plant and equipment	2,815	536
<b>Net cash used in investing activities</b>	<u><b>(62,909)</b></u>	<u><b>(9,361)</b></u>
Increase in cash and cash equivalents	775,114	1,216,275
Cash and cash equivalents, beginning of the year	4,447,855	3,231,580
<b>Cash and cash equivalents, end of the year</b>	<u><b>5,222,969</b></u>	<u><b>4,447,855</b></u>

- The notes on pages 6 to 29 are an integral part of these financial statements.

## NGO DEVELOPMENT CENTER (NDC)

Financial statements for the year ended December 31, 2011

### NOTES TO THE FINANCIAL STATEMENTS

(All amounts in U.S Dollars)

#### NOTE (1) GENERAL INFORMATION

NGO Development Center (NDC) was registered with the Palestinian Ministry of Interior on March 4, 2006 under registration number (OR 286-B) as a Palestinian NGO. The Welfare Association and its Project Management Organization (PMO) which implemented PNGO I and II had transferred assets, system, and staff according to law No.1 for the year 2000 on charitable societies from the Welfare Association to NDC. NDC started its normal activities on July 1, 2006.

The NGO Development Center (NDC) is one of the largest Palestinian organizations, and is working hand-in-hand with Palestinian NGOs, local cooperatives, and community development organizations to enhance their service delivery and build more capable, representative Palestinian civil society. NDC programs and grants empower Palestinians to help them by providing the NGOs with the skills tools and funds they require to address social needs and promote self-reliance in adversity. The organization advocates greater NGO transparency and accountability through the adoption of professional financial and management practices, and promotes sector-wide coordination and sharing of best practice experiences.

On November 1, 2006, the Welfare Association and NDC signed a Memorandum of Understanding (MoU) to transfer from the Welfare Association all programs, activities, assets and staff of the Project Management Organization (PMO) of the Palestinian NGO II project to NDC.

#### NOTE (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared according to International Financial Reporting Standards based on the historical cost convention and presented in United State Dollars (USD). Currently, international financial reporting standards do not include any specific requirements regarding not-for-profit organizations in connection with the accounting policies or the presentation of the financial statements. The preparation of the financial statement in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the entity's accounting policies.

Following is a summary of the NDC's significant accounting policies:

##### a) Property, plant and equipment:

Property, plant and equipment are stated at cost net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets based on the following annual rates:

	<u>%</u>
Furniture	15-20%
Vehicles	15%
Computers and accessories	20-33%
Office equipment	15-20%
Computer software	20%

The cost of the property, plant and equipment includes all the expenditures incurred so as to make the assets ready for use. Any subsequent expenditure is capitalized only when they increase the future economic benefits of the related fixed property, plant and equipment.

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**b) Pledges receivable:**

Pledges receivable are stated at the original amount of the signed agreement less the amount received and any impairment.

**c) Cash and cash equivalents:**

Cash and cash equivalents includes cash at banks, cash on hand and short term deposits with a maturity of three months or less.

**d) Impairment of assets:**

The carrying values of the Property and equipment assets are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indications exist and when the carrying values exceed the estimated recoverable amounts the values of the assets are decreased to the recoverable amount, and the difference is recognized in the statement of activities and changes in net assets.

**e) Net assets:**

Net assets of NDC and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets whose use by NDC is not subject to donor-imposed restrictions.
- Temporarily restricted net assets - Net assets whose use by NDC is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and released by actions of NDC pursuant to those donor-imposed stipulations.

**f) Provision for end of service indemnity:**

Benefits payable to the employees of NDC at the end of their services which are provided for in accordance with the guidelines set by the local labour laws, by accruing one month compensation for each year of service based on the last salary paid.

**g) Provident fund:**

Benefits payable to the employees of NDC at the end of their services which are provided for in accordance with a policy set by NDC. The policy states that the following contributions are made:

1. 2% from employees' monthly salaries; and
2. 3% from NDC'S funds

**h) Revenue Recognition:**

Revenues are recognized when contributions and/or donations are pledged.

**i) Expenses recognition:**

Expenses are recognized when incurred based on the accrual basis of accounting.

**j) Translation of foreign currencies:**

The accompanying financial statements are denominated in USD. Transactions in other currencies are accounted for at the exchange rates prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies are translated into USD by applying the exchange rates prevailing at the reporting date. Exchange gains or losses arising on translation are reflected in the statement of activities and changes in net assets.

The exchange rates against USD as of December 31, 2010 and 2011 were as follows:

Currency	2011	2010
NIS	0.26	0.28
Euro	1.29	1.33



**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****k) Financial Risk Management:****1. Credit risk:**

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Analysis of this risk is presented in the following section by quality of credit.

	<u>Carrying amount</u>	<u>Credit Quality</u>
Cash and cash equivalents	5,222,969	High
Pledges receivable	11,436,164	High
Other current assets	67,717	High

- NDC has an amount of USD 5,222,969 as cash at the Arab Bank and on hand.

**2. Liquidity risk:**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The schedule below presents expected cash outflows resulting from financial liabilities broken down by time brackets:

<u>Items</u>	<u>Expected timing of cash outflow</u>		
	<u>Carrying amounts</u>	<u>0-6 Month</u>	<u>7M-1 Year</u>
Other current payables (Excluding Staff vacation)	59,143	59,143	-
	<u>59,143</u>	<u>59,143</u>	<u>-</u>

**3. Market risk:**

The market risk is defined as the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices.

