

**THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL
PROFESSION AND JUDICIARY - MUSAWA**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008
AND INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

THE BOARD OF DIRECTORS OF THE PALESTINIAN CENTER FOR INDEPENDENCE OF THE LEGAL PROFESSION AND JUDICIARY - MUSAWA

Report on the financial statements

We have audited the accompanying financial statements of the Palestinian Center for Independence of the Legal Profession and Judiciary (hereinafter the "Musawa"), which comprise the statement of the financial position as of December 31, 2008, the statement of activities, and the statement of cash flows 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 controls relevant to the preparation and fair presentation of the 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 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 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 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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Musawa as of December 31, 2008 and the results of its activities and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PRICEWATERHOUSECOOPERS 

Osama Daher - Partner
Ramallah, April 8, 2009

STATEMENT OF FINANCIAL POSITION

(All amounts in US Dollars)

	<u>Note</u>	<u>2008</u>	<u>2007</u>
Assets			
Current assets			
Cash and cash equivalents	(5)	310,565	270,824
Pledges receivables	(6)	406,784	481,351
Prepayments and other current assets		10,387	8,291
Total current assets		<u>727,736</u>	<u>760,466</u>
Assets limited as to use	(7)	18,480	10,567
Fixed assets, net	(8)	38,242	43,139
Total assets		<u>784,458</u>	<u>814,172</u>
Liabilities and net assets			
Current liabilities			
Accounts payable	(9)	53,456	56,049
Total current liabilities		<u>53,456</u>	<u>56,049</u>
Provision for severance pay	(10)	20,074	10,567
Total liabilities		<u>73,530</u>	<u>66,616</u>
Net assets			
Unrestricted net assets		19,912	9,145
Temporarily restricted net assets	(16)	691,016	738,411
Total net assets		<u>710,928</u>	<u>747,556</u>
Total liabilities and net assets		<u>784,458</u>	<u>814,172</u>

- Notes to the financial statements form an integral part thereof.

Mr. Yaser Jaber
 Chair of the Board of Directors

Mr. Ibrahim Barghouti
 Executive Director

STATEMENT OF ACTIVITIES

(All amounts in US Dollars)

	<u>Note</u>	<u>2008</u>	<u>2007</u>
Changes in unrestricted net assets:			
Grants, revenues and gains			
Donation		38,887	-
In-kind contribution		3,500	-
Other revenues	(11)	<u>1,346</u>	<u>185</u>
Total unrestricted grants, revenues and gains		43,733	185
Net assets released from restrictions		<u>529,174</u>	<u>343,845</u>
Total unrestricted grants, revenues, gains and other support		<u>572,907</u>	<u>344,030</u>
Expenses and losses			
General and administrative expenditures	(12)	68,362	50,975
Salaries and related benefits	(13)	190,242	130,293
Program expenses	(14)	293,647	161,822
Finance expenses	(15)	<u>9,889</u>	<u>755</u>
Total expenses and losses		<u>562,140</u>	<u>343,845</u>
Increase in unrestricted net assets		<u>10,767</u>	<u>185</u>
Changes in temporarily restricted net assets:			
Grants	(16)	478,466	1,049,671
Net assets released from restrictions	(16)	(529,174)	(343,845)
Currency difference		<u>3,313</u>	
Net changes in temporarily restricted net assets		<u>(47,395)</u>	<u>705,826</u>
Changes in net assets for the year		(36,628)	706,011
Net assets, beginning of the year		<u>747,556</u>	<u>41,545</u>
Net assets, end of the year		<u>710,928</u>	<u>747,556</u>

- Notes to the financial statements form an integral part thereof.

STATEMENT OF CASH FLOWS

(All amounts in US Dollars)

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Changes in net assets for the year	(36,628)	706,011
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	8,091	4,885
Fixed assets donated	-	1,573
Decrease (increase) in pledges receivables	74,567	(481,351)
Increase in prepayments and other current assets	(2,096)	(291)
(Decrease) increase in accounts payable	(2,593)	52,899
Increase in provision for severance pay	9,507	7,767
Net cash provided by operating activities	<u>50,848</u>	<u>291,493</u>
Cash flows from investing activities		
Purchase of fixed assets	(3,194)	(41,664)
Net cash used in investing activities	<u>(3,194)</u>	<u>(41,664)</u>
Cash flows from financing activities		
Cash restricted for leaving indemnity	(7,913)	(7,767)
Net cash used in financing activities	<u>(7,913)</u>	<u>(7,767)</u>
Increase in cash and cash equivalents	39,741	242,062
Cash and cash equivalents, beginning of the year	270,824	28,762
Cash and cash equivalents, end of the year	<u>310,565</u>	<u>270,824</u>

- Notes to the financial statements form an integral part thereof.

THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL PROFESSION AND JUDICIARY - MUSAWA

Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (1) – GENERAL

The Palestinian Center for Independence of the Legal Profession and Judiciary (hereinafter "Musawa") is a Palestinian Non Governmental legal center, established in March 2002 by a number of former judges and lawyers. The Palestinian Ministry of Interior reissued the license of Musawa in its final form in January 2004.

Musawa has five strategic goals to guide its work in the medium term:

1. Capacity building and institutional developments of Musawa,
2. Enhance Musawa's monitoring activities and functioning of the three authorities (Supreme Judicial Council, Ministry of Justice and the Palestinian Legislative Counsel) that mainly make up the judicial framework in the Palestinian Territories,
3. Increase public awareness and trust in the law,
4. Enhance independence, good governance and separation of powers, and
5. Enhance and develop judiciary, legal profession and the Palestinian Bar Association.

The financial statements were approved by the board of directors on the 8th of April 2009.

NOTE (2) – BASIS OF PREPARATION

The financial statements are prepared according to International Financial Reporting Standards based on the historical cost convention and presented in USD. Currently, international financial reporting standards do not include any specific requirements regarding not-for-profit organization in connection with the accounting policies or the presentation of the financial statements.

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

a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and at banks.

b) Pledges receivables:

Pledges receivables are stated at the original amount of the signed agreement less the amount received.

c) Net assets:

Net Assets of Musawa and changes therein are classified and reported as follows:

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

d) 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:

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

	<u>%</u>
Office furniture	7
Office equipment	15
Computers	30

The cost of the fixed assets includes all of the expenditures incurred so as to make the assets ready for use. Any subsequent expenditures are capitalized only when they increased the future economic benefits of the related fixed assets.

All other expenses are recognized in the statement of activities once incurred.

e) Impairment of assets:

The carrying values of the 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.

f) Expenditures recognition:

Expenditures are recognized when incurred based on the accrual basis of accounting. Expenditures allocation between Musawa projects / donors on the functional statement of expenditures is based on the actual expenses incurred on each project and based on the approved budgets.

g) Accounts payable:

Accounts payable are recognized for the amounts to be paid in the future for goods and services received, whether billed by the suppliers or not.

h) Provision for severance pay:

Benefits payable to the employee of Musawa at the end of their services which is 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 last salary paid.

i) Revenue Recognition:

Revenue is recognized when contributions and/or donations are pledged. Pledged amounts that relate to the current reporting period but were not received are accounted for as pledges receivables.

j) Changes in accounting policies:

The accounting policies used are the same as those used in previous year.

k) Translation of foreign currencies:

The accompanying financial statements are denominated in US Dollars. 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 to US Dollars by applying the exchange rates prevailing at the reporting date. Exchange gains or losses arising from the above transactions are reflected in the statements of activities. The exchange rates against US dollars as of December 31, 2008 and 2007 are as follows:

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Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

	<u>2008</u>	<u>2007</u>
NIS	0.263	0.260
EURO	1.293	1.467

NOTE (3) – USE OF ESTIMATES

In the process of its accounting policies, Musawa makes estimates and judgements that have an impact on the amounts recognized and reported in the financial statements. These estimates are based on historical experience, observable data, international and scientific studies published information and other information including expectation of future events that are believed to be reasonable under the circumstances.

NOTE (4) – RISK MANAGEMENT

4.1) 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. The risk is divided into the following sections:

a) Fully performing assets:

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

<u>Item</u>	<u>Carrying amount</u>	<u>Credit Quality</u>
Cash and cash equivalents	310,565	High
Pledges receivables	406,784	High

1) Musawa has an amount of USD 310,565 as cash at the Arab bank.

2) Musawa has a total amount of USD 406,784 as pledges receivables; the donors according to the signed agreements will pay these amounts when they come due according to the terms of the agreements.

b) As of December 31, 2008 and 2007 there were no assets that are past due or impaired.

