

**Suleiman & Co. Certified Public Accountants - License No. 205
Correspondent Firm of RSM International in Palestine**

**Palestinian Circus Association
Birzeit – Palestine**

**Financial Statements
For the Year Ended December 31, 2019
And Independent Auditor's Report**

Ramallah Al Masyoun Taj Mahal building No. 10 phone 970 2 297-5576 –Fax 970 2 297 5577 E-mail: info@suleimanco.com

Palestinian Circus Association
Financial statements for the year ended December 31, 2019

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Independent Auditor's Report

TO THE BOARD OF DIRECTORS OF PALESTINIAN CIRCUS ASSOCIATION

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of **Palestinian Circus Association** (hereinafter the "Association") which comprise the financial position as of December 31, 2019 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements taken as a whole present fairly, in all material respects, the financial position of **Palestinian Circus Association** as of December 31, 2019 and of its activities and changes in net assets and cash flows for the year then ended in accordance with the basis of accounting described in Note (2) to the financial statements.

Basis for Opinion

We conduct our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting

We draw attention to Note (2) to the financial statements, which describe the basis of accounting. The financial statements are prepared to provide information to **Palestinian Circus Association**. As a result, the financial statements may not be suitable for another purpose.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance to standards set out in note (2), and for such internal control as management determines is necessary to enable the preparation of the statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit with accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements represents the underlying transactions and events in a manner that achieves fair presentations.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Suleiman & Co. - Certified Public Accountants

License number 205/2012

Ismail M. Suleiman

License number 131/2000

Ramallah, Palestine

February 20, 2020





Ramallah Al Masyoun Taj Mahal building No. 10 phone 970 2 297-5576 -Fax 970 2 297 5577 E-mail: info@suleimanco.com


Palestinian Circus Association
Financial statements for the year ended December 31, 2019

Statement of Financial Position
(All amounts in NIS)

	Note	2019	2018
Assets			
Current assets			
Cash and cash equivalent	4	1,787,843	1,745,393
Grants receivable	5	1,629,003	650,491
Other current assets	6	35,177	71,557
Total current assets		3,452,023	2,467,441
Non-current assets			
Fixed assets, Net	7	742,391	815,886
Total assets		4,194,414	3,283,327
Liabilities and net assets			
Current liabilities			
Accrued expenses and other accounts payables	8	5,805	35,928
Total current liabilities		5,805	35,928
Non-current liabilities			
Provision for end of service indemnity	9	85,356	22,583
Total non-current liabilities		85,356	22,583
Total liabilities		91,161	58,511
Net assets			
Net assets at end of the year		2,559,295	2,858,162
Temporary restricted net assets	10	1,543,958	366,654
Total net assets at end of the year		4,103,253	3,224,816
Total liabilities and net assets		4,194,414	3,283,327



Chairman of the Board




Executive Manager

The accompanying notes constitute an integral part of the financial statements



Palestinian Circus Association
Financial statements for the year ended December 31, 2019

Statement of Activities and Changes in Net Assets
(All amounts in NIS)

		2019			For the period from September 1, 2017 to December 31, 2018
	Note	Unrestricted	Temporary restricted	Total	Total
Revenues					
Grants and donation	10,11	-	1,204,472	1,204,472	1,444,035
Membership fees		900	-	900	1,350
Other donation	12	429,450	-	429,450	696,518
Net assets released from restrictions	10,11	1,204,472	(1,204,472)	-	-
Total revenues		1,634,822	-	1,634,822	2,141,903
Expenses					
Projects expenses	13	1,134,585	-	1,134,585	2,108,533
General and administrative expenses	13	643,036	-	643,036	784,909
Currency differences	13	156,068	-	156,068	(99,430)
Total expenses		1,933,689	-	1,933,689	2,794,012
Change in net assets during the year					
		(298,867)	-	(298,867)	(652,109)
Net assets, beginning of year		2,858,162	-	2,858,162	3,889,076
Prior year adjustments		-	-	-	(12,151)
Net assets, end of year		2,559,295	-	2,559,295	3,224,816

The accompanying notes constitute an integral part of the financial statements.