The main market risk faced by NDC is foreign exchange risk. Currency risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The main currencies that NDC uses are the United States Dollar (USD), the New Israeli Shekel (NIS) and the Euro. The NIS rate to the USD at the end of the year 2011 was 3.821 and for 2010 was 3.571 respectively, while the average rate for 2011 was 3.578 and for 2010 the average rate was 3.732. In addition, the Euro rate to the USD at the end of the year 2011 was 1.29 and for 2010 was 1.33. For 2011 the average rate was 1.391 while the average rate for 2010 was 1.327. These fluctuations in the exchange rates resulted in a loss of USD 60,309 in 2011 (loss of USD 93,280 in 2010).

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (3) – PROPERTY, PLANT AND EQUIPMENT**

Details 2011-

<b>Cost</b>	<b>Balance 1/1/2011</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance 31/12/2011</b>
Furniture	22,425	-	-	22,425
Vehicles*	28,570	-	-	28,570
Computer	56,604	35,279	16,946	74,937
Equipment	49,003	30,445	137	79,311
Software	138,875	-	-	138,875
	<b>295,477</b>	<b>65,724</b>	<b>17,083</b>	<b>344,118</b>
<b>Accumulated depreciation</b>				
Furniture	9,601	3,508	-	13,109
Vehicles	10,629	4,286	-	14,915
Computer	45,612	16,596	16,625	45,583
Equipment	28,791	11,130	68	39,853
Software	111,100	27,772	-	138,875
	<b>205,733</b>	<b>63,295</b>	<b>16,693</b>	<b>252,335</b>
<b>Net Book Value</b>	<b>89,744</b>			<b>91,783</b>

\* NDC maintained two vehicles; one Vehicle in Gaza is registered in the name of the Welfare Association, and the other vehicle is registered in the name of the NDC Director in Jerusalem.

Details 2010-

<b>Cost</b>	<b>Balance 1/1/2010</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance 31/12/2010</b>
Furniture	21,809	616	-	22,425
Vehicles*	28,570	-	-	28,570
Computer	50,278	7,346	(1,020)	56,604
Equipment	47,520	1,935	(452)	49,003
Software	138,875	-	-	138,875
	<b>287,052</b>	<b>9,897</b>	<b>(1,472)</b>	<b>295,477</b>
<b>Accumulated depreciation</b>				
Furniture	6,129	3,472	-	9,601
Vehicles	6,344	4,285	-	10,629
Computer	37,355	9,293	(1,036)	45,612
Equipment	19,059	9,774	(42)	28,791
Software	83,325	27,775	-	111,100
	<b>152,212</b>	<b>54,599</b>	<b>(1,078)</b>	<b>205,733</b>
<b>Net Book Value</b>	<b>134,840</b>			<b>89,744</b>

**NGO DEVELOPMENT CENTER (NDC)**  
 Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (4) PLEDGES RECEIVABLE**

Details-

	Beginning Balance 1/1/2011	Written off	Due to Donors	Amount Received	Currency variance (loss) or gain	Ending Balance 31/12/2011
International Development Association (IDA)	3,070,782	(79,406)	5,085	2,091,646	-	904,815
Agence Francaise de Developpement (AFD)	5,607,000	-	-	890,960	(136,183)	4,579,857
HR/GG program**	12,858,931	-	-	6,911,578	-	5,947,353
European Union (EU)	34,502	-	-	36,322	1,820	-
Welfare Association – Islamic Development Bank	120,959	(20,625)	-	96,195	-	4,139
	<b>21,692,174</b>	<b>*(100,031)</b>	<b>5,085</b>	<b>10,026,701</b>	<b>(134,363)</b>	<b>11,436,164</b>

\* See note A-1 on page 15 and note E on page 28.

\*\* HRGG program is funded by the Swiss Agency for Development and Cooperation (SDC), Danish Representative Office to the Palestinian Authority (DRO), Swedish International Development Cooperation Agency (SIDA) and Netherlands Representative Office to the Palestinian Authority (NRO).

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (5) OTHER CURRENT ASSETS**

Details-

	<u>2011</u>	<u>2010</u>
Prepaid expenses	13,334	14,300
Staff loans and advances	43,018	14,334
Others	11,365	300
	<u>67,717</u>	<u>28,934</u>

**NOTE (6) CASH AND CASH EQUIVALENTS**

Details-

	<u>2011</u>	<u>2010</u>
Cash at bank and on hand	4,398,131	3,622,630
Short term bank deposits	824,838	825,225
	<u>5,222,969</u>	<u>4,447,855</u>

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (7) TEMPORARILY RESTRICTED NET ASSETS**

Details-

	Beginning Balance 1/1/2011	Written off	Additions	Released from Restriction	Currency variance (Gain) loss	Ending Balance 31/12/ 2011
International Development Association (IDA)	4,389,768	(79,406)	-	3,160,284	-	1,150,078
Agence Française de Développement (AFD)	6,562,344	-	-	1,412,135	(86,863)	5,063,346
HR/GG program**	13,580,730	-	-	4,515,448	-	9,065,282
Welfare Association – Islamic Development Bank	169,261	(20,625)	-	148,636	-	-
	<b>24,702,103</b>	<b>*(100,031)</b>	<b>-</b>	<b>9,236,503</b>	<b>(86,863)</b>	<b>15,278,706</b>

\* See note A-1 on page 15 and note E on page 28.

\*\*HRGG program is funded by the Swiss Agency for Development and Cooperation (SDC), Danish Representative Office to the Palestinian Authority (DRO), Swedish International Development Cooperation Agency (SIDA) and Netherlands Representative Office to the Palestinian Authority.

\*\*\* Amount released for HR/GG includes USD 3,818 for property and equipment.

\*\*\* Amount released for IDA includes USD 50,729 for property and equipment.

\*\*\* Amount released for AFD includes USD 9,032 for property and equipment.

