

**Near East Council of Churches Committee  
For Refugee Work**

**Gaza Area**

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Financial Statements  
And  
Independent Auditors' Report

December 31, 2010

**Middle East Council of Churches**  
**Department of Service for Palestine Refugees**  
**Central Office**

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**The Chairman and Members,  
Near East Council of Churches Committee for Refugee Work,  
Gaza**

## Independent Auditors' Report

### **Report on the financial statements**

We have audited the accompanying financial statements of **The Near East Council of Churches Committee for Refugee Work – Gaza Area**, which comprise the statement of financial position as of December 31, 2010, statement of activities, statement of changes in net assets, statement of functional expenses, statement of changes in special funds, and cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory notes.

### **Management 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 the United States of America Statements on Financial Accounting Standards No. 116 and 117 applicable to not-for-profit organizations. 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.

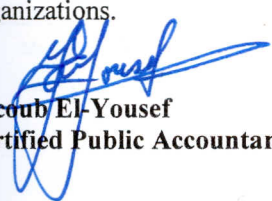
### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statement 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 about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about 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 the society's preparation and fair presentation of the financial statement 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 society's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant 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.

In our opinion, the financial statements, give a true and fair view of the financial position of **The Near East Council of Churches Committee for Refugee Work – Gaza Area**, as of December 31, 2010, and its financial performance and its cash flows 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 relating to Not-For-Profit Organizations.

  
**Yacoub El-Yousef  
Certified Public Accountant**

**March 22, 2011**

  
  
16/5/2011

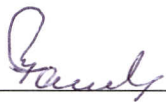
## Near East Council of Churches Committee for Refugee Work - Gaza Area

## Statement of Financial Position


As of DECEMBER 31, 2010

(In US Dollars)

	Note	Unrestricted	Restricted & special funds	Total 2010	Total 2009
<b>Assets</b>					
Cash on Hand and Deposits with Banks	2.1	854,935	998,223	1,853,158	1,844,988
Deposits with Banks - Loans Revolving Fund	2.2	-	642,837	642,837	563,498
Deposits with Banks - (End of Service Benefits)	2.3	-	2,063,173	2,063,173	1,903,650
Inter-Fund Borrowing	Statement - D	(14,952)	14,952	-	
Due from DSPR Central Office WCC / ACT PSE 101		110,700	-	110,700	51,966
Loans Receivable	3	-	291,357	291,357	378,022
Fixed Assets - Net of Accumulated Depreciation	4	117,872	-	117,872	73,045
<b>Total Assets</b>		<b>1,068,555</b>	<b>4,010,542</b>	<b>5,079,097</b>	<b>4,815,169</b>
<b>Trust Fund Assets</b>	8	<b>70,482</b>	<b>-</b>	<b>70,482</b>	<b>73,743</b>
<b>Liabilities and Net Assets</b>					
<b>Liabilities:</b>					
Due to Staff		43,363	-	43,363	31,109
Accounts Payable		10,068	-	10,068	21,897
Deferred Income - Tuition Fees		9,620	-	9,620	9,166
Liability to European Commission / Health		-	-	-	100,000
Deferred Grant - Act for peace		-	101,063	101,063	-
Deferred Grant - Church of Wales		-	-	-	81,000
Deferred Grant - NCCA \ AUS.AID		-	-	-	136,058
End of Service Liability	Schedule - 9	-	2,063,173	2,063,173	1,903,650
<b>Total Liabilities</b>		<b>63,051</b>	<b>2,164,236</b>	<b>2,227,287</b>	<b>2,282,880</b>
<b>Net Assets:</b>					
General Unrestricted		437,210	-	437,210	371,095
Temporarily Restricted		-	897,927	897,927	813,058
Investment in Net Fixed Assets		117,872	-	117,872	73,045
<b>Total Net Assets</b>	(Statement - B)	<b>555,082</b>	<b>897,927</b>	<b>1,453,009</b>	<b>1,257,198</b>
<b>Special Funds:</b>					
Loans Revolving Fund	(Statement - D)	-	948,379	948,379	956,309
Board (Central Committee) Designated Fund	7	450,422	-	450,422	318,782
<b>Total Special Funds</b>		<b>450,422</b>	<b>948,379</b>	<b>1,398,801</b>	<b>1,275,091</b>
<b>Total Net Assets and Special Funds</b>		<b>1,005,504</b>	<b>1,846,306</b>	<b>2,851,810</b>	<b>2,532,289</b>
<b>Total Liabilities and Nets Assets</b>		<b>1,068,555</b>	<b>4,010,542</b>	<b>5,079,097</b>	<b>4,815,169</b>
<b>Trust Fund Liability</b>	8	<b>70,482</b>	<b>-</b>	<b>70,482</b>	<b>73,743</b>



Mr. Elias Manneh  
Area Committee Chairperson



Constantine S. Dabbagh  
Executive Director

See Notes to Financial Statements

## Near East Council of Churches Committee for Refugee Work - Gaza Area

## Statement of Activities General Operating Fund

For the year ended DECEMBER 31, 2010

(In US Dollars)

	Note	Unrestricted Fund	Temporary Restricted Fund	Total 2010	Total 2009
<b>Grants and Revenues :</b>					
Grants	5 & 11	-	2,193,942	2,193,942	2,188,423
Local Program Revenues	6	186,897	-	186,897	118,257
Interest Revenues		-	228	228	790
Difference of Currency		(30,135)	(39)	(30,174)	5,873
<b>Total grants and revenues</b>		<b>156,762</b>	<b>2,194,131</b>	<b>2,350,893</b>	<b>2,313,343</b>
Net assets released from restrictions	11	2,109,262	(2,109,262)	-	-
<b>Total</b>		<b>2,266,024</b>	<b>84,869</b>	<b>2,350,893</b>	<b>2,313,343</b>
<b>Program Expenses :</b>					
Health of Community	Schedule - (1)	628,515	-	628,515	548,506
Psycho social	Schedule - (1)	1,771	-	1,771	-
Educational Opportunities	Schedule - (2)	232,818	-	232,818	399,562
Community Development	Schedule - (3)	31,564	-	31,564	26,295
Advocacy	Schedule - (4)	1,852	-	1,852	100
Special Emergency Relief	Schedule - (11)	853,949	-	853,949	846,762
Emergency Humanitarian Nutrition - Shija'ia clinic		-	-	-	198,060
Emergency Humanitarian Nutrition - Darraj clinic	Schedule - (10)	240,860	-	240,860	77,716
<b>Total program expenses</b>	Statement - F	<b>1,991,329</b>	<b>-</b>	<b>1,991,329</b>	<b>2,097,001</b>
Administrative and general Exp.	Statement - F Schedule - (5)	123,710	-	123,710	128,270
<b>Total Expenses before depreciation</b>	Statement - F	<b>2,115,039</b>	<b>-</b>	<b>2,115,039</b>	<b>2,225,271</b>
Depreciation expense	4	40,043	-	40,043	58,443
<b>Total Expenses</b>		<b>2,155,082</b>	<b>-</b>	<b>2,155,082</b>	<b>2,283,714</b>
<b>Change in Net Assets during the Year</b>	Statement - C	<b>110,942</b>	<b>84,869</b>	<b>195,811</b>	<b>29,629</b>

See Notes to Financial Statements

## Near East Council of Churches Committee for Refugee Work - Gaza Area

Statement of Changes in Net Assets  
For the year ended DECEMBER 31, 2010  
(In US Dollars)