Palestinian Circus Association
Financial statements for the year ended December 31, 2019

Statement of Functional Expenses
(All amounts in NIS)

	SIDA	Drosos Foundation	Clowns without Borders Sweden (CWB)	CARITAS	Zalimbanq	Flanders government / Flemish government	Présence et Action Culturelles (PAC)	Novact AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Total Project Expenses	PCS General Fund	Total Expenses	Total for the period from September 2017 to December 31, 2018
Salaries and related expenses*	165,112	121,477	12,533	143,919	-	35,300	-	33,160	83,706	79,973	675,180	318,010	993,190	1,228,997
Consultant Fees	5,551	-	-	-	-	-	-	-	-	7,063	12,614	-	12,614	45,680
Mail, telephone & internet	4,132	251	-	-	-	-	237	-	-	2,180	6,800	994	7,794	8,398
Interest & bank charges expenses	-	176	-	-	-	-	-	-	-	460	636	2,736	3,372	4,585
Stationary Expense	1,531	585	1,218	-	-	-	691	-	353	812	5,190	5	5,195	-
Rental Expense	19,300	14,417	-	-	-	-	-	-	5,600	-	39,317	-	39,317	87,156
Cleaning Expense	4,929	1,816	-	-	-	-	2,340	-	352	3,354	12,791	-	12,791	600
Maintenance Expense	2,491	3,077	-	-	-	50	-	-	1,504	-	7,122	-	7,122	4,083
Fuel Expense	280	-	-	-	-	-	-	-	-	-	280	-	280	593
Hospitality Expense	6,696	2,443	-	1,812	-	841	5,079	-	-	-	16,871	298	17,169	28,361
Meetings Hospitality & meals expense	459	2,162	-	771	-	5,565	900	-	-	668	10,525	-	10,525	-
International transportation expense	-	5,008	-	-	-	-	-	-	-	-	5,008	-	5,008	54,282
Student transportation expense	-	4,260	-	6,560	-	260	1,417	-	1,553	-	14,050	111	14,161	17,362
General Local transportation expense	6,137	15,131	2,632	10,879	1,133	7,366	2,726	-	4,316	-	50,320	2,162	52,482	38,209
Trainers transportation expense	4,115	1,268	-	3,047	-	-	4,329	-	3,205	-	15,964	-	15,964	24,591
Medical Expense	1,038	-	-	347	-	1,476	20	-	-	-	2,881	307	3,188	22,108
Advertising, promotion, publication, printing etc.	440	877	-	670	-	183	1,214	-	-	-	3,384	173	3,557	211,903
Audit fees	5,582	-	-	-	-	-	-	-	-	-	5,582	-	5,582	27,986
Trainers & volunteers fees expense	11,370	37,595	11,645	6,800	-	4,657	-	-	-	10,559	82,626	-	82,626	83,261
Subscription expenses	9,236	4,071	-	7,801	-	-	5,027	-	-	-	26,135	-	26,135	1,187
Student insurance expense	-	-	-	-	-	-	-	-	-	-	-	-	-	27,299
Building & Equipment insurance Expense	-	1,735	-	-	-	-	-	-	-	-	1,735	-	1,735	1,735
Travel insurance expense	40	3,356	-	1,439	-	-	-	-	-	-	4,835	369	5,204	7,008
Travel Cost, flight tickets	773	6,259	-	-	2,470	1,758	7,325	-	3,403	3,873	25,861	-	25,861	149,365
Office Supply	5,660	3,664	-	589	-	193	792	-	-	-	10,898	4	10,902	28,004
Materials expense	-	83	240	1,284	-	-	-	-	-	-	1,607	460	2,067	4,967
Circus Equipment & Materials Expense	4,535	3,472	-	1,487	-	580	-	-	3,543	-	13,617	439	14,056	6,066
Gifts expense	630	-	-	-	-	-	-	-	-	-	630	-	630	1,008
Utilities (Water & electricity)	8,534	984	-	845	-	146	825	-	-	4,519	15,853	259	16,112	46,753

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Financial statements for the year ended December 31, 2019

Statement of Functional Expenses- continued
(All amounts in NIS)