**NOTES TO THE FINANCIAL STATEMENTS**  
 (All amounts in U.S Dollars)

**NOTE (8) PROVISION FOR END-OF-SERVICE INDEMNITY**

Details-

	<u>2011</u>	<u>2010</u>
Balance, beginning of the year	181,395	126,394
Add: provision made during the year	75,051	73,113
Less: payments made during the year	(47,621)	(18,112)
Balance, end of the year	<u>208,825</u>	<u>181,395</u>

**NOTE (9) PROVIDENT FUND LIABILITY**

Details-

	<u>2011</u>	<u>2010</u>
Balance, beginning of the year	31,147	-
Add:		
Staff share	9,562	12,466
NDC share	14,350	18,681
Balance, end of the year	<u>55,059</u>	<u>31,147</u>

**NOTE (10) CURRENT LIABILITIES**

Details-

	<u>2011</u>	<u>2010</u>
Accrued expenses	53,124	48,967
Staff vacation	37,627	47,897
Welfare association	546	546
Other payables	388	281
Due to donors *	5,085	28,787
	<u>96,770</u>	<u>126,478</u>

\*This amount represents amount to be refunded for PNGO III Project, as an ineligible expenditure during year 2011.

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES**

Details --

	IDA (A)	AFD (B)	*HRGG Program (C)	WA - IDB (E)	Total 2011	Total 2010
Sub - grants	2,427,293	957,036	4,097,564	143,254	7,625,147	6,324,589
Sub-grants for NGOs net work & umbrella organization	-	-	-	-	-	56,862
Travel & Transportation	28,699	2,094	3,399	-	34,192	13,884
Professional fees	179,815	94,296	91,376	4,000	369,487	498,275
Salaries & related benefits	347,102	308,821	263,927	-	919,850	819,107
Communication	15,203	3,202	4,736	-	23,141	26,997
Utilities	8,268	6,421	9,090	-	23,779	22,319
Rent	9,050	8,916	9,200	-	27,166	25,233
Maintenance	6,437	1,151	6,636	666	14,890	12,435
Others	61	9	-	-	70	1,426
Events	-	-	-	-	-	5,693
Hospitality & hall rentals	2,439	2,048	8,071	-	12,558	10,448
Bank charges	837	68	395	-	1,300	745
Media Advertising	2,069	4,114	3,209	-	9,392	15,551
Printing and Brochures	31,811	12,167	3,401	-	47,379	15,974
Stationary & Office supplies	6,276	613	4,852	716	12,457	18,016
Car expense	14,073	1,063	3,648	-	18,784	17,234
Capacity building	29,042	-	1,046	-	30,088	27,413
Insurance	1,081	1,084	1,080	-	3,244	3,672
	<b>3,109,556</b>	<b>1,403,103</b>	<b>4,511,630</b>	<b>148,636</b>	<b>9,172,924</b>	<b>7,915,873</b>

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**(A) IDA- World Bank grant**

**1- PNGO III Project (TF TF057872 – GZ):**

<u>Category</u>	<u>Note</u>	<u>Revised Budget</u>	<u>2011</u>	<u>From inception till 31/12/2011</u>	<u>Remaining</u>
Goods, works & services *		1,436,000	223,909	1,401,200	34,800
NGO Sub grants	(a-1)	6,623,000	318,979	6,578,299	44,701
Incremental operating cost		1,941,000	134,678	1,941,095	(95)
		<b>10,000,000</b>	<b>677,566</b>	<b>9,920,594</b>	<b>**79,406</b>

\*This amount includes the fixed assets purchased during 2011 amounting to USD 17,080.

\*\* The donor has decided to write off the remaining amount, which consists of USD 74,321 as remaining balance and USD 5,085, which was considered as ineligible expenditure during 2011.

**2- PNGO III Project – Additional Financing (TF094521 – GZ)**

<u>Category</u>	<u>Note</u>	<u>Revised Budget</u>	<u>2011</u>	<u>From inception till 31/12/2011</u>	<u>Remaining</u>
Goods, works & services *		43,000	40,600	43,000	-
NGO Sub grants	(a-2)	2,625,000	1,456,828	2,625,000	-
Incremental operating cost		332,000	145,628	332,000	-
		<b>3,000,000</b>	<b>1,643,056</b>	<b>3,000,000</b>	<b>-</b>

\*This amount includes the fixed assets purchased during 2011 amounting to USD 26,116.

During 2007, the International Development Association ("IDA") entered into an agreement ("the agreement") with the Welfare Association concerning the project titled Palestinian NGO-III Project. Pursuant to this agreement, the Welfare Association has signed a memo of understanding with the NDC to implement this Project. Under this agreement, IDA agreed to grant NDC through the Welfare Association an amount of USD 10,000,000 to implement the Project over the period from February 27, 2007 to December 31, 2009, as shown above. During 2009, the project has been extended till March 31, 2011.

During 2009, IDA entered into an additional financing agreement dated July 14, 2009 with the Welfare Association concerning the Project. As per the additional financing agreement, IDA is committed to fund another USD 3,000,000 during the extended period of 21 months. The additional financing agreement terminated on September 30, 2011.

The overall objective of the Project is to provide social services in West Bank and Gaza to those who are poor, vulnerable or affected by the deteriorating socioeconomic conditions by establishing an effective mechanism to improve the quality and sustainability of NGO social - services delivery.



**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)****A) IDA- World Bank grant (Continued)****3- PNGO IV Project (TF097371)**

<u>Category</u>	<u>Note</u>	<u>Revised Budget</u>	<u>2011</u>	<u>From inception till 31/12/2011</u>	<u>Remaining</u>
Goods, consultants' services & training		275,000	84,756	84,756	190,244
Sub-grants	(a-3)	1,400,000	619,163	619,163	780,837
Incremental operating costs		325,000	135,744	146,003	178,997
		<b>2,000,000</b>	<b>839,663</b>	<b>849,922</b>	<b>1,150,078</b>

\*This amount includes the fixed assets purchased during 2011 amounting to USD 7,533.