	Unrestricted Fund	Temporary Restricted Fund	Investment in Fixed Assets	Total
<b><u>Year 2010</u></b>				
<b>Balance as of January 1, 2010</b>	371,095	813,058	73,045	<b>1,257,198</b>
Change in net assets for the year (Statement - B)	110,942	84,869	-	<b>195,811</b>
<b>Inter-fund Transfers:</b>				
Procurement of fixed assets	(84,870)	-	84,870	-
Depreciation for the year	40,043	-	(40,043)	-
<b>Balance as of December 31, 2010</b>	<b>437,210</b>	<b>897,927</b>	<b>117,872</b>	<b>1,453,009</b>
<b><u>Year 2009</u></b>				
<b>Balance as of January 1, 2009</b>	334,372	781,505	111,692	<b>1,227,569</b>
Transfer between funds	106,445	(106,445)	-	-
Change in net assets for the year (Statement - B)	(108,369)	137,998	-	<b>29,629</b>
<b>Inter-fund Transfers:</b>				
Procurement of fixed assets	(37,950)	-	37,950	-
Depreciation for the year	58,443	-	(58,443)	-
Equipment destroyed - Sijaia Clinic	18,154	-	(18,154)	-
<b>Balance as of December 31, 2009</b>	<b>371,095</b>	<b>813,058</b>	<b>73,045</b>	<b>1,257,198</b>

See Notes to Financial Statements

## Near East Council of Churches Committee for Refugee Work - Gaza Area

## Statement of Activities and Changes in Loan Revolving Fund

For the year ended DECEMBER 31, 2010

(In US Dollars)

	Education	Business	WCC	Total
<b>Revenues</b>				
Interest Earned	1,605	102	162	<b>1,869</b>
Other Income	1,165	-	-	<b>1,165</b>
<b>Total Revenues</b>	<b>2,770</b>	<b>102</b>	<b>162</b>	<b>3,034</b>
<b>Expenses</b>				
	(10,964)	-	-	<b>(10,964)</b>
<b>Excess (Deficit) of Revenues Over Expenses</b>	<b>(8,194)</b>	<b>102.00</b>	<b>162</b>	<b>(7,930)</b>
Net Assets at Beginning of Year	748,899	192,620	14,790	<b>956,309</b>
<b>Net Assets at End of Year (Statement - A)</b>	<b>740,705</b>	<b>192,722</b>	<b>14,952</b>	<b>948,379</b>
<i>Schedule - (8)</i>				
<b>Composition of net assets</b>				
Outstanding loans - beginning	367,689	19,045	-	<b>386,734</b>
Loans issued during the year	47,250	26,896	-	<b>74,146</b>
Collections	(138,010)	(23,568)	-	<b>(161,578)</b>
Outstanding loans	<b>276,929</b>	<b>22,373</b>	-	<b>299,302</b>
Reserve for Doubtful Debts	(8,712)	-	-	<b>(8,712)</b>
Balance - Ending	<b>268,217</b>	<b>22,373</b>	-	<b>290,590</b>
Deposits with Banks	472,488	170,349	-	<b>642,837</b>
Inter-Fund Borrowings	-	-	14,952	<b>14,952</b>
	<b>740,705</b>	<b>192,722</b>	<b>14,952</b>	<b>948,379</b>

See Notes to Financial Statements

## Near East Council of Churches Committee for Refugee Work - Gaza Area

## Statement of Cash Flows

For the year ended DECEMBER 31, 2010

(In US Dollars)

	2010	2009
<b><u>Cash Flow from Operating Activities:</u></b>		
Change in Net Assets	319,521	139,618
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation expense	40,043	58,443
Equipment written off - Sijaia Clinic	-	18,153
Increase in Due from DSPR Central Office	(58,734)	(51,966)
Decrease in Loans Receivable	86,665	105,902
Increase in Due to Employees	12,254	11,414
Increase (Decrease) in Accounts Payable	(11,829)	15,828
Decrease in Liability to European Commission / Health Project	(100,000)	-
Increase in Deferred Income	454	9,166
Increase (Decrease) in Deferred Grants	(115,995)	196,361
Increase in End of Service Liability	159,523	80,643
<b>Net Cash Provided by Operating Activities</b>	<b><u>331,902</u></b>	<b><u>583,562</u></b>
<b><u>Cash flows from Investing Activities</u></b>		
Procurement of fixed assets	(84,870)	(37,950)
<b>Cash on Hand and Deposits with Banks at Beginning of Year</b>	<b><u>4,312,136</u></b>	<b><u>3,766,524</u></b>
<b>Cash on Hand and Deposits with Banks at End of Year</b>	<b><u>4,559,168</u></b>	<b><u>4,312,136</u></b>
<b><u>Composition of Cash on Hand and Deposits with Banks Balances:</u></b>		
Cash on Hand and Deposits with Banks	1,853,158	1,844,988
Deposits with Banks - Loans Revolving Fund	642,837	563,498
Deposits with Banks - (End of Service Benefits)	2,063,173	1,903,650
	<b><u>4,559,168</u></b>	<b><u>4,312,136</u></b>

See Notes to Financial Statements



## Near East Council of Churches Committee for Refugee Work - Gaza Area

## Statement of Functional Expenses - Operating Fund

For the year ended DECEMBER 31, 2010

(In US Dollars)

	Health of Community Psycho social	Education Opportunity	Community Development	Advocacy	Special Emergency Relief	Special Assistance Humanitaria Darraj	Total	General Admin.	Total 2010	Total 2009
Salaries and Benefits	422,126	143,933	-	-	-	-	566,059	99,420	665,479	762,034
Professional Services	19,975	17,818	-	-	-	-	37,793	2,150	39,943	39,345
General Expenses	57,449	45,219	3,026	667	-	-	106,361	10,043	116,404	177,345
Medical Expenses	98,356	-	-	-	-	-	98,356	-	98,356	25,502
Hospitality	3,295	1,168	-	20	-	-	4,483	2,858	7,341	5,377
Insurance	5,383	7,774	100	-	-	-	13,257	1,048	14,305	15,828
Transportation and Vehicle expenses	21,399	9,805	-	-	-	-	31,204	3,452	34,656	41,862
Travel Expenses	-	-	-	1,165	-	-	1,165	4,182	5,347	777
Taxes	2,303	7,101	-	-	-	-	9,404	557	9,961	3,881
Other Expenses (Defined in schedules)	-	-	28,438	-	-	-	28,438	-	28,438	30,784
Special Emergency Relief (schedule-11)	-	-	-	-	853,949	-	853,949	-	853,949	846,762
Special Assistance Humanitarian (Sch.10)	-	-	-	-	-	240,860	240,860	-	240,860	275,775
<b>Total Expenses (Statement - B)</b>	<b>630,286</b>	<b>232,818</b>	<b>31,564</b>	<b>1,852</b>	<b>853,949</b>	<b>240,860</b>	<b>1,991,329</b>	<b>123,710</b>	<b>2,115,039</b>	<b>2,225,272</b>
<b>Budget for 2010</b>	<b>684,000</b>	<b>379,000</b>	<b>35,000</b>	<b>6,000</b>				<b>115,000</b>		
<b>Variance</b>	<b>53,714</b>	<b>146,182</b>	<b>3,436</b>	<b>4,148</b>				<b>(8,710)</b>		
	Schedule - (1)	Schedule - (2)	Schedule - (3)	Schedule - (4)	chedule - (11)	Schedule - (10)		Schedule - (5)		

# Near East Council of Churches Committee For Refugee Work - Gaza Area (NECCCRW)

## Notes to Financial Statements

Year Ended December 31, 2010

(Amounts are expressed in U.S. Dollar)

### 1 Summary of Significant Accounting Policies

The financial statements have been prepared on the accrual basis of accounting and in conformity with International Financial Reporting Standards and United States of America Statements on Financial Accounting Standards No. 116 and 117 applicable to not-for-profit organizations. The accounting policies adopted are consistent with those of the previous financial year.

The significant accounting policies followed are described below:

#### 1.1 Basis of Accounting and Presentation:

Under the provisions of United States of America Statements on Financial Accounting Standards No. 116 and 117, "Financial Statements of Not-for-profit Organizations", net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. In order to ensure observance of limitations and restrictions placed on the use of the available resources, the accounts are maintained in accordance with the principles of fund accounting. Accordingly net assets of NECCCRW and changes therein are classified and reported as follows:

- **Unrestricted net assets** - Net assets whose use by NECCCRW is not subject to donor-imposed restrictions. Funding received for core activities are included in the unrestricted net assets. Unrestricted net assets also include "Investment in Net Fixed Assets"; "Board Designated Special Funds" and "Loan Revolving Funds" which are described below
- **Temporarily restricted net assets** - Net assets whose use by the Committee is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and released by actions of NECCCRW pursuant to those donor-imposed stipulations.
- **Board Designated Fund** represents resources currently available that are restricted by the Board or Central Committee.
- **Loans Revolving Funds** - represent restricted contributions received for on lending purposes, which are expended in terms of loans.