	SIDA	Drosos Foundation	Clowns without Borders Sweden (CWB)	CARITAS	Zalimbanq	Flanders government / Flemish government	Présence et Action Culturelles (PAC)	Novact AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Total Project Expenses	PCS General Fund	Total Expenses	Total for the period from September 2017 to December 31, 2018
Materials Shipping & Clearing expense	-	11,399	-	-	-	-	-	-	-	-	11,399	-	11,399	9,879
Visa Expense	330	-	-	-	260	-	-	-	-	-	590	-	590	11,880
Civil Liability Insurance	-	501	-	-	-	-	-	-	-	-	501	99	600	1,429
Accommodation Expense	602	518	-	689	-	-	2,485	-	-	672	4,966	879	5,845	45,095
Currency variances	-	-	-	-	-	-	-	-	-	-	-	156,068	156,068	2,492
Workshops, retreats expenses	-	5,452	-	-	-	350	-	-	-	-	5,802	-	5,802	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	143,382	143,382	184,383
Membership Fees	836	361	-	-	-	-	960	-	-	-	2,157	-	2,157	-
Per Diems	-	-	-	1,527	-	-	-	-	-	-	1,527	-	1,527	-
Building & Land Improvement expense	2,381	-	-	-	-	-	979	-	1,281	-	4,641	-	4,641	-
Permits Expense	-	150	-	-	-	-	-	-	-	-	150	-	150	-
Circus equipment transportation	8,137	5,330	-	1,136	-	320	440	-	3,376	-	18,739	-	18,739	-
Artists & audience transportation to venues	956	-	-	-	-	-	914	-	44	-	1,914	-	1,914	-
Promotion and marketing	8,185	5,154	-	-	-	-	-	-	44	278	13,617	-	13,617	570
Consumables expense	-	-	-	-	-	245	-	-	-	-	245	-	245	-
Tax expenses	-	-	-	-	-	-	-	-	-	-	-	20,458	20,458	-
Work injury expenses	-	-	-	-	-	-	-	-	-	-	-	151,891	151,891	-
Other Expense	25	-	-	-	-	-	-	-	-	-	25	-	25	949
Accommodation expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	2,264
Expense of catering activity	-	-	-	-	-	-	-	-	-	-	-	-	-	3,497
Computer & software expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	1,222
Artists expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	151,329
Production material expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	120
Fashion & decorations expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	7,732
Documentation expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	11,770
Overtime expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	50,332
Office equipment & expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	140
IT services expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	4,253
EU project expenses- Nablus	-	-	-	-	-	-	-	-	-	-	-	-	-	93,712
Grants expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	18,036

Palestinian Circus Association
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Statement of Functional Expenses- continued
 (All amounts in NIS)

	SIDA	Drosos Foundation	Clowns without Borders Sweden (CWB)	CARITAS	Zaitimbanq	Flanders government / Flemish government	Présence et Action Culturelles (PAC)	Novact AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Total Project Expenses	PCS General Fund	Total Expenses	Total for the period from September 2017 to December 31, 2018
Transportation of exhibitors & fans	-	-	-	-	-	-	-	-	-	-	-	-	-	46,544
Export of circus equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	31,875
Theater rent expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	1,400
Security & safety expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	5,071
Sound design & lighting expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	21,380
Technical manager's expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	20,484
Volunteer expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	4,057
Total	290,023	263,032	28,268	191,602	3,863	59,290	38,700	33,160	112,236	114,411	1,134,585	799,104	1,933,689	2,893,442
Purchase of fixed assets	21,510	28,280	-	-	-	-	-	-	20,097	-	69,887	-	69,887	87,148
Total	311,533	291,312	28,268	191,602	3,863	59,290	38,700	33,160	132,333	114,411	1,204,472	799,104	2,003,576	2,980,590

**This item consist of basic salaries in the amount of NIS868,898 and the related expenses which represent different employees insurances in the amount of NIS 37,439, end of service expenses in the amount of NIS 71,863 and tax expenses in the amount of NIS 14,990.*

Palestinian Circus Association
Financial statements for the year ended December 31, 2019

Statement of Cash Flows
(All amounts in NIS)

	2019	For the period from September 1, 2017 to December 31, 2018
Cash flows from operating activities		
Changes in net assets during the year	(298,867)	23,189
Adjustments to reconcile changes in net assets to net cash from operating activities		
Depreciation	143,382	184,383
Provision for the end of service indemnity	71,863	103,495
Prior year adjustments	-	(12,151)
Change in current assets and current liabilities		
Decrease in grants receivable	(978,512)	215,431
Decrease (increase) in other current assets	36,380	(10,746)
(Decrease) in accrued expenses & other accounts payable	(30,123)	(2,170)
Increase (decrease) in temporary restricted contribution	1,177,304	(675,298)
End of service paid to employees	(9,090)	(225,214)
Net cash provided by operating activities	112,337	(399,081)
Cash flows (used in) investing activities		
Purchase of fixed assets	(69,887)	(87,148)
Net cash (used in) investing activities	(69,887)	(87,148)
Increase (decrease) in cash and cash equivalents	42,450	(486,229)
Cash and cash equivalents, beginning of year	1,745,393	2,231,622
Cash and cash equivalents end of year	1,787,843	1,745,393

The accompanying notes constitute an integral part of the financial statements.