During 2010, IDA entered into a financing agreement with NDC concerning the project titled "Palestinian NGO-IV Project". Under this agreement, IDA agreed to grant NDC an amount of USD 2,000,000 to implement their Project over the period from August 2, 2010 to June 30, 2013.

The project aims to provide social services to those who are poor, vulnerable or marginalized through non-governmental organizations (hereinafter "NGOs") and to strengthen the institutional capacity of these organizations. The project consists of the following parts:

**Part 1:** Grants for Services Delivery

**Part 2:** NGO Sector Development

**Part 3:** Project Management, Monitoring and evaluation

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**A) IDA- World Bank grant (Continued)**

**1) NGO Sub grants**

Project #	NGO name	Budget *	2011	Cumulative December 31, 2011	Remaining
EMG.1.07.001	The Four Homes of Mercy	150,000	-	150,000	-
EMG.1.07.002	Spafford Children's Centre Old City	96,578	6,578	96,578	-
EMG.1.07.003	Saraya Center for Community Services	89,999	10,999	89,999	-
EMG.1.07.004	Silat al Harithiya Charity	47,721	-	47,721	-
EMG.1.07.005	Union Charitable Societies	80,000	-	80,000	-
EMG.1.07.006	Charitable Child Care Society	60,000	-	60,000	-
EMG.1.07.007	The Regional Committee for Rehabilitation	95,025	-	95,025	-
EMG.1.07.008	Elderly Home Charitable Society	90,000	-	90,000	-
EMG.1.07.009	Palestinian Association for Cultural Exchange	62,690	-	62,690	-
EMG.1.07.010	Tarqumia Charitable Society	75,000	7,500	75,000	-
EMG.1.07.011	The Edward Said National Conservatory of Music	69,208	27,208	69,208	-
EMG.1.07.012	Palestinian Working Woman Society for Development	70,000	-	70,000	-
EMG.1.07.013	The Arab Thought Forum	97,760	-	97,760	-
EMG.1.07.014	Pyalara	119,093	-	119,093	-
EMG.1.07.015	Taffouh Center for Culture and Arts	30,575	(18,925)	30,575	-
EMG.1.07.016	Islah Charitable Social Society	75,128	3,128	75,128	-
EMG.1.07.017	The Palestinian Farmer Association	123,000	-	123,000	-
EMG.1.07.018	Basma Society for Culture and Arts	105,000	-	105,000	-
	<b>Total for current page</b>	<b>1,536,777</b>	<b>36,488</b>	<b>1,536,777</b>	<b>-</b>

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**A) IDA- World Bank grant (Continued)**

**1) NGO Sub grants (Continued)**

Project #	NGO name	Budget *	2011	Cumulative December 31, 2011	Remaining
	<b>Total from previous page</b>	<b>1,536,777</b>	<b>36,488</b>	<b>1,536,777</b>	-
EMG.1.07.019	Albait Assamed Society	150,000	15,000	150,000	-
EMG.1.07.020	El-Amal Rehabilitation Society - Rafah	142,000	-	142,000	-
EMG.1.07.021	Palestinian Environmental Friends Association	103,000	-	103,000	-
EMG.1.07.022	Fekra Arts Institute	94,000	6,300	94,000	-
EMG.1.07.023	Palestinian Alnakheel Association	70,000	-	70,000	-
EMG.1.07.024	Al-Mawassi Agricultural Cooperative Association	125,000	-	125,000	-
EMG.1.07.025	Association of Visually Impaired Graduates League	93,500	4,700	93,500	-
EMG.1.07.026	Ard El Insan Palestinian Benevolent	113,000	5,000	113,000	-
EMG.1.07.027	Al-Muntada-The Young Scientists Club	82,986	4,960	82,986	-
EMG.1.07.028	Agricultural Engineering Association	125,000	-	125,000	-
EMG.2.10.006 A	Charitable Child Care Society	59,190	29,190	59,190	-
LGU.1.08.001	Palestine Wildlife Society	30,000	-	30,000	-
LGU.1.08.002	Janata Woman Center	30,000	-	30,000	-
LGU.1.08.003	AL- Samou Youth Club	22,135	(2,865)	22,135	-
LGU.1.08.004	Sourif Charitable Association	27,654	-	27,654	-
LGU.1.08.006	Shyoukh Zakat Committee	11,831	-	11,831	-
LGU.1.08.010	Bait El-Mustaqbal Association	30,000	-	30,000	-
MG.1.07.001	MA'AN Development Center	4,784	-	4,784	-
MG.1.07.002	Bisan Center for Research & Development	2,500	-	2,500	-
MG.1.07.003	Agricultural Development Association	5,000	-	5,000	-
MG.1.07.004	Palestinian Medical Relief Society	2,500	-	2,500	-
MG.1.07.005	Palestinian Counseling Center	5,000	-	5,000	-
	<b>Total for current page</b>	<b>2,668,311</b>	<b>98,773</b>	<b>2,865,857</b>	-

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**A) IDA- World Bank grant (Continued)**

