

**Almarsad- Arab Human Rights
Centre in Golan Heights**

Balance for the year 2005

GOLAN FOR DEVELOPING THE ARAB VILLAGES

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AUDITORS' REPORT TO THE SHAREHOLDERS OF GOLAN FOR DEVELOPING THE ARAB VILLAGES

We have audited the accompanying balance sheets of Almarsad-Arab human Rights in Golan Heights. ("the company") as of December 31'2005 and the related statement of income for the year ended on this date. These financial statements are the responsibility of the company's board of directors and management .
our responsibility is to express an opinion on these financial statement based on our audits.

We conducted our audits in accordance with generally accepted auditing standards those prescribed by the auditor's regulations (auditor's mode of performance)-1973 .those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement are free of material misstatement .an audit includes examining on a test basis , evidence supporting the amounts and disclosures in the financial statement an audit also includes assessing the accounting principles used and significant estimates made by the board of directors and management ,as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion ,the financial statement referred to above present fairly , in all material respects , the financial position of the company as of December 31,2005,and the results of its operations, for each of the years ended on those dates ,in conformity with generally accepted accounting principles – this on the basis of nominal values.

The financial statements referred to above are prepared in nominal values . Information as to the effect of the Isreali currency on the financial statements ,in accordance with pronouncements of the institute of certified public accountants in Isreal .

20.February 2006

ZIADAT NAZEH
C.P.A

BALANCE SHEET YEAR ENDED 31/12/2005

	notes	2005	2004
ASSETS			
CURRENT ASSETS			
Cash on hand and on bank		2,809	
Deposits and securities	3		
Debtors and debit balance	4		
Total		2,809	
FIXED ASSETS			
Cost less accumulated depreciation	5	7,400	
TOTAL ASSETS		10,209	
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Overdraft		0	
Accounts payable		0	
Creditors and credit balance		0	
TOTAL		0	
NET ASSETS			
Used for unrestricted assets		10,209	
Used for activities			
Used for fixed assets			
TOTAL NET ASSETS		10,209	
TOTAL LIABILITIES AND NET ASSETS			

TOTAL INCOME			
Income from donations	60,080		
Income from services List A	0		
TOTAL ACTIVITIES TURNOVER	60,080		
COST OF ACTIVITIES (LIST B)	0		
Net income from activities	60,080		
Administration and General Expenses (List C)	49,693		
NET income \ expenses before financing (List D)	10,387		
Net financing	178		
Net income after financing	10,209		
Expenses of previous years	0		
Net income per year	10,209		

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Report on changes in net assets 31/12/2005

	UNRESTRICTED ASSETS USED FOR ACTIVITIES TOTAL	USED FOR FIXED ASSETS	
			TOTAL
Beginning balance 01.01.2004	7,400		7400
INCREMENT DURING THE YEAR :			
Net income year 2004			
DEFICIENCY DURING THE YEAR			
TRANSFER OF UNRESTRICTED SUM FOR FIXED ASSETS			
TRANSFER OF UNRESTRICTED SUM FOR FIXED ASSETS			
Sums to cover depreciation expense			
<u>ENDING BALANCE YEAR 31/12/2004</u>	<u>7,400</u>		<u>7400</u>

Note- 1 General

The nonprofit association was registered in May 1991.

Its goals to develop. To establish, to support institutions and/or welfare bodies, mostly educational, religious, cultural, artistry and agricultural institutions among the Arabs in the Golan.

In addition to organize and achieve inland and abroad; shows, symposiums, circles of discussions on society matters, education and culture, welfare, health and artistry etc..

Note-2 Basic principles of the accounting policy

The basic principles which were accomplished to perform the financial statements are:

Historical cost: The financial statements were performed on the agreed basic of nominal historical cost, regardless Of the buying changes effect of the Israeli currency on the financial statements.

The financial statements are done according to the manifesto No. 69 of the Israeli auditors' chamber.

EXPLANATION 5- FIXED ASSETS				
	cost	accumulative depreciation	reduced cost	31.12.2004
BULIDINGS	7400		7400	
EQUIPMENT & machines				
VEHICLES				
furniture				
TOTAL	7400		7400	

LIST C: ADMINISTARATIVE AND GENERAL EXPENSES

2005			
Office rent	37,487		
Stationart & publications	6190		
hospitality	740		
Post&net&telephone	5275		
TOTAL	49,692		

LIST D -Financing Expense/ Income	2005	2004	
Commission & interest expense	178		
Interest & differential currency income	0		
TOTAL	178		

Almarsad-Arab Human Rights

Centre in Golan Heights

Budget for year 2005

	physical year 2005
	NIS
<i>Human Rights Activities</i>	
Activities income	0
donations\ GfD	55,080
contributions	5,000
miscellaneous income	
Total Income	60080
Expenditure	
Salaries/cost(+severance&provident fund)	0
sub total salaries	0
office & administrative Expense	
tel. Post, internet	5,276
Energy & Water & Heating	0
equipment maintenance	0
office rent & maintenance	37,487
transportation	0
subscription&consumables	0
publications&stationary	6,190
purchases	0
tools & equipment	0
cleaning & disinfection materials	0
fire insurance	0
miscellaneous expense	0
human resource training	0
auditing fees	0
hospitality	740
bank interest	178

fees & judicial	0
professional guarantee	0
provident insurance	0
building & equipment insurance	0
	0
subTotal office & program Expense	49,871
TOTAL INCOME&REVENUE	60,080
TOTAL EXPENSES	49,871
Excess expenditure over revenue	10,209
Capital Income	
	0
	0
Total Capital Income	0
Capital Expenditure	
office computer	7,400
total capital expenditure	
net assets	