

**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, 2020  
And Independent Auditor's Report**

**Index**

	<b><u>Page No.</u></b>
Independent Auditor's Report	2
Statement of Financial Position	4
Statement of Activities & Changes in Net Assets	5
Statement of Functional Expenses	6
Statement of Cash Flows	8
Notes to the Financial Statements	9

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

**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, 2020 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, 2020 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.

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

**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**

**March 28, 2021**



**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

**Statement of Financial Position**  
 (All amounts in NIS)

	Note	2020	2019
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalent	4	1,899,148	1,787,843
Grants receivable	5	887,965	1,629,003
Other current assets	6	14,287	35,177
<b>Total current assets</b>		<b>2,801,400</b>	<b>3,452,023</b>
<b>Non-current assets</b>			
Fixed assets, Net	7	614,886	742,391
<b>Total assets</b>		<b>3,416,286</b>	<b>4,194,414</b>
<b>Liabilities and net assets</b>			
<b>Current liabilities</b>			
Accrued expenses and other accounts payables	8	7,190	5,805
<b>Total current liabilities</b>		<b>7,190</b>	<b>5,805</b>
<b>Non-current liabilities</b>			
Provision for end of service indemnity	9	159,180	85,356
<b>Total non-current liabilities</b>		<b>159,180</b>	<b>85,356</b>
<b>Total liabilities</b>		<b>166,370</b>	<b>91,161</b>
<b>Net assets</b>			
Net assets at end of the year		2,331,374	2,559,295
Temporary restricted net assets	10	918,542	1,543,958
<b>Total net assets at end of the year</b>		<b>3,249,916</b>	<b>4,103,253</b>
<b>Total liabilities and net assets</b>		<b>3,416,286</b>	<b>4,194,414</b>

  
 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, 2020**

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

	Note	2020			2019
		Unrestricted	Temporary restricted	Total	Total
<b>Revenues</b>					
Grants and donation	10,11	-	1,379,726	1,379,726	1,204,472
Membership fees		1,100	-	1,100	900
Other donation	12	170,685	-	170,685	429,450
Net assets released from restrictions	10,11	1,379,726	(1,379,726)	-	-
<b>Total revenues</b>		<b>1,551,511</b>	<b>-</b>	<b>1,551,511</b>	<b>1,634,822</b>
<b>Expenses</b>					
Projects expenses	13	1,354,481	-	1,354,481	1,134,585
General and administrative expenses	13	170,990	-	170,990	643,036
Currency differences		101,211	-	101,211	156,068
Depreciation expenses		152,750	-	152,750	
<b>Total expenses</b>		<b>1,779,432</b>	<b>-</b>	<b>1,779,432</b>	<b>1,933,689</b>
<b>Change in net assets during the year</b>					
		(227,921)	-	(227,921)	(298,867)
Net assets, beginning of year		2,559,295	-	2,559,295	2,858,162
Prior year adjustments		-	-	-	-
<b>Net assets, end of year</b>		<b>2,331,374</b>	<b>-</b>	<b>2,331,374</b>	<b>2,559,295</b>