4.2) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The schedule below presents expected cash outflow 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>	<u>1-2 Years</u>	<u>More than 2 Years</u>
Accounts payable	53,456	53,456	-	-	-

Musawa will pay an amount of USD 53,456 during the first 6 months of the year 2009, and it will use the available cash to pay these liabilities.

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NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

4.3) Market risk

The main 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 Musawa is currency 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 Musawa uses are the US Dollars (USD) and the New Israeli Shekels (NIS) as well as the Euro. The NIS rate to the USD at the end of the year 2008 was 3.802 and for 2007 was 3.85, while the average rate for 2008 was 3.59 and for 2007 the average rate was 4.11. In addition, the Euro rate to the USD at the end of the year 2008 was 1.293 and for 2007 was 1.467, while the average rate for 2008 was 1.49 and for 2007 the average rate was 1.37. These fluctuations in the exchange rates resulted in a net loss of USD 9,889.

NOTE (5) – CASH AND CASH EQUIVALENTS

Details –

	<u>2008</u>	<u>2007</u>
Cash on hand	4,346	1,856
Cash at banks	306,219	268,968
	<u>310,565</u>	<u>270,824</u>

NOTE (6) – PLEDGE RECEIVABLE

Details –

	<u>Beginning Balance</u>	<u>Currency Exchange</u>	<u>Additions</u>	<u>Amount Received</u>	<u>Ending Balance</u>
Netherland Representative office	410,000	-	-	190,000	220,000
Norway Representative office	-	-	113,287	113,287	-
Germany National Endowment for Democracy	9,820	-	-	9,820	-
European Union Danish Representative Office	37,750	-	48,500	50,750	35,500
NGO Development Center	23,781	(2,841)	121,679	96,335	46,284
	-	-	45,000	45,000	-
	-	-	150,000	45,000	105,000
	<u>481,351</u>	<u>(2,841)</u>	<u>478,466</u>	<u>550,192</u>	<u>406,784</u>

NOTE (7) – ASSETS LIMITED AS TO USE

Musawa management limited the use of this amount by opening a specific bank account at a local bank designated only for severance pay.

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NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (8) – FIXED ASSETS, NET

Details –

	<u>Furniture</u>	<u>Equipment</u>	<u>Computers</u>	<u>Total</u>
Cost				
Beginning of year	23,421	10,246	17,884	51,551
Additions	715	1,080	1,399	3,194
Disposals	-	-	-	-
End of year	<u>24,136</u>	<u>11,326</u>	<u>19,283</u>	<u>54,745</u>
Accumulated depreciation				
Beginning of year	1,160	1,448	5,804	8,412
Additions	1,648	1,583	4,860	8,091
Disposals	-	-	-	-
End of year	<u>2,808</u>	<u>3,031</u>	<u>10,664</u>	<u>16,503</u>
Book value	<u>21,328</u>	<u>8,295</u>	<u>8,619</u>	<u>38,242</u>

NOTE (9) – ACCOUNTS PAYABLE

Details –

	<u>2008</u>	<u>2007</u>
Accounts payable	13,001	10,069
Outstanding checks	40,455	45,980
	<u>53,456</u>	<u>56,049</u>

NOTE (10) – PROVISION FOR SEVERANCE PAY

Details –

	<u>2008</u>	<u>2007</u>
Balance, beginning of the year	10,567	2,800
Add: provision made during the year	13,695	9,194
Less: payments made during the year	4,188	1,427
Balance, end of the year	<u>20,074</u>	<u>10,567</u>

NOTE (11) – OTHER REVENUES

This figure represents miscellaneous income that does not fit in any of the normal revenue categories, such as interest earned from bank deposits.

**THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL PROFESSION AND JUDICIARY -
MUSAWA**

Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (12) – GENERAL AND ADMINISTRATIVE EXPENSES

Details –

	<u>2008</u>	<u>2007</u>
Stationary	3,645	3,615
Electricity and water	2,254	1,888
Postal, telephone and mail	13,433	8,904
Interest and bank charges	392	355
Subscription	1,092	493
Office rent	16,201	12,000
Hospitality and cleaning	4,746	2,887
Maintenance	2,957	3,537
Fuel and gas	1,820	757
Transportation	4,936	2,829
Medical and insurance	1,567	854
Advertising, printing and copying	1,952	1,277
Audit fees	4,580	4,580
Miscellanies	696	541
Donation	-	1,573
Depreciation	8,091	4,885
	<u>68,362</u>	<u>50,975</u>