The statement of activities is a statement of financial activities related to the current period, it is not a performance measure and does not purport to present the net income or loss for the period as would a statement of income for a business enterprise.

## **1 Summary of Significant Accounting Policies (continued)**

### **1.2 Contributions and grants:**

Unconditional Grants and Grants with stipulations that are expected to be met are recognised as increases in temporarily restricted funds and are released to unrestricted funds over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

Amounts received under conditional grants whose conditions are based on future events and actions are deferred and presented under current liabilities and are taken to the statement of activities when the related conditions are met.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to NECCCRW with no future related costs are recognised in the statement of activities in the period in which they become receivable.

Grants whose primary condition is that NECCCRW should purchase, construct or otherwise acquire non-current assets are recognised under temporarily restricted funds and released to unrestricted funds when the assets are acquired.

Government grants are not recognized until there is reasonable assurance that NECCCRW will comply with the conditions attaching to them and that the grants will be received.

### **1.3 Inter-fund Borrowings:**

Represents allocations to / from restricted special funds. These allocations represent short-term receivables or liabilities in the general fund to special funds to cover deficit or over funding in the related funds bank accounts. Settlement between funds is done within a period of less than a month.

### **1.4 Loans Receivable**

Loans, which are interest free, are stated at the amount of unpaid principal. According to management estimates and Judgment, provisions for bad and doubtful debts that are taken in the books are adequate.

### **1.5 Furniture and Equipment**

Starting with the year 2004, the accounting policy of accounting for fixed assets was changed from expensing costs on date of acquisition to conform to international accounting standards of capitalizing these costs and depreciate them over their estimated useful lives. The prior period presented was restated for the change.

Fixed assets fixed assets 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 percentage rates:

Equipment	5 years
Furniture	10 years
Vehicles Training Equipment	4 years

### **1.6 Deferred grants and tuition fees**

These represent grants and course tuition fees received in advance of the related period.

## **1 Summary of Significant Accounting Policies (continued)**

### **1.7 End of Service Liability represents:**

Represents provident fund contributions made by the employees and NECCCRW at the rate of 14% each computed on the basic monthly salaries. Provident fund liability is funded in a separate bank account. Interest earned is distributed proportionately at the end of each year.

End of service also includes reserve for severance pay for the executive secretary calculated by accruing for one-month compensation for each year of service based on the last salary paid.

### **1.8 Foreign Currencies**

The books of accounts are maintained in U.S. Dollar. Transactions, which are denominated or expressed in local currency, are converted into U.S. Dollar as follows:

- Transactions, which are expressed or denominated in local currency, are converted into U.S. Dollar at the actual exchange rate prevailing at the date of each transaction.
- Balances of assets and liabilities in local currency are converted into U.S. Dollar at the exchange rate prevailing at the balance sheet date.
- Exchange differences arising from the conversion of local currency balances and transactions are charged to the Statement of Activities.

### **1.9 Income taxes**

The NECCCRW is registered as not-for-profit organization in Gaza and is exempt from income taxes.

### **1.10 Provisions**

Provisions are recognized when the NECCCRW has a present obligation as a result of past events, and it's probable that the obligation will be settled, and a reliable estimate can be made of the amount of the obligation.

### **1.11 Functional allocation of expenses**

The costs of providing the various programs and activities have been summarized on a functional basis in the Statements of Activities. Accordingly expenses that relate directly to a program or supporting service are charged to that program, or supporting service.

### **1.12 Critical accounting judgments and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period the estimates are revised and in any future period affected. Critical judgments and estimates relate to depreciation of fixed assets and impairment of loans receivables and provisions for potential liabilities under conditional grants as detailed in the following paragraph

## **1 Summary of Significant Accounting Policies (continued)**

### **1.13 Contingencies**

The NECCCRW receives grants from various donors. Such grants are subject to individual audits under the grant agreement terms. The ultimate determination of amounts received under these grants is based upon the allowance of costs reported to and accepted by the donor as a result of the audits. Until such audits are accepted by the donor, there exists a contingency to refund any amount received in excess of allowable costs. Other than the provisions booked for conditional grants described above, management is of the opinion that no material liability will result from such audits.

### **1.14 Trust Fund**

Represent resources available for use by local institutions for which NECCCRW acts as a trustee

### **1.15 Economic Dependency**

Approximately 95% of NECCCRW revenue and support for the years ended December 31, 2010 and 2009 was derived from grants awarded directly by various donor agencies. NECCCRW has no reason to believe that relationships with these agencies will be discontinued in the foreseeable future. However, any interruption of these relationships (i.e., the failure to renew grant agreements for withholding of funds) would adversely affect NECCCRW ability to finance ongoing operations.

## 2. Cash on Hand and Deposits with Banks

### 2.1 General operating fund - composition as of 31 December:

	<u>2010</u>	<u>2009</u>
Cash – USD	-	6,952
Cash – NIS	-	9,574
Arab Bank – NIS	5,766	4,687
Arab Bank – GBP	15,380	8,802
Arab Bank – USD	1,653,574	1,256,036
Arab Bank – EURO	59,293	357,082
Bank of Palestine – NIS	8,884	168
Bank of Palestine – USD	110,261	201,687
<b>Total</b>	<b><u>1,853,158</u></b>	<b><u>1,844,988</u></b>

### 2.2 Loan revolving fund - composition as of 31 December:

	<u>2010</u>	<u>2009</u>
Deposits with Banks – Educational Loans	472,488	389,922
Deposits with Banks – Business Loans	170,349	173,576
<b>Total</b>	<b><u>642,837</u></b>	<b><u>563,498</u></b>

### 2.3 Provident fund - composition as of 31 December:

	<u>2010</u>	<u>2009</u>
Deposit at ING Bank – Holland	2,063,173	1,903,650
<b>Total</b>	<b><u>2,063,173</u></b>	<b><u>1,903,650</u></b>

## 3. Loans Receivable

### 3.1 Activities in these accounts during 2010 were as follows:

	<u>Education</u>	<u>Business</u>	<u>Total</u>
Balance – Beginning	367,689	19,045	<b>386,734</b>
Loans Issued	47,250	27,663	<b>74,913</b>
Collected	(138,010)	(23,568)	<b>(161,578)</b>
<b>Outstanding Loans</b>	<b><u>276,929</u></b>	<b><u>23,140</u></b>	<b><u>300,069</u></b>
Reserve for Doubtful Debts	(8,712)	-	<b>(8,712)</b>
<b>Balance – Ending</b>	<b><u>268,217</u></b>	<b><u>23,140</u></b>	<b><u>291,357</u></b>

### 3.2 Activities in these accounts during 2009 were as follows:

	<u>Education</u>	<u>Business</u>	<u>Total</u>
Balance – Beginning	474,171	18,465	<b>492,636</b>
Loans Issued	57,000	42,378	<b>99,378</b>
Collected	(163,482)	(41,798)	<b>(205,280)</b>
<b>Outstanding Loans</b>	<b><u>367,689</u></b>	<b><u>19,045</u></b>	<b><u>386,734</u></b>
Reserve for Doubtful Debts	(8,712)	-	<b>(8,712)</b>
<b>Balance – Ending</b>	<b><u>358,977</u></b>	<b><u>19,045</u></b>	<b><u>378,022</u></b>