**1) NGO Sub grants (Continued)**

Project #	NGO name	Budget *	2011	Cumulative December 31, 2011	Remaining
	<b>Total from previous page</b>	<b>2,668,311</b>	<b>98,773</b>	<b>2,865,857</b>	-
MG.1.07.006	Palestinian Hydrology Group	4,421	-	4,421	-
MG.1.07.007	Youth Development Department/ Arab Studies Society	5,000	-	5,000	-
MG.1.07.008	Women's Affairs Technical Committee	5,000	-	5,000	-
MG.1.07.009	The East Jerusalem YMCA- Advocacy Desk	5,000	-	5,000	-
MG.1.07.010	Palestine Save the Children Foundation	5,000	-	5,000	-
MG.1.07.011	The Culture & Free Thought Association	5,000	-	5,000	-
MG.1.07.012	Palestinian Center for Democracy & Conflict Resolution	5,000	-	5,000	-
MG.1.07.013	Gaza Community Mental Health Program	2,500	-	2,500	-
MGM.1.08.001	MA'AN Development Center	335,825	-	335,825	-
MGM.1.08.002	Youth Development Department/Arab Studies Society	222,500	(2,500)	222,500	-
MGM.1.08.003	Agricultural Development Association	329,704	-	329,704	-
MGM.1.08.004	Palestinian Medical Relief Society	229,590	(2,500)	229,590	-
MGM.1.08.005	Palestinian Counseling Center	261,005	29,880	261,005	-
MGM.1.08.006	Palestinian Hydrology Group	218,896	(2,500)	218,896	-
MGM.1.08.007	Palestine Save the Children Foundation	278,000	-	278,000	-
MGM.1.08.008	The Culture & Free Thought Association	232,500	(2,500)	232,500	-
SH.1.07.001	Makassed Islamic Charitable Hospital	276,000	21,000	276,000	-
SH.1.07.002	Saint Luke's Hospital	378,000	65,000	378,000	-
SH.1.07.003	Patient Friends Society- Al Amal Hospital - Jenin	211,000	-	211,000	-
SH.1.07.004	Caritas Baby Hospital	230,000	-	230,000	-
	<b>Total for current page</b>	<b>6,105,798</b>	<b>204,653</b>	<b>6,105,798</b>	-

**NGO DEVELOPMENT CENTER (NDC)**  
Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**A) IDA- World Bank grant (Continued)**

**1) NGO Sub grants (Continued)**

Project #	NGO name	Budget *	2011	Cumulative December 31,2011	Remaining
	<b>Total from previous page</b>	<b>6,105,798</b>	<b>204,653</b>	<b>6,105,798</b>	-
SH.1.07.005	Public Aid Society	26,910	-	26,910	-
SH.1.07.006	El-Wafa Medical Rehab. Hospital	150,886	13,286	150,886	-
SH.1.07.007	Union Of Health Work Committees, Gaza	179,261	15,945	179,261	-
SH.1.10.011	Central Blood Bank Society	110,290	85,000	110,290	-
	<b>Sub- total</b>	<b>6,573,145</b>	<b>318,884</b>	<b>6,573,145</b>	-
	Add: increment operating cost related to the NGO sub-grants	5,154	95	5,154	-
	<b>Total</b>	<b>6,578,299</b>	<b>318,979</b>	<b>6,578,299</b>	-

**2) NGO Sub grants (Continued)**

Project #	Project name	Budget *	2011	Cumulative December 31,2011	Remaining
EMG.2.10.029	Palestinian Environmental Friends Association	144,500	62,200	144,500	-
EMG.2.10.030	Basma Society for Culture & Arts	72,500	30,500	72,500	-
EMG.2.10.031	Palestinian Alnakheel association for progress & dev	102,500	7,539	102,500	-
EMG.2.10.032	The Palestinian Farmer Association	102,500	2,500	102,500	-
EMG.2.10.033	Agricultural Engineering Association	152,500	10,000	152,500	-
EMG.2.10.034	Al-Mawassi Agricultural Cooperative Association	102,500	2,500	102,500	-
EMG.2.10.035	Ard El Insan Palestinian Benevolent	204,100	86,500	204,100	-
EMG.2.10.036	Affaluna Society for Deaf Children	137,500	89,500	137,500	-
SH.2.10.008	Public Aid Society	394,000	280,000	394,000	-
SH.2.10.009	Ahli Arab Hospital Gaza	280,000	29,279	280,000	-
MGM.2.10.010	Culture & Free thought association	204,320	146,470	204,320	-
MGM.2.10.09	Palestine save the children foundation	328,080	387,000	328,080	-
SH.2.10.010	Red Crescent Society for Gaza Strip	200,000	190,000	200,000	-
SH.2.10.012	Palestinian Medical Relief Society	200,000	132,840	200,000	-
	<b>Total</b>	<b>2,625,000</b>	<b>1,456,828</b>	<b>2,625,000</b>	-

\*This column represents the adjusted committed amounts by NDC to the NGOs..

NGO DEVELOPMENT CENTER (NDC)  
 Financial statements for the year ended December 31, 2011

NOTES TO THE FINANCIAL STATEMENTS  
 (All amounts in U.S Dollars)

3) NGO Sub grants (Continued)

Project #	Project name	Budget *	2011	Remaining
EMG.IV.11.002	Alasdiqaa Association For People of Special Needs	92,400	36,400	56,000
EMG.IV.11.003	Mother School Society	152,000	87,400	64,600
EMG.IV.11.004	Martin Luther Elderly Care Center	76,000	15,200	60,800
EMG.IV.11.006	Psycho Social Counseling Center for Women	114,000	68,300	45,700
EMG.IV.11.008	Hebron Blind Charitable Society	125,000	118,750	6,250
EMG.IV.11.011	Beit Ula Cultural Center	154,000	84,800	69,200
EMG.IV.11.012	Sharek Youth Forum	142,800	28,560	114,240
EMG.IV.11.014	Palestinian Center for Organic Agriculture Association	198,000	92,553	105,447
EMG.IV.11.015	Fekra Arts Institute	136,700	29,500	107,200
EMG.IV.11.016	Palestinian Environment Supporters Association	61,200	38,500	22,700
EMG.IV.11.019	University College of Applied Sciences	147,900	19,200	128,700
	<b>Total</b>	<b>1,400,000</b>	<b>619,163</b>	<b>780,837</b>

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**(B) Agence Française de Développement grants (AFD)**

During year 2010, new agreement was signed between NDC and AFD to implement a project titled PNGO IV. The project will finance the following categories:

<u>Category</u>	<u>Budget (Euro)</u>	<u>Equivalent to (USD)</u>
NGO grants for social and productive services	3,133,750	4,073,875
NGO sector development	605,833	787,583
Institutional development	1,052,084	1,367,709
Contingencies	208,333	270,833
	<b>5,000,000</b>	<b>6,500,000</b>

\*The exchange rate against Euro equals USD 0.759 (rounded).