Notes to the Financial Statements
(All amounts in NIS)

1- GENERAL

The Palestinian Circus Association (hereinafter "Association") is a charitable association, non-profit, non-governmental organization, established in 2006 and registered with the Palestinian Authority since February 2007.

The Palestinian Circus Association- Birzeit office was registered as a non profit organization with the Palestinian Interior on February 18, 2007 under registration number RA-22480-S.

The association started with a group of volunteers that were introduced a simple training to few students. It has quickly turned into an effective institution in Birzeit, it carries out many weekly circus activities through its clubs in the West Bank, as well as numerous local and international shows.

The Palestinian Circus Association considered as one of the most important cultural institutions in Palestine after six years of its founding.

Vision

The Palestinian Circus Association dreams of a society in which Palestinians engage in a dynamic cultural and artistic life that embraces creativity, freedom of expression and diversity as the main pillars for a just and inclusive society.

Mission

By training Palestinian children and youth in circus arts, the association wants to develop a new art form in Palestine and strengthen the creative and physical potential of the Palestinians, seeking to engage and empower them to become constructive members of society. By creating and performing circus productions, we want to instill hope among the population, promote the freedom of expression and raise local and international awareness about the many challenges of the Palestinian society.

The financial statements for the year ended December 31, 2019 were approved from the management of the association on February 20, 2020.

2- THE FOLLOWING PROJECTS IMPLEMENTED BY THE PALESTINE CIRCUS ASSOCIATION:

- **Source Catholic/Caritas France for the period from September 1, 2018 to August 31, 2019:**

The main objectives of the project:

- ❖ Strengthening the personal, social and national identity of the Palestinian children and youth through their active participation in cultural educational activities where creativity, freedom of expression respect for diversity, inclusion and gender equality are key values;
- ❖ Increasing and social, physical and creative skills of the students participating in the training;
- ❖ Raising awareness among the Palestinian society of the added value of engaging children and youth in cultural educational activities;
- ❖ Increasing recognition and respect among the Palestinian society of people with physical, mental or other disadvantages; and

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Notes to the Financial Statements – continued
(All amounts in NIS)

- ❖ Increasing the pedagogical and artistic skills of the trainers of the association.

Grant amount: EUR 60,000.

- **The Flemish Government for the period from July 1, 2018 to July 1, 2020:**
The main objectives of the project:
Contribute to the education of Palestinian children and teachers working in the circus of Palestine.
Grant amount: EUR 35,000.
- **Open Society Foundation through Palestinian Performing Arts Network for the period from October 1, 2018 to August 31, 2019:**
The main objectives of the project:
The Open Society Foundation seeks to promote democratic governance and to protect human rights amid entrenched regional conflicts and political restrictions.
Grant amount: EUR 37,125.
- **Clowns without Borders Sweden (CWB) for the months from April to December 2019:**
Creative Arts for Peace and Equality- CAPE
Grant amount: USD 8,028 equivalent to SEK 77, 200.
- **Medical Aid for Palestinians (MAP) for the periods from April 1, 2019 to March 31, 2020:**
MAP seeks to promote the health and wellbeing of Children with Disabilities in the West Bank and East Jerusalem.
Grant amount: USD 63,588.
- **Drosos Foundation for the periods from March 1, 2019 to December 31, 2021:**
Securitizing the long-term Sustainability of the Palestinian Circus Association.
Grant amount: USD 302,617.
- **Novact-Spanish Agency for International Development Cooperation (AECID) for the periods from March 1, 2019 to March 31, 2021:**
The Badil Project
Grant amount: EUR 29,645.17.
- **Source Catholic/Caritas France for the period from September 1, 2019 to August 30, 2022:**
The main objectives of the project:
The project aims at strengthening the role of circus in empowering the personal, social and national identity of Palestinian children and youth, through their participation in circus trainings and performances based on values such as inclusion, creativity, team work, and unity in diversity, freedom of expression and gender equality.
Grant amount: EUR 120,000.