4. Fixed Assets - Net of Accumulated Depreciation

4.1 Break down as of December 31,2010 as follows:

	Balance	2010	2010	Balance
	Jan 01,2010	Additions	Disposals	Dec 31,2010
<b>Cost</b>				
Furniture and Fittings	72,413	-	-	72,413
Office Equipments	73,519	40,500	-	114,019
Medical Equipment	153,157	42,820	-	195,977
Training Equipment	135,105	-	-	135,105
Vehicles	242,160	-	-	242,160
Other Fixed Assets	5,740	1,550	-	7,290
<b>Total Cost</b>	<b>682,094</b>	<b>84,870</b>	<b>-</b>	<b>766,964</b>
<b>Accumulated depreciation</b>				
Furniture	69,400	1,051	-	70,451
Office Equipments	45,481	17,521	-	63,002
Medical Equipments	112,046	20,282	-	132,328
Training Equipments	134,230	875	-	135,105
Vehicles	242,160	-	-	242,160
Other Fixed Assets	5,732	314	-	6,046
<b>Total Accumulated Depreciation</b>	<b>609,049</b>	<b>40,043</b>	<b>-</b>	<b>649,092</b>
<b>Net Book value 31/12/2010</b>	<b>73,045</b>			<b>117,872</b>

4.1 Break down as of December 31,2009 as follows:

	Balance	2009	2009	Balance
	Jan 01,2009	Additions	Disposals	Dec 31,2009
<b>Cost</b>				
Furniture and Fittings	71,413	1,000	-	72,413
Office Equipments	67,452	7,670	1,603	73,519
Medical Equipment	144,209	29,280	20,332	153,157
Training Equipment	135,105	-	-	135,105
Vehicles	242,160	-	-	242,160
Other Fixed Assets	5,740	-	-	5,740
<b>Total Cost</b>	<b>666,079</b>	<b>37,950</b>	<b>21,935</b>	<b>682,094</b>
<b>Accumulated depreciation</b>				
Furniture	66,625	2,775	-	69,400
Office Equipments	33,815	11,986	320	45,481
Medical Equipments	103,790	11,718	3,462	112,046
Training Equipments	129,020	5,210	-	134,230
Vehicles	215,410	26,750	-	242,160
Other Fixed Assets	5,728	4	-	5,732
<b>Total Accumulated Depreciation</b>	<b>554,388</b>	<b>58,443</b>	<b>3,782</b>	<b>609,049</b>
<b>Net Book value 31/12/2009</b>	<b>111,691</b>			<b>73,045</b>

5. Grants

Composition:	2010		2009	
	Unrestricted	Restricted	Total	Total
<b>Grants through DSPR</b>				
C C F D	-	37,525	37,525	42,966
General Board of Global Ministries	-	15,000	15,000	-
Fin Church Aid	-	26,489	26,489	28,418
Bible Lands	-	30,333	30,333	-
Norwegian Church Aid \ NCA	-	169,529	169,529	116,596
Lutheran World Relief (unrestricted in 2009)	-	-	-	50,000
NCCA/AUS.AID	-	-	-	107,356
Church of Scotland	-	-	-	7,900
Act for peace	-	237,121	237,121	-
WCC/ACT PSE 101	-	583,244	583,244	767,261
<b>Total grants through DSPR</b>	<b>-</b>	<b>1,099,241</b>	<b>1,099,241</b>	<b>1,120,497</b>
<b>Direct Grants</b>				
DCA / DANIDA - (Health)	-	74,997	74,997	86,683
DCA /Diocese of Aalborg (Vocational Training)	-	3,052	3,052	8,149
Pontifical Mission	-	50,000	50,000	50,000
EED – Germany	-	255,079	255,079	179,957
Church in Wales	-	39,970	39,970	39,970
Pontifical Mission -Relief	-	172,314	172,314	183,000
Pontifical Mission -Qararah	-	16,159	16,159	-
Pontifical Mission\ Generators & Dental Clinic	-	90,077	90,077	-
Pontifical Mission - Shija'ia	-	-	-	150,958
Menmonite	-	19,975	19,975	-
DCA / Nutrition & Health	-	221,874	221,874	-
DCA / DANIDA Emrg. Humanitarian - Darraj	-	142,139	142,139	148,340
DCA / DANIDA Emrg. Humanitarian - Shija'ia	-	-	-	58,525
Caritas Jerusalem	-	-	-	10,000
Christian Aid	-	-	-	65,461
KAIROS, Canada	-	-	-	54,945
WCC/ACT MEPL 81 (Christian Aid)	-	-	-	29,065
<b>Total direct grants</b>	<b>-</b>	<b>1,085,636</b>	<b>1,085,636</b>	<b>1,065,053</b>
<b>Donations in kind</b>				
Ministry of health	-	3,245	3,245	2,873
Pontifical Mission	-	5,820	5,820	-
<b>Total donations in kind</b>	<b>-</b>	<b>9,065</b>	<b>9,065</b>	<b>2,873</b>
<b>Total Grants</b>	<b>-</b>	<b>2,193,942</b>	<b>2,193,942</b>	<b>2,188,423</b>

6. Local Program Revenues

Composition:	2010	2009
Community Health (Schedule-6)	80,887	69,941
Educational Opportunities (Schedule-7)	94,409	31,547
Community Development	3,841	2,388
Administration (use of car by project)	7,760	10,600
Others	-	3,782
<b>Total</b>	<b>186,897</b>	<b>118,258</b>

7. Board Designated Fund

Composition:	2010	2009
Balance at Beginning of Year	318,782	199,469
<b>Add:</b> General Donations	131,478	119,104
Interest Earned	162	209
<b>Balance end of year</b>	<b>450,422</b>	<b>318,782</b>



	<b>2010</b>	<b>2009</b>
<b>8. Trust Fund</b>		
<b>Composition of Liabilities:</b>		
Ahli Arab Hospital	30	137
Dress Making Cooperative	5,403	8,766
VTC Box	10,381	10,190
Materials Dress Making	185	185
Canteen	7,432	7,432
Qararah VTC Box	278	278
Youth Rehabilitation Center	46,773	46,755
	<b>70,482</b>	<b>73,743</b>
<b>Composition of Assets:</b>		
Deposit at Arab Bank	23,707	26,987
Deposits for youth Rehabilitation Center	46,775	46,756
	<b>70,482</b>	<b>73,743</b>

**9. Actual Versus Budget**

	<b>Actual</b>	<b>Budget</b>
<b><u>Core Budget</u></b>		
Health of the Community	630,286	684,000
Educational Opportunities	232,818	379,000
Community Development	31,564	35,000
Advocacy	1,852	6,000
Administration	123,710	115,000
	<b>1,020,230</b>	<b>1,219,000</b>
Less: Local Revenues	(166,382)	(68,000)
<b>Net Budget</b>	<b>853,848</b>	<b>1,151,000</b>
<b><u>Additional Budget</u></b>		
Special Emergency Relief	853,949	
Emergency Humanitarian Nutrition and Health	240,860	
<b>Total</b>	<b>1,948,657</b>	

## 10 Financial Instruments – Fair Values and Risk Management

### (a) Fair Values of Financial Assets and Liabilities

The carrying book value of financial assets and liabilities are not materially different from their fair values applicable at the balance sheet date

### (b) Credit Risk

Credit risk is the risk that a counter party will not settle its obligations in accordance with the agreed terms. NECCCRW's credit risk is primarily attributable to its liquid funds and loans receivable.

The credit risk on liquid funds is limited because the counter parties are prime banks and major donors

The credit risk associated with the loan portfolio is by the nature of this program is high. To mitigate the risks, the area committees' managements have established procedures for loan issuance, collateral obtained (guarantees), and follow up policies on collections. Higher risks are associated with old loans that are in arrear; however adequate provisions have been made to cover uncollectible debts.

### (c) Currency Risk

Currency risk arises from the possibility that changes in exchange rates may affect negatively the value of financial assets and liabilities in case NECCCRW does not hedge its currency exposure by means of hedging instruments. Management considers that the net effect of currency risk would not affect it materially due to matching of donor funding with expenses on activities and due to matching of the loan portfolio fund balances with related deposits in banks and loans receivable in U.S. Dollar.

### (d) Operational Risks

**Dependency on donor funding:** NECCCRW as a not-for-profit Organization is dependent upon donors to fund its activities. Due to that nature, it has an operational risk if donor funding decreases or stops.