<u>Category</u>	<u>Note</u>	<u>Budget</u>	<u>2011</u>	<u>From inception till 31/12/2011</u>	<u>Remaining</u>
NGO grants for social and productive services	(b-1)	4,073,875	938,913	938,913	3,134,962
NGO sector development		787,583	103,631	103,631	683,952
Institutional development *		1,367,709	369,591	457,776	909,933
Contingencies		270,833	-	-	270,833
		<b>6,500,000</b>	<b>1,412,135</b>	<b>1,500,320</b>	<b>4,999,680</b>

\*This amount includes the fixed assets purchased during 2011 amounting to USD 9,032.

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**(B) Agence Française de développement grants (AFD) (CONTINUED)**

**B.1) Micro Projects**

Project #	Project name	Budget *	2011	Remaining
MG.4.10.001	MA'AN Development Center	5,000	5,000	-
MG.4.10.002	Youth Development Department/Arab Studies Society	3,894	3,894	-
MG.4.10.003	Agriculture Development Association (PARC)	4,971	4,971	-
MG.4.10.004	Birzeit University Center for continuing Education	928	928	-
MG.4.10.005	Palestinian Counseling Center	5,000	5,000	-
MG.4.10.006	Palestinian Hydrology Group	4,959	4,959	-
MG.4.10.007	The Culture & Free thought Association	5,000	5,000	-
EMG.IV.11.001	Elderly Home Charitable Society	143,000	82,600	60,400
EMG.IV.11.005	Patients' Friends Society-AI-Amal Hospital	190,000	38,000	152,000
EMG.IV.11.007	Project Loving Care Society-Saraya Center	92,000	18,400	73,600
EMG.IV.11.009	Union of Agriculture Work Committees	130,500	26,100	104,400
EMG.IV.11.010	The Edward Said National Conservatory of Music	116,500	23,300	93,200
EMG.IV.11.013	Gaza Culture & Development Group Association-GCDGA	187,700	159,318	28,382
EMG.IV.11.017	EI- Wedad Society for Community Rehabilitation	86,700	50,000	36,700
EMG.IV.11.018	Society for the care of the handicapped in Gaza	140,800	89,143	51,657
EMG.IV.11.020	Agricultural Guiding and Awareness Society	100,000	20,000	80,000
EMG.IV.11.022	Olive Tree Protection National Association	125,000	20,000	105,000
EMG.IV.11.023	Arab Center for Agricultural Development	125,000	20,000	105,000
EMG.IV.11.024	Palestinian AI Nakhil Association	125,000	20,000	105,000
MGM.IV.11.001	MA'AN Development Center	500,000	97,500	402,500
MGM.IV.11.002	Youth Development Department (YDD)	422,000	82,200	339,800
MGM.IV.11.003	Agricultural Development Association (PARC)	386,000	75,000	311,000
MGM.IV.11.004	Palestinian Hydrology Group	449,000	87,600	361,400
	<b>Total</b>	<b>3,348,952</b>	<b>938,913</b>	<b>2,410,039</b>

\*This column represents the adjusted committed amounts by NDC to the NGOs..



**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**(C) HRGG Program – Phase – II Project**

	Note	Budget	2011	From inception till 31/12/2011	Remaining
Core Funding	(C.A)	12,815,000	3,694,756	5,827,856	6,987,144
Small Grant Facility	(C.B)	1,000,000	391,197	577,549	422,451
Sector Development Component		800,000	35,611	48,111	751,889
<b>Sub total</b>		<b>14,615,000</b>	<b>4,121,564</b>	<b>6,453,585</b>	<b>8,161,484</b>
Management fees *		1,585,000	393,884	681,131	903,869
<b>Total</b>		<b>16,200,000</b>	<b>4,515,448</b>	<b>7,131,716</b>	<b>9,065,284</b>

\*This amount includes the fixed assets purchased during 2011 amounting to USD 3,818.

During 2010, the Swiss Agency for Development and Cooperation (SDC), Swedish International Development Cooperation Agency (SIDA) and Netherlands Representative Office to the Palestinian Authority (NRO) (together "the Donors") have entered into a new joint financing arrangement with NDC concerning the second phase of the Project. Under this agreement, the Donors agreed to grant NDC an amount of USD 12,600,000 to implement the Project over the period from May 1, 2010 to June 30, 2013, as illustrated below:

Donor	Currency	Amount in Original Currency	Budget Amount in USD	%
Swiss Agency for Development and Cooperation (SDC)	USD	3,900,000	3,900,000	31.0
Swedish International Development Cooperation Agency (SIDA)	Swedish Kroner (SEK)	31,500,000	4,200,000	33.3
Netherlands Representative Office to the Palestinian Authority (NRO)	USD	4,500,000	4,500,000	35.7
<b>Total</b>			<b>12,600,000</b>	<b>100</b>

During December 2010, Danish Representative Office to the Palestinian Authority (DRO) joined the Donors with an amount of USD 4,600,000. While NRO decreased their commitment from USD 4,500,000 to USD 3,500,000. The new composition is as follows:

Donor	Currency	Amount in Original Currency	Budget Amount in USD	%
Swiss Agency for Development and Cooperation (SDC)	USD	3,900,000	3,900,000	24.1
Swedish International Development Cooperation Agency (SIDA)	Swedish Kroner (SEK)	31,500,000	4,200,000	25.9
Netherlands Representative Office to the Palestinian Authority (NRO)	USD	3,500,000	3,500,000	21.6
Danish Representative Office to the Palestinian Authority (DRO)	Danish Kroner (DKK)	25,000,000	4,600,000	28.4
<b>Total</b>			<b>16,200,000</b>	<b>100</b>

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**(C) HRGG Program (Continued)**

**C.A) Core Funding**

Project Ref.	NGO Name	Location	Budget*	2011	Cumulative 2011	Remaining
HRG.2.10.041	Ramallah Center for Human Rights Studies B'Tselem - The Israeli Information Center for Human Rights in the Occupied Territories	West Bank	111,956	11,156	111,956	-
HRG.2.10.042	(The Palestinian Center for the Independence of Judiciary and the Legal Profession) - Musawa	West Bank	680,000	296,000	396,000	284,000
HRG.2.10.043	Palestinian Center for Peace and Democracy (PCPD)	West Bank	390,000	152,000	224,000	166,000
HRG.2.10.044	HaMocked: Center for the Defence of The Individual Women For Life	West Bank	115,000	40,600	65,800	49,200
HRG.2.10.045	BADIL Resource Center For Palestinian Residency Rights	West Bank	680,000	252,000	360,000	320,000
HRG.2.10.046	The Arab Thought Forum (ATF)	West Bank	178,000	70,800	100,500	77,500
HRG.2.10.047	The Palestinian Working Women Society for Development	West Bank	575,000	113,000	284,000	291,000
HRG.2.10.048	Adalah: The Legal Center for Arab Minority Rights in Israel	West Bank	30,000	3,000	30,000	-
HRG.2.10.049	The Palestinian Initiative for the Promotion of Global Dialogue and Democracy – MIFTAH	West Bank	400,000	176,500	266,500	133,500
HRG.2.10.050	Jerusalem Legal Aid and Human Rights Centre (JLAC)	West Bank	170,000	71,900	111,500	58,500
HRG.2.10.051	Public Committee Against Torture in Israel (PCATI)	West Bank	110,000	59,000	104,000	6,000
HRG.2.10.052	Women's Studies Centre (WSC)	West Bank	170,000	66,700	91,900	78,100
HRG.2.10.053	Women's Centre for Legal Aid and Counseling (WCLAC)	West Bank	33,000	3,300	33,000	-
HRG.2.10.054		West Bank	124,000	70,800	116,700	7,300
HRG.2.10.055		West Bank	680,000	271,000	361,000	319,000
	<b>Sub-total (for current page)</b>		<b>4,446,956</b>	<b>1,659,756</b>	<b>2,656,856</b>	<b>1,790,100</b>

\* This column represents the revised amounts committed by NDC to the NGOs..

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**C.A) Core Funding (Continued)**

Project Ref.	NGO Name	Location	Budget*	2011	Cumulative 2011	Remaining
	<b>Total from previous page</b>		<b>4,446,956</b>	<b>1,657,756</b>	<b>2,656,856</b>	<b>1,790,100</b>
HRG.2.10.056	Addameer Prisoners' Support Association	West Bank	127,000	12,700	127,000	-
HRG.2.10.057	Jerusalem Center for Women (JCW)	West Bank	50,000	33,000	46,500	3,500
HRG.2.10.058	ACRI - Association for Civil Rights in Israel	West Bank	50,000	5,000	50,000	-
HRG.2.10.059	BIMKOM - Planners for Planning Rights	West Bank	160,000	144,000	144,000	16,000
HRG.2.10.060	Al-Haq	West Bank	134,000	13,400	134,000	-
HRG.2.10.061	Kav LaOved (Worker's Hotline)	West Bank	86,000	32,700	59,700	26,300
HRG.2.10.062	Gisha - Legal Center for Freedom of Movement	West Bank	271,000	102,700	152,200	118,800
HRG.2.10.064	Defence of Children International- Palestine Section	West Bank	639,000	207,900	378,000	261,000
HRG.2.10.065	Al-Dameer Association for Human Rights - Gaza	Gaza	170,000	105,000	159,000	11,000
HRG.2.10.066	Al-Mezan Centre for Human Rights	Gaza	425,000	210,500	404,000	21,000
HRG.2.10.067	WAC - Women's Affairs Committee	Gaza	615,000	212,500	343,000	272,000
HRG.2.10.068	Palestinian Centre for Human Rights (PCHR)	Gaza	425,000	190,500	406,500	18,500
HRG.2.11.082	Ramallah Center for Human Rights Studies	West Bank	271,000	107,100	107,100	163,900
HRG.2.11.083	The Arab Thought Forum (ATF)	West Bank	241,000	85,500	85,500	155,500
HRG.2.11.084	Public Committee Against Torture in Israel (PCATI)	West Bank	396,000	102,600	102,600	293,400
HRG.2.11.085	Addameer Prisoners' Support and Human Rights Association	West Bank	296,000	120,600	120,600	175,400
HRG.2.11.086	ACRI - Association for Civil Rights in Israel	West Bank	200,000	90,000	90,000	110,000
HRG.2.11.087	Israeli Committee Against House Demolitions (ICAHD)	West Bank	236,000	25,500	25,500	210,500
HRG.2.11.088	Al-Haq	West Bank	650,000	235,800	235,800	414,200
	<b>Total</b>		<b>9,888,956</b>	<b>3,694,756</b>	<b>5,827,856</b>	<b>4,061,100</b>

\* This column represents the revised amounts committed by NDC to the NGOs.