Notes to the Financial Statements – continued
(All amounts in NIS)

- **Zaltimbanq- Erasums+ for the period from September 1, 2019 to August 31, 2021:**
Grant amount: EUR 12,126.5.
- **Cultural Presence and Action (PAC) for the period from July 1, 2019 to December 31, 2023:**
The main objectives of the project:
Strengthen the capacities and skills of artists, and circus trainers to sensitize children in their communities to the impact of art to spread the values of cooperation, solidarity, conviviality, freedom, cooperation and equality and contribute to the protection of children, by reaching out to children in marginalized areas where shows and artistic activities will be offered.
Grant amount: EUR 100,000 with an annual budget of EUR 20,000.
- **The Consulate General of Sweden through Palestinian Performing Arts Network for the period from January 1, 2019 to December 31, 2019:**
Performing Arts is a Right and an Entitlement.
Grant amount: SEK 820,013.

3- 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.

3.1 Cash and banks

For the purposes of the cash flow statements, cash and banks include cash on hand and bank balances.

3.2 Contribution receivable

Contribution receivable are stated at the original amount of uncollected pledges made by donors, less amounts received and any uncollected contributions. An estimate/provision of uncollectable amount is made when collection of the unconditional contribution is no longer probable.

3.3 Revenues recognition

Revenues received for matching general and administrative expenses and recorded in the statement of revenues and expenses as donation revenues.

3.4 Donation Revenues

Donor's unconditional contributions are those contributions where donors do not prerequisites that have to be carried out by the recipient before obtaining the fund.

Contribution revenues from unconditional contributions are recognized as follows:

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

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Financial statements for the year ended December 31, 2019

Notes to the Financial Statements – continued
 (All amounts in NIS)

3.5 Fixed assets/depreciation

Fixed assets are stated at cost less accumulated depreciation and any impairment in value. The cost less estimated residual value of the fixed assets is depreciated on a straight line basis over the estimated useful life as follows:

	%
Furniture	20-33
Renovated old building	10
Improvements	10
Computer & System	20

3.7 Provision for end of service indemnity

It's consists of one month's salary for every year of services for employees to cover future obligations. By labor-law applied in Palestine.

3.8 Income tax

the association is exempted from income tax since it is registered as non-for-profit organization.

3.9 Expenses

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

3.10 Foreign currency transactions

The books of accounts are maintained in NIS. Transactions which are denominated in other currencies are converted into NIS as follows:

- Transactions which are expressed or denominated in other currencies are converted into NIS at the exchange rate prevailing on transaction date;
- Monetary assets and liabilities which are denominated or expressed in other currencies are presented in NIS equivalent using the exchange rate prevailing on December 31, 2019.
- Exchange differences arising from the translation of year end balances are charged to the statement of activities.

The exchange rates at the date of the statement of financial position were:

	2019	2018
USD	0.28940	0.26613
EUR	0.25842	0.23267
JOD	0.20518	0.18868
GBP	0.22064	0.21348
SEK	0.41811	0.41811

3.11 The net assets of the association are classified as follows:

- Unrestricted net assets: net assets used by the association are not subject to donor-imposed restrictions.
- Temporarily restricted net assets: net assets used by the association is limited by donor-imposed stipulations, which could be removed either by passage of time or can be fulfilled and released by actions of the association pursuant to those donor-imposed stipulations.

Palestinian Circus Association
Financial statements for the year ended December 31, 2019

Notes to the Financial Statements – continued
 (All amounts in NIS)

4- CASH AND CASH EQUIVALENTS

	<u>2019</u>	<u>2018</u>
Cash on hand	7,999	8,000
TNB- Drosos- USD	139,346	67,526
TNB- Drosos- NIS	-	83,143
TNB- NIS	75,343	39,155
TNB- USD	1,140,012	1,318,659
TNB- Euro	335,549	513,521
TNB- Pound	85,341	22,443
TNB- MAP- USD	50,560	-
Outstanding checks	(46,307)	(359,731)
Checks in hand	-	52,677
	<u>1,787,843</u>	<u>1,745,393</u>

5- GRANTS RECEIVABLE

	<u>2019</u>	<u>2018</u>
Caritas	386,964	128,934
SIDA	26,277	135,582
PPAN - OSF	38,487	139,497
Flemish Government	77,394	85,956
European Commission	-	65,364
Drosos Foundation	750,679	50,158
Ministry of Culture	45,000	45,000
MAP	103,865	-
Présence et Action Culturelles (PAC)	38,696	-
Zaltimbanq	46,925	-
Novact - AECID	114,716	-
	<u>1,629,003</u>	<u>650,491</u>