NOTE (13) – SALARIES AND RELATED BENEFITS

Details –

	<u>2008</u>	<u>2007</u>
General manager	46,500	39,200
Program manager	18,879	16,900
Financial officer	14,731	10,833
Lawyers and researchers	55,685	45,907
Accountant	4,732	1,200
PR manager	10,537	8,039
Administrative assistant	7,683	4,193
Office cleaner	5,265	4,021
Rewards	26,230	-
	<u>190,242</u>	<u>130,293</u>

THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL PROFESSION AND JUDICIARY - MUSAWA

Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (14) – PROGRAM EXPENSES

Details –

	<u>2008</u>	<u>2007</u>
Capacity building	17,279	1,165
Brochure and annual report	4,258	3,227
Base line survey	15,744	11,457
Eye on justice	5,760	4,679
Adopting two public cases	29,878	5,502
Law and justice magazine	22,447	21,654
Two main meeting	5,231	4,021
Campaigning and networking	4,815	3,707
Lectures at universities	348	2,298
Seminar on Musawa vision	-	145
Studying regional models	12,664	1,266
Focus group discussion	-	2,018
TV and radio program	24,770	5,796
Law drafting and amendment	92,247	12,459
Policy paper	-	600
Regular workshops	20,170	54,733
Publications	20,064	1,377
Musawa conference	-	16,298
Capacity building lawyer	17,396	9,420
Publishing the results	486	-
Lobby activities	90	-
	<u>293,647</u>	<u>161,822</u>

NOTE (15) – FINANCE EXPENSES

Details –

	<u>2008</u>	<u>2007</u>
Exchange rate fluctuation	9,889	755
	<u>9,889</u>	<u>755</u>

THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL PROFESSION AND JUDICIARY - MUSAWA

Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (16) – TEMPORARILY RESTRICTED NET ASSETS

Details –

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Released</u>	<u>Currency Variance</u>	<u>Ending Balance</u>
Netherland Representative office	459,038	-	203,905	-	255,133
Norway Representative office	91,783	113,287	95,546	-	109,524
Germany	7,734	-	7,734	-	-
National Endowment for Democracy	44,153	48,500	44,147	-	48,506
European Union	118,903	121,679	89,564	-	151,018
Mu'assasat	20,113	-	20,113	-	-
Contributions from local donors	(3,313)	-	-	3,313	-
Danish Representative Office	-	45,000	44,953	-	47
NGO Development Center	-	150,000	23,212	-	126,788
	<u>738,411</u>	<u>478,466</u>	<u>529,174</u>	<u>3,313</u>	<u>691,016</u>

THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL PROFESSION AND JUDICIARY - MUSAWA

Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (17) – FUNCTIONAL STATEMENT OF EXPENDITURES