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

**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

**Statement of Functional Expenses**  
**(All amounts in NIS)**

	SIDA	Drosos Foundation	DHIP	Clowns without borders Sweden (CWB)	CARITAS	Zalimbani	government	Flanders government / Flemish Cultureles (PA)	Présence / Action Cultures (PA)	Novact - AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Medical Aid for Palestinians (MAP) 2020	Total Project expenses	PCS General Fund	Total Expenses	2019
Salaries and related expenses*	115,695	224,822	6,881	40,415	155,146	5,663	67,081	-	22,753	-	65,273	50,380	35,466	789,575	156,327	945,902	993,190
Stationary expense	799	681	-	-	1,378	-	135	133	-	-	-	-	-	3,126	-	3,126	5,195
Utilities (water & electricity)	491	6,026	-	-	1,422	-	-	3,058	-	-	3,531	946	1,477	16,951	23	16,974	16,112
Interest & bank charges	-	14	-	-	324	-	-	-	358	-	-	14	68	778	2,836	3,614	3,372
Membership Fees	-	380	-	-	-	-	-	776	-	-	-	-	-	1,156	1,483	2,639	2,157
Rental expense	-	12,091	-	-	5,400	-	-	2,927	4,210	4,200	-	-	-	28,828	-	28,828	39,317
Cleaning expense	3,552	1,938	-	-	2,146	-	962	1,184	-	666	-	-	1,575	12,023	-	12,023	12,791
Translation expense	2,307	-	-	-	-	-	847	-	-	-	-	2,279	-	5,433	-	5,433	-
Maintenance expense	1,010	2,916	-	-	1,343	-	189	2,499	-	-	-	-	-	7,957	-	7,957	7,122
Fuel expense	-	300	-	-	686	-	-	-	-	-	-	-	-	986	1	987	280
Hospitality expense	-	-	-	-	201	-	-	76	-	-	-	-	-	277	-	277	17,169
Meetings hospitality & meals expense	-	2,542	-	-	84	-	-	2,249	-	150	-	1,020	-	6,045	-	6,045	10,525
International transportation expense	-	7,134	-	-	-	-	-	-	-	-	-	-	-	7,134	-	7,134	5,008
Student transportation expense	-	-	-	-	500	-	-	190	-	-	-	750	-	1,440	250	1,690	14,161
General local transportation expense	6,570	9,666	-	-	622	-	60	1,166	-	585	-	1,861	-	20,530	186	20,716	52,482
Trainers transportation expense	-	2,457	-	-	7,674	-	-	-	7,331	-	-	-	-	17,462	-	17,462	15,964
Medical expense	-	2,032	-	-	-	-	-	1,240	-	-	-	-	-	3,272	-	3,272	3,188
Advertising, promotion, publication, print	-	1,707	-	-	-	-	-	-	-	-	-	5,703	387	7,797	1,291	9,088	3,557
Auditing fees	5,034	-	-	-	-	-	-	-	-	-	-	-	-	5,034	-	5,034	5,582
Student insurance expense	7,137	11,324	-	-	-	-	-	-	1,795	-	-	-	-	20,256	-	20,256	26,135
Building & equipment insurance expense	-	1,000	-	-	-	-	-	-	-	-	-	-	-	1,000	-	1,000	1,735
Travel insurance expense	684	-	-	-	-	-	-	-	-	-	-	-	-	684	-	684	5,204
Visa expense	-	-	-	-	-	-	2,480	-	-	-	-	-	-	2,480	-	2,480	590
Office supply	900	422	-	-	942	-	-	1,709	-	300	-	-	-	4,273	180	4,453	10,902
International accomodation expense	-	-	-	-	-	420	-	-	-	-	-	-	-	420	-	420	-
Accommodation expense	-	12,202	-	-	-	-	-	-	-	-	-	-	-	12,202	-	12,202	5,870
Consultant fees	-	24,210	-	-	3,695	-	-	2,882	-	-	-	14,350	-	45,137	-	45,137	12,614
Costumes, decor and props expense	-	1,817	-	-	404	-	-	1,160	-	-	-	-	-	3,381	-	3,381	-
Per diems	7,000	-	35,000	-	2,224	-	-	-	-	-	-	-	-	44,224	-	44,224	1,527

**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

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

	SIDA	Drosos Foundation	DHIP	Clowns without Borders Sweden (CWB)	CARITAS	Zalkibanni	Flanders government / Flemish government	Présence et Action Culturelles (PAC)	Novact - AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Medical Aid for Palestinians (MAP) 2020	Total Project expenses	PCS General Fund	Total Expenses 2020	2019
Gifts expense	-	-	-	-	-	-	200	-	-	-	-	-	200	-	200	630
Circus equipment & materials expense	-	6,250	-	-	815	-	1,800	113	-	-	5,390	-	14,368	250	14,618	14,056
Office equipment & materials expense	-	-	-	-	600	-	-	-	-	-	-	-	600	-	600	-
Materials shipping & clearing expense	-	235	-	-	213	-	-	-	-	-	-	-	448	-	448	11,399
Building & land improvement expense	9,512	-	-	-	400	-	2,750	19,151	-	3,438	6,563	-	41,814	-	41,814	4,641
Materials expense	-	460	-	-	-	-	1,800	370	-	-	-	-	2,630	-	2,630	-
Civil liability insurance	-	-	-	-	581	-	-	-	-	-	-	-	581	-	581	600
Travel cost, flight tickets	-	-	-	-	1,910	-	1,481	-	-	-	-	-	3,391	1,054	4,445	25,861
Circus equipment transportation	-	800	-	-	550	-	-	200	-	-	850	-	2,400	-	2,400	18,739
Artists fees	54,584	36,186	-	-	-	-	19,160	-	-	-	-	-	109,930	-	109,930	82,626
Workshops expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,802
Permits expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150
Artist transportation to Venues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,914
Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,458
Work injury expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	151,891
Material expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,067
Promotion and marketing	3,102	9,884	1,132	10,198	2,020	-	-	9,859	2,197	-	6,135	9,036	53,563	-	53,563	13,617
Communications expense	-	-	-	-	-	-	-	-	-	-	323	-	323	-	323	-
Consumables expense	-	2,502	-	-	4,029	-	-	987	-	458	-	-	7,976	1,980	9,956	245
Mail, telephone & internet	923	4,123	-	-	-	-	-	1,554	-	1,251	400	166	8,417	-	8,417	7,794
Training expenses	-	9,745	-	6,802	17,136	-	-	-	-	-	-	4,005	37,688	-	37,688	-
Subscription Fees	-	291	-	-	-	-	-	-	-	-	-	-	291	829	1,120	-
Bad debt expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	4,300	4,300	-
<b>Total</b>	<b>219,300</b>	<b>396,157</b>	<b>43,013</b>	<b>57,415</b>	<b>212,445</b>	<b>6,083</b>	<b>79,785</b>	<b>72,643</b>	<b>38,644</b>	<b>79,852</b>	<b>96,114</b>	<b>53,030</b>	<b>1,354,481</b>	<b>170,990</b>	<b>1,525,471</b>	<b>1,634,239</b>
Purchase of fixed assets	-	22,845	-	-	1,400	-	1,000	-	-	-	-	-	25,245	-	25,245	69,887
<b>Total</b>	<b>219,300</b>	<b>419,002</b>	<b>43,013</b>	<b>57,415</b>	<b>213,845</b>	<b>6,083</b>	<b>80,785</b>	<b>72,643</b>	<b>38,644</b>	<b>79,852</b>	<b>96,114</b>	<b>53,030</b>	<b>1,379,726</b>	<b>170,990</b>	<b>1,550,716</b>	<b>1,704,126</b>