6- OTHER CURRENT RECEIVABLES

	<u>2019</u>	<u>2018</u>
Al-Takaful Company- work injury	-	1,263
Employees receivable	27,874	2,378
Prepaid insurance expenses	-	32,748
Prepaid Al-Hakawati Theatre*	4,300	4,300
Prepaid student insurance expenses	-	27,854
Other	3,003	3,014
	<u>35,177</u>	<u>71,557</u>

*this amount represents a payment from the association for the usage of the Hakawati Theater.

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Financial statements for the year ended December 31, 2019

Notes to the Financial Statements– continued
 (All amounts in NIS)

7- FIXED ASSETS, NET

	Furniture & Equipment	Renovated Old Building	Improvements	Computers & System	Total
Cost:					
Beginning balance	841,698	606,374	47,021	36,607	1,531,700
Additions	60,287	-	-	9,600	69,887
	901,985	606,374	47,021	46,207	1,601,587
Accumulated Depreciation:					
Beginning balance	482,547	202,180	17,589	13,498	715,814
Charge for the year	70,144	60,637	4,902	7,699	143,382
	552,691	262,817	22,491	21,197	859,196
Net book value					
At December 31, 2019	349,294	343,557	24,530	25,010	742,391
At December 31, 2018	359,151	404,194	29,432	23,109	815,886

8- ACCRUED EXPENSES AND OTHER ACCOUNTS PAYABLE

	2019	2018
Other accounts accrued for projects	-	6,763
Accrued expenses	5,529	18,246
Income tax deductions- salaries	-	561
Others	274	10,358
	5,803	35,928

9- PROVISION FOR END OF SERVICE INDEMNITY

Movement of this account is as follows:

	2019	2018
Beginning balance	22,583	144,302
Additions during the year	71,863	103,495
Payments during the year	(9,090)	(225,214)
Year-end balance	85,356	22,583

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Notes to the Financial Statements– continued
 (All amounts in NIS)

10- TEMPORARILY RESTRICTED NET ASSETS

This schedule comprises of temporarily restricted net assets subject to donors' restrictions. These amounts represent excess of donations pledged over expenditures incurred to satisfy the purposes of funding stipulated by the donors. Movements of such account for year 2019 are as follows:

	Balance January 1, 2019	Additions during the year	Temp. restricted		Balance December 31, 2019
			Expenses including Assets	Currency Variance	
Caritas	150,223	459,098	(191,602)	(4,850)	412,869
SIDA	-	310,907	(311,533)	626	-
PPAN - OSF	87,497	129,279	(132,333)	(4,424)	80,019
Flemish Government	128,934	-	(59,290)	(11,600)	58,044
Drosos Foundation	-	1,091,418	(291,312)	(38,989)	761,117
MAP	-	230,742	(114,411)	(8,766)	107,565
Clowns without Borders Sweden	-	28,908	(28,268)	(640)	-
Présence et Action Culturelles (PAC)	-	38,336	(38,700)	364	-
Zaltimbanq	-	46,503	(3,863)	391	43,031
Novact - AECID	-	113,646	(33,160)	827	81,313
	<u>366,654</u>	<u>2,448,837</u>	<u>(1,204,472)</u>	<u>(67,061)</u>	<u>1,543,958</u>

11- GRANTS AND DONATIONS

	2019	For the period from September 1, 2017 to December 31, 2018
Caritas	191,602	401,469
SIDA	311,533	627,229
PPAN - OSF	132,333	51,408
Flemish Government	59,290	21,269
Drosos Foundation	291,312	426,429
European Union	-	565,609
MAP	114,411	-
Clowns without Borders Sweden	28,268	-
Présence et Action Culturelles (PAC)	38,700	-
Zaltimbanq	3,863	-
Novact - AECID	33,160	-
Swiss Agency for Development & Cooperation	-	34,758
PPAN- Initiatives	-	18,036
	<u>1,204,472</u>	<u>2,146,207</u>

Palestinian Circus Association
Financial statements for the year ended December 31, 2019

Notes to the Financial Statements– continued
 (All amounts in NIS)