Note (11) - Net assets released from restrictions  
(In US Dollars)

	Unspent Grants Dec 31,2009	Amounts Received in Y 2010	Interest earned Diff. of exchange and others	Available Funds for Y 2010	Unspent Balance Dec 31,2010	Releases from restrictions for Y 2010	DISPOSITION OF GRANTS								
							Health of community	Psycho social	Education opportunity	Community development	Advocacy	General administration	Special emergency relief	Capital additions equip. and medicines	Total
<b>Restricted</b>															
Church of Scotland	50,500	-	13	50,513	50,513	-	-	-	-	-	-	-	-	-	
UMCOR	152,660	-	30	152,690	152,690	-	-	-	-	-	-	-	-	-	
Carpentry Cooperative	23,485	-	6	23,491	23,491	-	-	-	-	-	-	-	-	-	
Knitting and Weaving Cooperative	3,885	-	-	3,885	3,885	-	-	-	-	-	-	-	-	-	
Materials and Embroidery Fund	71,422	-	-	71,422	71,422	-	-	-	-	-	-	-	-	-	
Caritas Jerusalem	10,000	-	-	10,000	10,000	-	-	-	-	-	-	-	-	-	
General Board of Global Ministries	-	15,000	-	15,000	15,000	-	-	-	-	-	-	-	-	-	
Fin Church Aid	-	26,489	-	26,489	-	26,489	-	-	21,069	-	5,420	-	-	26,489	
Norwegian Church Aid \ NCA	-	169,529	-	169,529	-	169,529	85,457	-	67,120	-	16,952	-	-	169,529	
Act for peace \ AUS.AID	48,634	237,121	-	285,755	-	285,755	285,755	-	-	-	-	-	-	285,755	
DCA \ Danida - Health	-	74,997	-	74,997	-	74,997	74,997	-	-	-	-	-	-	74,997	
DCA \ DAN – Diocese of AALBORG - VTC	-	3,052	-	3,052	-	3,052	-	-	3,052	-	-	-	-	3,052	
Pontifical Mission	50,000	50,000	42	100,042	50,000	50,042	50,042	-	-	-	-	-	-	50,042	
C C F D	42,000	37,525	48	79,573	48,732	30,841	-	-	29,291	-	-	-	1,550	30,841	
EED - Germany	-	255,079	-	255,079	-	255,079	107,908	-	81,953	27,723	1,852	35,643	-	255,079	
Church in Wales	94,032	39,970	50	134,052	134,052	-	-	-	-	-	-	-	-	-	
Bible Lands	-	30,333	-	30,333	-	30,333	-	-	30,333	-	-	-	-	30,333	
Ecumenical Women's Group \ WCC	2,257	-	-	2,257	-	2,257	-	-	-	-	-	2,257	-	2,257	
NECEF	11,131	-	-	11,131	-	11,131	-	-	-	-	-	11,131	-	11,131	
WCC \ ACT MEPL 81 - Emergency Relief	133	-	-	133	133	-	-	-	-	-	-	-	-	-	
ACT \ PSE 101	-	583,244	-	583,244	118,258	464,986	-	1,771	-	-	-	463,215	-	464,986	
Pontifical Mission \ Relief	159,751	172,314	-	332,065	-	332,065	-	-	-	-	-	332,065	-	332,065	
Pontifical Mission \ Shija'a Clinic	16,994	-	-	16,994	-	16,994	-	-	-	-	-	16,994	-	16,994	
Pontifical Mission \ Qararah	-	16,159	-	16,159	449	15,710	-	-	-	-	-	15,710	-	15,710	
Pontifical Mission\ Generators and Dental Clinic	-	90,077	-	90,077	-	90,077	-	-	-	-	-	12,577	77,500	90,077	
DCA / DANIDA Emrg. Humanitarian - Shija'a	5,550	-	-	5,550	5,550	-	-	-	-	-	-	-	-	-	
DCA / DANIDA Emrg. Humanitarian - Darraj	70,624	142,139	-	212,763	18,825	193,938	-	-	-	-	-	193,938	-	193,938	
DCA / DANIDA Nutrition and Health - Shija'a, Darraj and South Mennonite	-	221,874	-	221,874	174,952	46,922	-	-	-	-	-	46,922	-	46,922	
Donation in kind - Pontifical Mission	-	5,820	-	5,820	-	5,820	-	-	-	-	-	-	5,820	5,820	
Donation in kind - Ministry of health	-	3,245	-	3,245	-	3,245	3,245	-	-	-	-	-	-	3,245	
<b>Total restricted</b>	<b>813,058</b>	<b>2,193,942</b>	<b>189</b>	<b>3,007,189</b>	<b>897,927</b>	<b>2,109,262</b>	<b>607,404</b>	<b>1,771</b>	<b>232,818</b>	<b>27,723</b>	<b>1,852</b>	<b>58,015</b>	<b>1,094,809</b>	<b>84,870</b>	<b>2,109,262</b>
<b>Unrestricted:</b>															
Local Revenues and unrestricted funds	371,095	186,897	(30,135)	527,857	437,210	90,647	21,111	-	-	3,841	-	65,695	-	-	90,647
<b>Total unrestricted</b>	<b>371,095</b>	<b>186,897</b>	<b>(30,135)</b>	<b>527,857</b>	<b>437,210</b>	<b>90,647</b>	<b>21,111</b>	<b>-</b>	<b>-</b>	<b>3,841</b>	<b>-</b>	<b>65,695</b>	<b>-</b>	<b>-</b>	<b>90,647</b>
<b>Grand total</b>	<b>1,184,153</b>	<b>2,380,839</b>	<b>(29,946)</b>	<b>3,535,046</b>	<b>1,335,137</b>	<b>2,199,909</b>	<b>628,515</b>	<b>1,771</b>	<b>232,818</b>	<b>31,564</b>	<b>1,852</b>	<b>123,710</b>	<b>1,094,809</b>	<b>84,870</b>	<b>2,199,909</b>

**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Projects Promoting Health of Community Expenses for the year ended DECEMBER 31, 2010**  
(In US Dollars)

	<b>FHSC Shija'ia</b>	<b>FHSC Darraj</b>	<b>FHSC South</b>	<b>Mobile Dental Clinic</b>	<b>Training of Community Workers</b>	<b>Psycho Social</b>	<b>Total 2010</b>	<b>Total 2009</b>
<b>Salaries and benefits</b>								
Basic salaries	143,068	123,559	52,765	18,035	-	-	337,427	325,407
Family allowances	3,551	6,205	2,082	405	-	-	12,243	14,680
Training	355	355	233	242	30	-	1,215	1,703
Medical insurance	737	1,157	32	540	-	-	2,466	2,223
Indemnity	17,097	13,687	5,329	1,880	-	-	37,993	41,359
Difference rate of exchange	13,116	11,258	4,757	1,651	-	-	30,782	24,481
<b>Total salaries and benefits</b>	<b>177,924</b>	<b>156,221</b>	<b>65,198</b>	<b>22,753</b>	<b>30</b>	<b>-</b>	<b>422,126</b>	<b>409,853</b>
<b>Professional services</b>								
Audit Fees	4,400	4,400	3,200	700	400	-	13,100	13,200
Professional Services	1,756	2,853	923	676	667	-	6,875	6,161
<b>Total professional services</b>	<b>6,156</b>	<b>7,253</b>	<b>4,123</b>	<b>1,376</b>	<b>1,067</b>	<b>-</b>	<b>19,975</b>	<b>19,361</b>

**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Projects Promoting Health of Community Expenses for the year ended DECEMBER 31, 2010**  
(In US Dollars)