*\*This item consists of basic salaries in the amount of NIS 823,170 and the related expenses which represent different employees insurances in the amount of NIS 33,235, end of service expenses in the amount of NIS 73,824 and tax expenses in the amount of NIS 15,673.*



**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

---

**Statement of Cash Flows**  
(All amounts in NIS)

	<u>2020</u>	<u>2019</u>
<b>Cash flows from operating activities</b>		
Changes in net assets during the year	(227,921)	(298,867)
<b>Adjustments to reconcile changes in net assets to net cash from operating activities</b>		
Depreciation	152,750	143,382
Provision for the end of service indemnity	73,824	71,863
<b>Change in current assets and current liabilities</b>		
Decrease (increase) in grants receivable	741,038	(978,512)
Decrease in other current assets	20,890	36,380
Increase (decrease) in accrued expenses & other accounts payable	1,385	(30,123)
(Decrease) increase in temporary restricted contribution	(625,416)	1,177,304
End of service paid to employees	-	(9,090)
<b>Net cash provided by operating activities</b>	<u>136,550</u>	<u>112,337</u>
<b>Cash flows (used in) investing activities</b>		
Purchase of fixed assets	(25,245)	(69,887)
<b>Net cash (used in) investing activities</b>	<u>(25,245)</u>	<u>(69,887)</u>
<b>Increase in cash and cash equivalents</b>	111,305	42,450
Cash and cash equivalents, beginning of year	1,787,843	1,745,393
<b>Cash and cash equivalents end of year</b>	<u>1,899,148</u>	<u>1,787,843</u>

*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, 2020 were approved from the management of the association on March 28, 2021

**2- THE FOLLOWING PROJECTS IMLEMENTED BY THE PALESTINE CIRCUS ASSOCIATION:**

- **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, 2019 to December 31, 2020:**  
**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: USD 37,125.**

**Notes to the Financial Statements – continued**

(All amounts in NIS)

- **Clowns without Borders Sweden (CWB) for the months from September 2020 to May 2021:**  
Creative Arts for Peace and Equality- CAPE  
**Grant amount: USD 17,100.**
- **Medical Aid for Palestinians (MAP) for the periods from April, 2019 to March 31, 2020, extension to September 2020:**  
MAP seeks to promote the health and wellbeing of Children with Disabilities in the West Bank and East Jerusalem.  
**Grant amount: USD 222,233 of which USD 60,088 as MAP contribution.**
- **Medical Aid for Palestinians (MAP) for the periods from September 1, 2020 to August 31, 2021:**  
Promoting the health and wellbeing of children with disabilities in the West Bank and East Jerusalem.  
**Grant amount: USD 58,243.**
- **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.**
- **The Danish House in Palestine (DHIP) for the months from June to December 2020.**  
United for freedom festival.  
**Grant amount: DKK 103,500.**
- **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.**
- **Zaltimbanq- Erasums for the period from September 1, 2019 to August 31, 2021:**  
**Grant amount: EUR 12,126.5.**

**Notes to the Financial Statements – continued**

(All amounts in NIS)

- **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, 2020 to December 31, 2020:**

Performing Arts is a Right and an Entitlement.