12- OTHER DONATIONS

	2019	For the period from September 1, 2017 to December 31, 2018
Friends of the Palestinian Circus School	58,045	-
Klaprozen voor Vrede- Popies	50,253	151,887
GIZ	65,913	-
Curieus Organization	42,413	-
Catalana per la Pau Association	33,720	-
Circus Momolo	19,674	-
Zuercher Theater Spektaker	32,840	-
Clowns Sans Frontieres	13,004	-
The Palestinian Museum	11,699	-
Salfit Municipality	5,848	-
Ramallah municipality	3,620	-
Donations and contributions from Circus students	45,990	66,508
Jawwal Company	-	26,005
Sky Advertising Company	-	47,942
The National Bank	-	21,492
Donation of theatrical performances	-	53,401
Wales Arts International	-	10,311
Arab Child House Foundation	-	7,020
Circus Zonder Handen	-	23,597
The Danish House in Palestine	-	7,236
Zaltim Bang Zirkus- Caravan	-	4,389
Donation from abroad parties	-	84,758
Donations from private sector and individuals	46,431	191,972
	429,450	696,518

Palestinian Circus Association
Financial statements for the year ended December 31, 2019

Notes to the Financial Statements – continued
(All amounts in NIS)

13- EXPENSES

	SIDA	Drosos Foundation	Clowns without Borders Sweden (CWB)	CARITAS	Zaltimbanq	Flanders government / Flemish government	Présence et Action Culturelles (PAC)	Novact AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Total Project Expenses	PCS General Fund	Total Expenses	Total for the period from September 2017 to December 31, 2018
Salaries and related expenses*	165,112	121,477	12,533	143,919	-	35,300	-	33,160	83,706	79,973	675,180	318,010	993,190	1,228,997
Consultant Fees	5,551	-	-	-	-	-	-	-	-	7,063	12,614	-	12,614	45,680
Mail, telephone & internet	4,132	251	-	-	-	-	237	-	-	2,180	6,800	994	7,794	8,398
Interest & bank charges expenses	-	176	-	-	-	-	-	-	-	460	636	2,736	3,372	4,585
Stationary Expense	1,531	585	1,218	-	-	-	691	-	353	812	5,190	5	5,195	-
Rental Expense	19,300	14,417	-	-	-	-	-	-	5,600	-	39,317	-	39,317	87,156
Cleaning Expense	4,929	1,816	-	-	-	-	2,340	-	352	3,354	12,791	-	12,791	600
Maintenance Expense	2,491	3,077	-	-	-	50	-	-	1,504	-	7,122	-	7,122	4,083
Fuel Expense	280	-	-	-	-	-	-	-	-	-	280	-	280	593
Hospitality Expense	6,696	2,443	-	1,812	-	841	5,079	-	-	-	16,871	298	17,169	28,361
Meetings Hospitality & meals expense	459	2,162	-	771	-	5,565	900	-	-	668	10,525	-	10,525	-
International transportation expense	-	5,008	-	-	-	-	-	-	-	-	5,008	-	5,008	54,282
Student transportation expense	-	4,260	-	6,560	-	260	1,417	-	1,553	-	14,050	111	14,161	17,362
General Local transportation expense	6,137	15,131	2,632	10,879	1,133	7,366	2,726	-	4,316	-	50,320	2,162	52,482	38,209
Trainers transportation expense	4,115	1,268	-	3,047	-	-	4,329	-	3,205	-	15,964	-	15,964	24,591
Medical Expense	1,038	-	-	347	-	1,476	20	-	-	-	2,881	307	3,188	22,108
Advertising, promotion, publication, printing etc.	440	877	-	670	-	183	1,214	-	-	-	3,384	173	3,557	211,903
Audit fees	5,582	-	-	-	-	-	-	-	-	-	5,582	-	5,582	27,986
Trainers & volunteers fees expense	11,370	37,595	11,645	6,800	-	4,657	-	-	-	10,559	82,626	-	82,626	83,261
Subscription expenses	9,236	4,071	-	7,801	-	-	5,027	-	-	-	26,135	-	26,135	1,187
Student insurance expense	-	1,735	-	-	-	-	-	-	-	-	1,735	-	1,735	27,299
Building & Equipment insurance Expense	40	3,356	-	1,439	-	-	-	-	-	-	1,735	-	1,735	1,735
Travel insurance expense	773	6,259	-	-	2,470	1,758	7,325	-	3,403	-	4,835	369	5,204	7,008
Travel Cost, flight tickets	5,660	3,664	-	589	-	193	792	-	-	3,873	25,861	-	25,861	149,365
Office Supply	-	83	240	1,284	-	-	-	-	-	-	10,898	4	10,902	28,004
Materials expense	-	-	-	-	-	-	-	-	-	-	1,607	460	2,067	4,967
Circus Equipment & Materials Expense	4,535	3,472	-	1,487	-	580	-	-	3,543	-	13,617	439	14,056	6,066
Gifts expense	630	-	-	-	-	-	-	-	-	-	630	-	630	1,008
Utilities (Water & electricity)	8,534	984	-	845	-	146	825	-	-	4,519	15,853	259	16,112	46,753