	FHSC Shija'ia	FHSC Darraj	FHSC South	Mobile Dental Clinic	Training of Community Workers	Psycho Social	Total 2010	Total 2009
<b>General expenses</b>								
Rental	3,900	5,700	3,500	1,000	-	-	14,100	10,818
Water	2	8	162	5	-	-	177	243
Postage	65	-	14	-	-	-	79	99
Electricity	1,479	1,648	708	-	-	-	3,835	4,641
Fuel for energy	1,000	1,002	504	501	-	-	3,007	3,117
Telephones	1,363	1,452	1,275	856	505	572	6,023	4,641
Printing and stationery	1,671	1,136	1,371	446	481	449	5,554	8,542
Cleaning	728	1,024	578	138	-	-	2,468	2,445
Consumable supplies	185	540	78	35	-	178	1,016	1,883
Repairs and maintenance	1,287	4,809	171	60	-	-	6,327	4,898
Furniture and fittings	2,767	2,516	560	8	-	233	6,084	6,476
Equipment and maintenance	2,338	1,487	727	740	7	221	5,520	4,427
Materials and supplies	1,317	1,063	609	270	-	-	3,259	3,237
<b>Total general expenses</b>	<b>18,102</b>	<b>22,385</b>	<b>10,257</b>	<b>4,059</b>	<b>993</b>	<b>1,653</b>	<b>57,449</b>	<b>55,467</b>
<b>Medical expenses</b>								
Medicines	24,366	25,949	22,097	5,228	-	-	77,640	13,025
Medical Supplies	7,860	8,189	2,195	707	-	-	18,951	11,647
Medical Equipments	-	-	445	-	-	-	445	208
Medical / Others	660	-	660	-	-	-	1,320	557
<b>Total medical expenses</b>	<b>32,886</b>	<b>34,138</b>	<b>25,397</b>	<b>5,935</b>	<b>-</b>	<b>-</b>	<b>98,356</b>	<b>25,437</b>
<b>Hospitality</b>	<b>1,138</b>	<b>1,069</b>	<b>624</b>	<b>281</b>	<b>65</b>	<b>118</b>	<b>3,295</b>	<b>2,349</b>

**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Projects Promoting Health of Community Expenses for the year ended DECEMBER 31, 2010**  
**(In US Dollars)**

	<b>FHSC</b>	<b>FHSC</b>	<b>FHSC</b>	<b>Mobile</b>	<b>Training of</b>	<b>Psycho</b>	<b>Total</b>	<b>Total</b>
	<b>Shija'ia</b>	<b>Darraj</b>	<b>South</b>	<b>Dental Clinic</b>	<b>Community</b>	<b>Social</b>	<b>2010</b>	<b>2009</b>
<b>Insurance</b>								
Compulsory insurance	1,783	1,783	594	223	-	-	4,383	4,750
Buildings insurance	300	300	-	-	-	-	600	600
Equipment insurance	200	200	-	-	-	-	400	400
<b>Total insurance</b>	<b>2,283</b>	<b>2,283</b>	<b>594</b>	<b>223</b>	<b>-</b>	<b>-</b>	<b>5,383</b>	<b>5,750</b>
<b>Transportation and vehicle expenses</b>								
Transportation	3,001	2,775	2,313	243	-	-	8,332	11,300
Fuel	1,719	1,377	868	105	51	-	4,120	2,338
Repairs and maintenance	1,164	1,365	611	109	-	-	3,249	4,084
Insurance	1,075	1,075	1,272	884	-	-	4,306	4,256
License	406	339	467	166	-	-	1,378	790
Other Vehicle Expenses	14	-	-	-	-	-	14	319
<b>Total transportation and vehicle exp.</b>	<b>7,379</b>	<b>6,931</b>	<b>5,531</b>	<b>1,507</b>	<b>51</b>	<b>-</b>	<b>21,399</b>	<b>23,087</b>
<b>Others</b>								
Taxes	1,258	805	120	120	-	-	2,303	2,262
Trainees Incentives	-	-	-	-	-	-	-	4,940
<b>Total others</b>	<b>1,258</b>	<b>805</b>	<b>120</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>2,303</b>	<b>7,202</b>
<b>Total projects pro. heal. of comm. exp. 2010</b>	<b>247,126</b>	<b>231,085</b>	<b>111,844</b>	<b>36,254</b>	<b>2,206</b>	<b>1,771</b>	<b>630,286</b>	<b>548,506</b>
<b>Total Budget - 2010</b>	<b>221,000</b>	<b>212,000</b>	<b>103,000</b>	<b>43,000</b>	<b>16,000</b>	<b>89,000</b>	<b>684,000</b>	
<b>Variance</b>	<b>(26,126)</b>	<b>(19,085)</b>	<b>(8,844)</b>	<b>6,746</b>	<b>13,794</b>	<b>87,229</b>	<b>53,714</b>	
<b>Total projects pro. heal. of comm. exp. 2009</b>	<b>199,033</b>	<b>195,881</b>	<b>105,609</b>	<b>38,668</b>	<b>9,315</b>	<b>-</b>	<b>548,506</b>	

**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Projects Promoting Educational Opportunities Expenses for the year ended DECEMBER 31, 2010**  
**(In US Dollars)**

	VTC Gaza	VTC Qararah	Dress Making	Secretarial Training & Language	Computer Centre	Total 2010	Total 2009
<b>Salaries and benefits</b>							
Basic salaries	47,401	21,575	6,681	10,416	-	86,073	194,103
Family allowances	6,785	3,925	-	-	-	10,710	10,330
Training	1,284	387	-	796	-	2,467	829
Medical insurance	1,330	720	-	-	-	2,050	2,268
Indemnity	13,844	6,208	798	1,840	-	22,690	21,491
Difference rate of exchange	11,564	5,544	635	2,200	-	19,943	13,228
<b>Total salaries and benefits</b>	<b>82,208</b>	<b>38,359</b>	<b>8,114</b>	<b>15,252</b>	<b>-</b>	<b>143,933</b>	<b>242,249</b>
<b>Professional services</b>							
Audit Fees	4,000	1,500	1,100	1,400	-	8,000	7,900
Professional Services	4,242	1,353	526	3,697	-	9,818	11,184
<b>Total professional services</b>	<b>8,242</b>	<b>2,853</b>	<b>1,626</b>	<b>5,097</b>	<b>-</b>	<b>17,818</b>	<b>19,084</b>
<b>General expenses</b>							
Rental	-	1	-	-	1,000	1,001	14,165
Water	817	95	239	116	-	1,267	818
Postage	-	-	-	13	-	13	134
Electricity	1,074	110	332	554	-	2,070	7,937
Fuel for energy	848	22	109	55	-	1,034	1,986
Telephones	1,205	998	734	1,034	-	3,971	3,861
Printing and stationery	1,732	615	1,118	1,536	-	5,001	3,322
Books and magazines	324	460	100	134	-	1,018	385
Cleaning	520	154	57	230	28	989	939
Consumable supplies	409	32	8	29	-	478	3,907
Repairs and maintenance	233	1	47	335	-	616	6,350
Furniture and fittings	69	227	99	93	-	488	2,099
Equipment and maintenance	4,211	463	246	1,126	20	6,066	6,152
Materials and supplies	19,986	426	53	742	-	21,207	57,412
<b>Total general expenses</b>	<b>31,428</b>	<b>3,604</b>	<b>3,142</b>	<b>5,997</b>	<b>1,048</b>	<b>45,219</b>	<b>109,467</b>
<b>Hospitality</b>	<b>888</b>	<b>160</b>	<b>84</b>	<b>36</b>	<b>-</b>	<b>1,168</b>	<b>2,161</b>

**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Projects Promoting Educational Opportunities Expenses for the year ended DECEMBER 31, 2010**  
(In US Dollars)

