

**CENTER FOR DEFENSE OF LIBERTIES AND CIVIL
RIGHTS (HURRYYAT)**

Financial Statements
As of December 31, 2012
Together with Independent Auditors' Report

El Wafa Company

For Financial Consulting & Accounting Services

Correspondents of the International Firm

"MAZARS"

Abu Shosheh bldg., - 1st floor, Opposite of

Arab Bank Al Balad Branch, Ramallah

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Independent Auditors' Report

To: The Board of Directors

Center for Defense of Liberties and Civil Rights

Ramallah

We have audited the accompanying financial statements of the **Center for Defense of Liberties and Civil Rights (Hurriyat)**, which comprise the statement of financial position as at December 31, 2012, and 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 and United States of America Statements on Financial Accounting Standards No. 116 and 117. 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.

Auditor's 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 from 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 auditor's 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 Hurriyat 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 Hurriyat internal control. An audit also includes evaluating

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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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hurryyat as of December 31, 2012, and its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards and United States of America Statements on Financial Accounting Standards No. 116 and 117.

As further discussed in Note (15) to the financial statements, effective January 1, 2012, Hurryyat recognizes unrestricted and temporarily restricted revenues from unconditional grant agreements signed with credible donors in the year the grant agreement is signed, whereas, prior to January 1, 2012 Hurryyat recognized such revenues when related work was performed.

El Wafa Company



Musa Abu Dieh

Ramallah, Palestine

March 17, 2013

CENTER FOR DEFENSE OF LIBERTIES AND CIVIL RIGHTS "HURRYAT"

Statement of Financial Position

As at December 31, 2012

(Currency: USD)

	<u>Note</u>	<u>2012</u>	<u>2011</u> (Restated, Note 15)
<i>Assets</i>			
Current Assets			
Cash on hand and at bank	3	7,110	50,109
Contribution receivable	4	15,532	2,620
Other current assets	5	1,823	1,732
Total Current Assets		24,465	54,461
Fixed assets, net	6	9,265	15,204
Total Assets		33,730	69,665
<i>Liabilities and Net Assets</i>			
Current Liabilities			
Accrued expenses and other current liabilities	7	3,749	3,586
Total Current Liabilities		3,749	3,586
Provision for severance pay	8	11,560	6,910
Total Liabilities		15,309	10,496
Net Assets			
Unrestricted		11,473	59,169
Temporarily restricted	9	6,948	-
Total Net Assets		18,421	59,169
Total Liabilities and Net Assets		33,730	69,665