<i>Account Name</i>	<i>DRO</i>	<i>EU</i>	<i>Germany</i>	<i>Musawa</i>	<i>NDC</i>	<i>NED</i>	<i>Norway 2</i>	<i>NRO</i>	<i>Jeniva</i>	<i>Norway 1</i>	<i>Others</i>	<i>Grand Total</i>
Advertising & Announcement expenses	226	57	-	-	-	-	-	1,011	-	184	-	1,478
Audit fees	2,250	-	-	-	-	-	-	2,330	-	-	-	4,580
Cleaning expense	-	13	-	-	-	-	-	841	-	29	-	883
Depreciation expense	-	-	-	8,091	-	-	-	-	-	-	-	8,091
Electricity expense	385	414	-	-	-	277	-	689	189	178	-	2,132
Exchange rate fluctuations	(122)	4,536	(107)	4,184	-	424	(6)	1,446	(328)	(138)	-	9,889
Fuel & gas expense	654	532	-	-	-	-	-	617	-	17	-	1,820
Hospitality expense	34	457	-	-	-	-	-	2,849	229	294	-	3,863
Indemnities-admin	-	250	-	-	-	-	-	8,995	-	-	-	9,245
Insurance expenses- employee	482	-	-	-	-	-	-	-	-	-	-	482
Interest & bank charges	10	67	-	48	-	85	0	132	-	50	-	392
Mail expenses.	504	1,023	-	-	-	101	-	2,365	-	485	-	4,478
Maintenance expense	900	300	-	-	-	-	-	199	503	1,055	-	2,957
Medical expenses	434	-	-	-	-	-	-	651	-	-	-	1,085
Miscellaneous expense	-	64	-	-	-	-	-	633	-	-	-	697
Office rent	-	-	-	700	-	1,230	1,050	4,920	-	4,800	3,500	16,200
Postal & telephone expense	2,063	1,065	-	-	-	616	325	2,515	426	1,946	-	8,956
Printing copying expense	-	10	-	-	-	-	-	438	-	27	-	475
Rewards-admin	-	-	-	100	-	-	-	14,742	249	2,338	-	17,429
Salaries-admin	16,550	7,230	110	-	-	2,540	3,717	54,118	951	13,867	-	99,083
Stationary expense	200	5	-	-	-	188	-	2,282	111	860	-	3,646
Subscriptions	213	225	-	-	-	-	-	654	-	-	-	1,092
Transportation expenses	-	1,070	-	-	-	163	-	2,831	-	872	-	4,936
Water expense	-	45	-	-	-	-	-	56	21	-	-	122
Adopting public cases	1,681	-	-	-	20,000	-	-	8,197	-	-	-	29,878
Base line survey	-	-	-	-	-	-	-	15,744	-	-	-	15,744
Brochures & annual reports	2,000	-	-	-	-	-	-	-	-	2,258	-	4,258
Campaigning & networking	-	-	-	-	-	-	-	4,815	-	-	-	4,815
Capacity building	13,931	-	-	-	2,748	-	-	-	-	600	-	17,279
Capacity building -lawyers	2,006	1,092	6,884	-	-	7,414	-	-	-	-	-	17,396
Eye on justice	-	-	-	-	-	-	-	5,760	-	-	-	5,760
Total for current page	44,401	18,455	6,887	13,123	22,748	13,038	5,086	139,830	2,351	29,722	3,500	299,141

THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL PROFESSION AND JUDICIARY - MUSAWA

Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

<i>Account Name</i>	<i>DRO</i>	<i>EU</i>	<i>Germany</i>	<i>Musawa</i>	<i>NDC</i>	<i>NED</i>	<i>Norway 2</i>	<i>NRO</i>	<i>Jeniva</i>	<i>Norway 1</i>	<i>Others</i>	<i>Grand Total</i>
Total from previous page	44,401	18,455	6,887	13,123	22,748	13,038	5,086	139,830	2,351	29,722	3,500	299,141
Indemnities-programmers	-	1,259	48	-	-	600	179	1,197	-	1,027	-	4,310
Law & justice magazine	-	-	-	-	-	-	-	22,447	-	-	-	22,447
Law drafting & amendments	-	27,664	-	-	-	481	1,800	1,180	30,966	30,155	-	92,246
Lectures at universities	-	-	-	-	-	348	-	-	-	-	-	348
Lobby activities	-	-	-	-	-	-	-	90	-	-	-	90
Publications	-	8,744	-	-	-	3,100	-	3,000	-	5,220	-	20,064
Publishing the results	-	-	-	-	-	-	-	486	-	-	-	486
Regular workshop	-	-	-	-	-	16,313	-	-	3,855	-	-	20,168
Researchers & lawyers	-	1,416	800	-	-	1,947	-	2,663	-	2,787	-	9,613
Rewards-program	-	-	-	300	-	1,505	-	5,137	-	1,858	-	8,800
Salaries-program	-	14,125	-	-	-	6,815	2,150	9,980	-	8,692	-	41,762
Studying regional models	-	-	-	-	-	-	-	12,664	-	-	-	12,664
T.V & radio programs	-	17,900	-	-	-	-	-	-	-	6,870	-	24,770
Two main meetings	-	-	-	-	-	-	-	5,231	-	-	-	5,231
Total expenses	44,401	89,563	7,735	13,423	22,748	44,147	9,215	203,905	37,172	86,331	3,500	562,140

THE PALESTINIAN CENTER FOR INDEPENDENCE OF LEGAL PROFESSION AND JUDICIARY - MUSAWA

Financial statements for the year ended December 31, 2008

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in US Dollars)

NOTE (18) – RELATED PARTIES

This item represents transactions with related parties, i.e., trustees, directors, senior management and organizations, over which they exercise control.

Transactions with related parties are as follows:

Details -

	<u>2008</u>	<u>2007</u>
General Manager salary	46,500	39,200
	<u>46,500</u>	<u>39,200</u>

NOTE (19) – RECLASSIFICATION

Certain reclassifications have been made to year 2007 financial statements to conform to the classifications used in 2008.