	VTC	VTC	Dress	Secretarial	Computer	Total	Total
	Gaza	Qararah	Making	Training and Language	Centre	2010	2010
<b>Insurance</b>							
Compulsory insurance	2,676	1,096	467	535	-	4,774	5,615
Buildings insurance	900	500	200	500	200	2,300	2,300
Equipment insurance	200	200	100	200	-	700	700
<b>Total insurance</b>	<b>3,776</b>	<b>1,796</b>	<b>767</b>	<b>1,235</b>	<b>200</b>	<b>7,774</b>	<b>8,615</b>
<b>Transportation and vehicle expenses</b>							
Transportation	2,779	1,762	59	1,575	-	6,175	6,440
Fuel	345	144	116	122	-	727	837
Repairs and maintenance	542	200	71	-	-	813	1,694
Insurance	1,000	437	251	-	-	1,688	2,591
License and others	163	-	239	-	-	402	773
<b>Total transportation and vehicle exp.</b>	<b>4,829</b>	<b>2,543</b>	<b>736</b>	<b>1,697</b>	<b>-</b>	<b>9,805</b>	<b>12,335</b>
<b>Other expenses</b>							
Taxes	1,026	-	-	-	-	1,026	1,131
Trainees Incentives	6,075	-	-	-	-	6,075	4,520
<b>Total other expenses</b>	<b>7,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,101</b>	<b>5,651</b>
<b>Total projects pro. edu. opp. exp. 2010</b>	<b>138,472</b>	<b>49,315</b>	<b>14,469</b>	<b>29,314</b>	<b>1,248</b>	<b>232,818</b>	<b>399,562</b>
<b>Total Budget - 2010</b>	<b>211,000</b>	<b>80,000</b>	<b>19,000</b>	<b>61,000</b>	<b>8,000</b>	<b>379,000</b>	
<b>Variance</b>	<b>72,528</b>	<b>30,685</b>	<b>4,531</b>	<b>31,686</b>	<b>6,752</b>	<b>146,182</b>	
<b>Total projects pro. edu. opp. exp. 2009</b>	<b>241,069</b>	<b>87,782</b>	<b>16,833</b>	<b>52,619</b>	<b>1,260</b>	<b>399,562</b>	



**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Community Development Expenses for the year ended DECEMBER 31, 2010**  
(In US Dollars)

	2010	Budget	Variance	2009
<b>Salaries and benefits</b>				
Training	-	-	-	29
<b>Total salaries and benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29</b>
<b>General expenses</b>				
Rental	1,000	1,000	-	1,500
Water	85	100	15	31
Postage	-	100	100	-
Electricity	624	500	(124)	777
Fuel for energy	149	200	51	158
Telephones	291	300	9	259
Printing and stationery	103	200	97	62
Cleaning	57	100	43	19
Consumable supplies	150	200	50	188
Repairs and maintenance	183	300	117	371
Furniture and fittings	71	200	129	100
Equipment and maintenance	198	200	2	244
Materials and supplies	115	300	185	508
Other general expenses	-	100	100	21
<b>Total general expenses</b>	<b>3,026</b>	<b>3,800</b>	<b>774</b>	<b>4,238</b>
<b>Insurance</b>				
Compulsory insurance	-	200	200	269
Buildings insurance	100	100	-	100
Equipment insurance	-	100	100	-
<b>Total insurance</b>	<b>100</b>	<b>400</b>	<b>300</b>	<b>369</b>
<b>Transportation and vehicle expenses</b>				
Transportation	-	100	100	4
Fuel	-	200	200	10
Repairs and maintenance	-	100	100	29
Insurance	-	200	200	293
License	-	100	100	-
Other vehicle expenses	-	100	100	-
<b>Total transportation and vehicle exp.</b>	<b>-</b>	<b>800</b>	<b>800</b>	<b>336</b>
<b>Other expenses</b>				
Self help clothing - Benefits to Seamstress	22,940	24,000	1,060	19,098
Youth activities and societies	2,336	3,000	664	1,619
Kindergarten and schools	3,162	3,000	(162)	606
<b>Total other expenses</b>	<b>28,438</b>	<b>30,000</b>	<b>1,562</b>	<b>21,323</b>
<b>Total community development exp.</b>	<b>31,564</b>	<b>35,000</b>	<b>3,436</b>	<b>26,295</b>

## Near East Council of Churches Committee for Refugee Work - Gaza Area

Advocacy's expenses for the year ended DECEMBER 31, 2010

(In US Dollars)

	2010	Budget	Variance	2009
<b>General expenses</b>				
Training	-	500	500	-
Water	-	100	100	-
Postage	-	500	500	-
Electricity	-	300	300	-
Telephones	-	500	500	100
Printing and stationery	667	500	(167)	-
Books and magazines	-	200	200	-
Cleaning	-	200	200	-
Consumable supplies	-	200	200	-
Repairs and maintenance	-	300	300	-
Equipment and maintenance	-	300	300	-
Materials and supplies	-	100	100	-
<b>Total general expenses</b>	<b>667</b>	<b>3,700</b>	<b>3,033</b>	<b>100</b>
<b>Hospitality</b>	<b>20</b>	<b>500</b>	<b>480</b>	<b>-</b>
<b>Transportation and vehicle exp.</b>				
Transportation	-	500	500	-
Fuel	-	500	500	-
Repairs and maintenance	-	200	200	-
Insurance	-	400	400	-
License	-	200	200	-
<b>Total transportation and vehicle exp.</b>	<b>-</b>	<b>1,800</b>	<b>1,800</b>	<b>-</b>
<b>Travel</b>	<b>1,165</b>	<b>-</b>	<b>(1,165)</b>	<b>-</b>
<b>Total advocacy's expenses</b>	<b>1,852</b>	<b>6,000</b>	<b>4,148</b>	<b>100</b>

## Near East Council of Churches Committee for Refugee Work - Gaza Area

Administration's expenses for the year ended DECEMBER 31, 2010

(In US Dollars)

	2010	Budget	Variance	2009
<b>Salaries and benefits</b>				
Basic salaries	82,359	63,800	(18,559)	81,281
Family allowances	462	1,200	738	354
Training	282	6,000	5,718	2
Medical insurance	262	500	238	165
Indemnity	10,526	8,300	(2,226)	24,173
Difference rate of exchange	5,529	-	(5,529)	3,928
<b>Total salaries and benefits</b>	<b>99,420</b>	<b>79,800</b>	<b>(19,620)</b>	<b>109,903</b>
<b>Professional services</b>				
Audit Fees	900	1,000	100	900
Legal Expenses	1,250	-	(1,250)	-
<b>Total professional services</b>	<b>2,150</b>	<b>1,000</b>	<b>(1,150)</b>	<b>900</b>
<b>General expenses</b>				
Rental	2,650	2,000	(650)	2,650
Water	113	200	87	43
Postage	382	400	18	329
Electricity	624	1,000	376	809
Fuel for energy	759	700	(59)	483
Telephones	1,662	1,200	(462)	1,367
Printing and stationery	633	500	(133)	219
Books and magazines	275	200	(75)	-
Cleaning	821	1,000	179	781
Consumable supplies	487	700	213	323
Repairs and maintenance	451	6,000	5,549	236
Furniture and fittings	80	500	420	174
Equipment and maintenance	633	500	(133)	567
Materials and supplies	284	400	116	83
Other general expenses	189	200	11	21
<b>Total general expenses</b>	<b>10,043</b>	<b>15,500</b>	<b>5,457</b>	<b>8,085</b>
<b>Medicines</b>	<b>-</b>	<b>1,500</b>	<b>1,500</b>	<b>52</b>
<b>Hospitality</b>	<b>2,858</b>	<b>1,000</b>	<b>(1,858)</b>	<b>867</b>

**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Administration's expenses for the year ended DECEMBER 31, 2010**  
(In US Dollars)

	2010	Budget	Variance	2009
<b>Insurance</b>				
Compulsory insurance	669	200	(469)	933
Buildings insurance	160	-	(160)	160
Travel insurance	219	200	(19)	-
Equipment insurance	-	700	700	-
<b>Total insurance</b>	<b>1,048</b>	<b>1,100</b>	<b>52</b>	<b>1,093</b>
<b>Transportation and vehicle expenses</b>				
Transportation	693	1,300	607	743
Fuel	888	800	(88)	1,069
Repairs and maintenance	591	1,000	409	2,883
Insurance	966	600	(366)	983
License	285	200	(85)	316
Other vehicle expenses	29	10,000	9,971	109
<b>Total transportation and vehicle exp.</b>	<b>3,452</b>	<b>13,900</b>	<b>10,448</b>	<b>6,104</b>
<b>Travel expenses</b>	<b>4,182</b>	<b>-</b>	<b>(4,182)</b>	<b>777</b>
<b>Bank Charges</b>	<b>-</b>	<b>200</b>	<b>200</b>	<b>-</b>
<b>Taxes</b>	<b>557</b>	<b>1,000</b>	<b>443</b>	<b>489</b>
<b>Total administration's expenses</b>	<b>123,710</b>	<b>115,000</b>	<b>(8,710)</b>	<b>128,270</b>