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Notes to the Financial Statements -- continued
 (All amounts in NIS)

13- EXPENSES-CONTUNED

	SIDA	Drosos Foundation	Clowns without Borders Sweden (CWB)	CARITAS	Zaitimbanq	Flanders government / Flemish government	Présence et Action Culturelles (PAC)	Novact - AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Total Project Expenses	PCS General Fund	Total Expenses	Total for the period from September 2017 to December 31, 2018
Materials Shipping & Clearing expense	-	11,399	-	-	-	-	-	-	-	-	11,399	-	11,399	9,879
Visa Expense	330	-	-	-	260	-	-	-	-	-	590	-	590	11,880
Civil Liability Insurance	-	501	-	-	-	-	-	-	-	-	501	99	600	1,429
Accommodation Expense	602	518	-	689	-	-	2,485	-	-	672	4,966	879	5,845	45,095
Currency variances	-	-	-	-	-	-	-	-	-	-	-	156,068	156,068	2,492
Workshops, retreats expenses	-	5,452	-	-	-	350	-	-	-	-	-	-	5,802	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	143,382	143,382	184,383
Membership Fees	836	361	-	-	-	-	960	-	-	-	2,157	-	2,157	-
Per Diems	-	-	-	1,527	-	-	-	-	-	-	1,527	-	1,527	-
Building & Land Improvement expense	2,381	-	-	-	-	-	979	-	1,281	-	4,641	-	4,641	-
Permits Expense	-	150	-	-	-	-	-	-	-	-	150	-	150	-
Circus equipment transportation	8,137	5,330	-	1,136	-	320	440	-	3,376	-	18,739	-	18,739	-
Artists & audience transportation to venues	956	-	-	-	-	-	914	-	44	-	1,914	-	1,914	-
Promotion and marketing	8,185	5,154	-	-	-	-	-	-	-	278	13,617	-	13,617	570
Consumables expense	-	-	-	-	-	-	-	-	-	-	245	-	245	-
Tax expenses	-	-	-	-	-	245	-	-	-	-	-	20,458	20,458	-
Work injury expenses	-	-	-	-	-	-	-	-	-	-	-	151,891	151,891	-
Other Expense	25	-	-	-	-	-	-	-	-	-	25	-	25	949
Accommodation expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	2,264
Expense of catering activity	-	-	-	-	-	-	-	-	-	-	-	-	-	3,497
Computer & software expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	1,222
Artists expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	151,329
Production material expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	120
Fashion & decorations expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	7,732
Documentation expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	11,770
Overtime expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	50,332
Office equipment & expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	140
IT services expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	4,253
EU project expenses- Nablus	-	-	-	-	-	-	-	-	-	-	-	-	-	93,712
Grants expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	18,036

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Notes to the Financial Statements -- continued
 (All amounts in NIS)

13- EXPENSES-CONTUNED

	SIDA	Drosos Foundation	Clowns without Borders Sweden (CWB)	CARITAS	Zaitimbanq	Flanders government / Flemish government	Présence et Action Culturelles (PAC)	Novact AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Total Project Expenses	PCS General Fund	Total Expenses	Total for the period from September 2017 to December 31, 2018
Transportation of exhibitors & fans	-	-	-	-	-	-	-	-	-	-	-	-	-	46,544
Export of circus equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	31,875
Theater rent expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	1,400
Security & safety expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	5,071
Sound design & lighting expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	21,380
Technical manager's expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	20,484
Volunteer expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	4,057
Total	290,023	263,032	28,268	191,602	3,863	59,290	38,700	33,160	112,236	114,411	1,134,585	799,104	1,933,689	2,893,442