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (11) PROJECTS' EXPENSES (CONTINUED)**

**(C) HRGG Program (Continued)**

**C.B) Small Grant Facilities (SGF)**

Project Ref.	NGO Name	Location	Budget*	2011	Cumulative 2011	Remaining
HRG.2.10.069	Hurryyat: Center for Defense of Liberties and Civil Rights	West Bank	39,500	23,700	39,500	-
HRG.2.10.070	QADER for Community Development	West Bank	41,200	24,720	41,200	-
HRG.2.10.071	Women And Family Affairs Centre (WAFAC)	West Bank	41,000	24,600	41,000	-
HRG.2.10.072	Human Rights and Democracy Media Center					
	"SHAMS"	West Bank	44,898	26,578	44,898	902
HRG.2.10.073	Centre for Applied Research in Education (CARE)	West Bank	38,500	22,500	38,500	1,500
HRG.2.10.074	Young Artists Forum	West Bank	38,938	23,762	38,938	269
HRG.2.10.075	All For Peace Palestinian-Israeli Radio Station	West Bank	38,000	15,200	30,400	7,600
HRG.2.10.076	Al-Maqdese for Society Development (MSD)	West Bank	34,320	18,320	34,320	5,680
HRG.2.10.077	Rabbis for Human Rights	West Bank	50,000	20,000	40,000	10,000
HRG.2.10.078	Applied Research Institute ARIJ	West Bank	40,000	16,000	32,000	8,000
HRG.2.10.079	Al Quds University, Al Quds Human Rights Clinic	West Bank	40,000	32,000	32,000	8,000
HRG.2.10.080	HADAF Center For Human Rights	Gaza	30,768	18,368	30,768	232
HRG.2.10.081	The Palestinian Commission for Refugees	Gaza	21,440	12,864	21,440	0
HRG.2.11.089	Jerusalem Community Advocacy Network – JCAN	West Bank	59,000	23,600	23,600	35,400
HRG.2.11.090	Women's Center of Shu'fat Refugee Camp	West Bank	47,600	19,040	19,040	28,560
HRG.2.11.091	Palestinian Youth Association for leadership and Rights Activation-PYALARA					
		West Bank	45,538	-	-	45,538
HRG.2.11.092	Young Women's Christian Association/ Jerusalem	West Bank	72,872	29,149	29,149	43,723
HRG.2.11.093	AFKAR For Educational & Cultural Development	West Bank	55,291	22,116	22,116	33,175
HRG.2.11.094	Community Media Center	Gaza	46,700	18,680	18,680	28,020
	<b>Total</b>		<b>825,565</b>	<b>391,197</b>	<b>577,549</b>	<b>256,599</b>

\* This column represents the revised amounts committed by NDC to the NGOs.

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**(E) Welfare Association – Islamic Development Bank (IDB)**

	<u>Note</u>	<u>Budget</u>	<u>2011</u>	<u>From inception till 31/12/2011</u>	<u>Remaining *</u>
Micro Projects	(a)	880,000	143,254	878,429	1,571
Consultancies		47,000	1,382	46,946	54
Audits		20,000	4,000	4,000	16,000
Contingency		3,000	-	-	3,000
		<u>950,000</u>	<u>148,636</u>	<u>929,375</u>	<u>20,625</u>

\* During the year 2011, NDC did not disburse the amount, and since the project has been completed, NDC decided to write off and deduct the amount from the final payment.

**a) Micro Projects:**

<u>Project Ref.</u>	<u>NGO Name</u>	<u>Budget</u>	<u>2011</u>	<u>Cumulative 2011</u>	<u>Remaining</u>
IDB.1.10.001	Young Men Christian Association	91,000	9,100	91,000	-
IDB.1.10.002	Palestinian Agriculture Relief Arab Centre for Development	97,630	42,522	97,167	463
IDB.1.10.003	Agricultural	92,213	9,200	92,213	-
IDB.1.10.004	Qalqilia Farmers Association The Palestinian Farmers	97,500	8,869	96,619	881
IDB.1.10.005	Association Juhoud for Community and	84,900	8,490	84,900	-
IDB.1.10.006	Rural Development Kufur Thuluth Charitable	94,835	40,583	94,808	27
IDB.1.10.007	Society Cooperative Association for	82,922	8,090	82,722	200
IDB.1.10.008	Development of Livestock Agricultural & Environmental	89,000	8,900	89,000	-
IDB.1.10.009	Development Society The Palestinian Center for	75,000	7,500	75,000	-
IDB.1.10.010	Organic Agriculture	75,000	-	75,000	-
		<u>880,000</u>	<u>143,254</u>	<u>878,429</u>	<u>1,571</u>

**NOTE (12) FAIR VALUES OF FINANCIAL INSTRUMENTS**

Financial Instruments comprise of financial assets consisting of contributions receivable and cash equivalents and financial liabilities consisting of accounts payable and accruals.

**NOTE (13) CONCENTRATION OF RISK IN THE GEOGRAPHIC AREA**

NDC is carrying out all of its activities in Palestine. The political and economical situation in the area increases the risk of carrying out these activities and might adversely affect NDC's performance.

**NGO DEVELOPMENT CENTER (NDC)**

Financial statements for the year ended December 31, 2011

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**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in U.S Dollars)

**NOTE (14) RELATED PARTIES**

This item represents transactions with related parties, i.e., trustees, directors, NDC's senior management and organizations, over which they exercise control during the year.

Transactions with related parties are as follows:

Details-

	<u>2011</u>	<u>2010</u>
NDC's key management salaries and related benefits	<u>231,628</u>	<u>190,932</u>