## Near East Council of Churches Committee for Refugee Work - Gaza Area

Income from projects promoting community health for the year ended DECEMBER 31, 2010  
(In US Dollars)

	<b>FHSC</b>	<b>FHSC</b>	<b>FHSC</b>	<b>Mobile</b>	<b>Total</b>	<b>Total</b>
	<b>Shija'ia</b>	<b>Darraj</b>	<b>South</b>	<b>Dental Clinic</b>	<b>Income 2010</b>	<b>Income 2009</b>
<b>Income - 2010</b>						
Income from medicines	3,196	9,436	55	931	<b>13,618</b>	<b>12,572</b>
Income from patients	28,018	14,880	21,890	1,581	<b>66,369</b>	<b>57,369</b>
Income from tender	500	400	-	-	<b>900</b>	-
<b>Total Income - 2010</b>	<b>31,714</b>	<b>24,716</b>	<b>21,945</b>	<b>2,512</b>	<b>80,887</b>	<b>69,941</b>
<b>Total Budget - 2010</b>	10,000	10,000	5,000	3,000	<b>28,000</b>	
<b>Variance</b>	<b>(21,714)</b>	<b>(14,716)</b>	<b>(16,945)</b>	<b>488</b>	<b>(52,887)</b>	
<b>Total Income - 2009</b>	<b>26,616</b>	<b>25,698</b>	<b>15,562</b>	<b>2,065</b>	<b>69,941</b>	

## Near East Council of Churches Committee for Refugee Work - Gaza Area

Income from projects promoting education opportunities for the year ended DECEMBER 31, 2010

(In US Dollars)

	VTC Gaza	VTC Qararah	Dress Making	Secretarial Training and Language	Computer Centre	Total Income 2010	Total Income 2009
<b>Income - 2010</b>							
Income from centres	23,430	1,048	28	163	-	<b>24,669</b>	<b>19,803</b>
Income from tuition fees	26,732	17,894	9,138	15,976	-	<b>69,740</b>	<b>11,744</b>
<b>Total Income - 2010</b>	<b>50,162</b>	<b>18,942</b>	<b>9,166</b>	<b>16,139</b>	-	<b>94,409</b>	<b>31,547</b>
<b>Total Budget - 2010</b>	20,000	6,000	2,000	5,000	3,000	<b>36,000</b>	
<b>Variance</b>	<b>(30,162)</b>	<b>(12,942)</b>	<b>(7,166)</b>	<b>(11,139)</b>	<b>3,000</b>	<b>(68,029)</b>	
<b>Total Income - 2009</b>	<b>22,820</b>	<b>3,175</b>	<b>1,580</b>	<b>3,972</b>	-	<b>31,547</b>	

## Near East Council of Churches Committee for Refugee Work - Gaza Area

## Statement of Educational Loans Fund - As of DECEMBER 31, 2010

(In US Dollars)

	2010	2009
<b>Assets</b>		
Balance - January 1, 2010	367,689	474,171
New Loans	47,250	57,000
Collections during the year	(138,010)	(163,482)
<b>Balance - December 31, 2010</b>	<b>276,929</b>	367,689
Reserve for doubtful debts	(8,712)	(8,712)
<b>Total</b>	<b>268,217</b>	358,977
<b>Cash and banks balances</b>		
Arab Bank Rimal - December 31, 2010	38,859	38,845
Bank of Palestine - December 31, 2010	433,629	351,077
<b>Total cash and banks balances</b>	<b>472,488</b>	389,922
<b>Total assets</b>	<b>740,705</b>	748,899
<b>Capital</b>		
<b>Accumulated fund - January 1, 2010</b>	<b>98,399</b>	107,936
<b>Income and expenses</b>		
Various Income	1,165	763
Interest earned	1,605	1,708
Expenses / Legal and other expenses	(10,964)	(12,008)
<b>Total income and expenses</b>	<b>(8,194)</b>	(9,537)
<b>Net surplus</b>	<b>90,205</b>	98,399
<b>Total amount from budgets all over the years</b>	<b>650,500</b>	650,500
<b>Total Capital</b>	<b>740,705</b>	748,899

## Near East Council of Churches Committee for Refugee Work - Gaza Area

## Statement of Provident Fund - As of DECEMBER 31, 2010

(In US Dollars)

	2010	2009
<b>Assets</b>		
<b>Cash and bank balances</b>		
Deposit at ING Bank \ Holland	2,063,173	1,903,650
<b>Total cash and banks balances</b>	<b>2,063,173</b>	<b>1,903,650</b>
<b>Total assets</b>	<b>2,063,173</b>	<b>1,903,650</b>
<b>Liabilities</b>		
<b>Provident Fund</b>		
Employees' provident fund - January 1, 2010	1,903,650	1,823,006
Employees' contribution during the year	111,858	99,826
NECCCRW contribution during the year	143,960	92,288
<b>Total provident fund</b>	<b>2,159,468</b>	<b>2,015,120</b>
<b>Withdrawals: terminal entitlements, advances</b>	<b>(99,254)</b>	<b>(128,859)</b>
<b>Interest earned - allocated to staff</b>	<b>2,959</b>	<b>17,389</b>
<b>Total Liabilities</b>	<b>2,063,173</b>	<b>1,903,650</b>



**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Special Assistance Humanitarian Darraj**  
**For the year ended DECEMBER 31, 2010**  
**(In US Dollars)**

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**DCA\ DANIDA – Emergency Humanitarian - Darraj Area**

**Summary of expenses**

Salaries and related expenses	81,481
Supplies	59,148
Medicines	17,067
Medical Supplies	11,650
Antibiotics and anti worms	6,026
Laboratory tests	5,922
PTT	1,941
Audit Fees	3,000
Transportation and vehicle costs	5,417
Printing & Stationery	806
Miscellaneous	1,480
<b>Total</b>	<b><u>193,938</u></b>

**DCA / Nutrition & Health**

**Summary of expenses**

Salaries and related expenses	25,011
Medicines	7,176
Lab tests	740
Health Educational Brochures	3,233
Equipment	1,240
Transportation and vehicle costs	5,037
Miscellaneous	4,485
<b>Total</b>	<b><u>46,922</u></b>

<b>Grand Total Special Emergency Relief</b>	<b><u>240,860</u></b>
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**Near East Council of Churches Committee for Refugee Work - Gaza Area**  
**Special Emergency Relief Projects**  
**For the year ended DECEMBER 31, 2010**  
**(In US Dollars)**

**Under "ACT\ PSE 101":****Summary of expenses**

Salaries	223,447
Medicines	57,286
Medical Fees	51,480
Educational Support	50,000
Supplies	49,093
Rentals	13,282
Electricity	9,368
Consumables & Maintenance	5,327
Transportations	3,330
Compulsory Insurance	222
Printing & Stationery	380
<b>Total</b>	<b><u>463,215</u></b>

**Under "Pontifical Mission - Relief"****Summary of expenses**

Relief expenses	317,840
Job creation	14,225
<b>Total</b>	<b><u>332,065</u></b>

**Under other Donors****Pontifical Mission \ Shija'ia Clinic**

Medicines	16,994
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**N E C E F**

Relief	11,131
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**Pontifical Mission - Qararah**

Relief	15,710
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**Pontifical Mission - Generators and Dental Clinic**

Supplies	12,577
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**WCC\ Ecumenical Women's Group**

Others	2,257
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<b>Total Others</b>	<b><u>58,669</u></b>
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<b>Grand Total Special Emergency Relief</b>	<b><u>853,949</u></b>
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