**Grant amount: SEK 599,017.**

**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.

**Palestinian Circus Association****Financial statements for the year ended December 31, 2020**

---

**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 & equipment	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, 2020.
- 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:

	2020	2019
USD	0.31052	0.28940
EUR	0.25278	0.25842
JOD	0.22016	0.20518
GBP	0.22867	0.22064
SEK	0.39343	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, 2020**

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

**4- CASH AND CASH EQUIVALENTS**

	<b>2020</b>	<b>2019</b>
Cash on hand	8,000	7,999
TNB- Drosos- USD	35,141	139,346
TNB- Drosos- NIS	5,895	-
TNB- NIS	41,306	75,343
TNB- USD	475,312	1,140,012
TNB- Euro	526,942	335,549
TNB- EOS- NIS	158,966	85,341
TNB- MAP- USD	-	50,560
Outstanding checks	(28,405)	(46,307)
TNB – NOVACT	25,954	-
Al Quds bank- NIS	5,949	-
Al Quds bank- USD	644,088	-
	<b>1,899,148</b>	<b>1,787,843</b>

**5- GRANTS RECEIVABLE**

	<b>2020</b>	<b>2019</b>
Caritas	197,799	386,964
SIDA	5,868	26,277
PPAN – OSF	35,869	38,487
Flemish Government	41,538	77,394
Drosos Foundation	350,758	750,679
Ministry of Culture	45,000	45,000
MAP	-	103,865
MAP 2020	137,445	-
Présence et Action Culturelles (PAC)	-	38,696
Zaltimbanq	28,844	46,925
Novact – AECID	35,183	114,716
DHIP	9,661	-
	<b>887,965</b>	<b>1,629,003</b>

**6- OTHER CURRENT RECEIVABLES**

	<b>2020</b>	<b>2019</b>
Employees receivable	11,500	27,874
Prepaid Al-Hakawati Theatre	-	4,300
Prepaid expenses	2,787	3,003
	<b>14,287</b>	<b>35,177</b>

**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

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

**7- FIXED ASSETS, NET**

	<u>Furniture &amp; Equipment</u>	<u>Renovated Old Building</u>	<u>Improvements</u>	<u>Computers &amp; System</u>	<u>Total</u>
<b><u>Cost:</u></b>					
Beginning balance	901,985	606,374	47,021	46,207	1,601,587
Additions	15,825	-	-	9,420	25,245
	<u>917,810</u>	<u>606,374</u>	<u>47,021</u>	<u>55,627</u>	<u>1,626,832</u>
<b><u>Accumulated Depreciation:</u></b>					
Beginning balance	552,691	262,817	22,491	21,197	859,196
Charge for the year	77,975	60,804	4,915	9,056	152,750
	<u>630,666</u>	<u>323,621</u>	<u>27,406</u>	<u>30,253</u>	<u>1,011,946</u>
<b><u>Net book value</u></b>					
At December 31, 2020	<u>287,144</u>	<u>282,753</u>	<u>19,615</u>	<u>25,374</u>	<u>614,886</u>
At December 31, 2019	<u>349,294</u>	<u>343,557</u>	<u>24,530</u>	<u>25,010</u>	<u>742,391</u>

**8- ACCRUED EXPENSES AND OTHER ACCOUNTS PAYABLE**

	<u>2020</u>	<u>2019</u>
Accrued expenses	6,452	5,529
Others	738	276
	<u>7,190</u>	<u>5,805</u>

**9- PROVISION FOR END OF SERVICE INDEMNITY**

Movement of this account is as follows:

	<u>2020</u>	<u>2019</u>
Beginning balance	85,356	22,583
Additions during the year	73,824	71,863
Payments during the year	-	(9,090)
Year-end balance	<u>159,180</u>	<u>85,356</u>

**Palestinian Circus Association**

**Financial statements for the year ended December 31, 2020**

**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 2020 are as follows:

	Balance January 1, 2020	Additions/ discount during the year	Temp. restricted		
			Expenses including Assets	Currency Variance	Balance December 31, 2020
Caritas	412,869	-	(213,845)	6,261	205,285
SIDA	-	219,324	(219,300)	(24)	-
PPAN – OSF	80,019	-	(79,852)	(167)	-
Flemish Government	58,044	138,064	(80,785)	(848)	114,475
Drosos Foundation	761,117	61,353	(419,002)	(31,595)	371,873
MAP	107,565	(11,981)	(96,114)	530	-
MAP 2020	-	198,190	(53,030)	(8,429)	136,731
Clowns without Borders Sweden	-	58,157	(57,415)	(742)	-
Présence et Action Culturelles (PAC)	-	72,507	(72,643)	136	-
Zaltimbanq	43,031	-	(6,083)	739	37,687
Novact - AECID	81,313	-	(38,644)	1,763	44,432
DHIP	-	52,530	(43,013)	(1,458)	8,059
	<b>1,543,958</b>	<b>788,144</b>	<b>(1,379,726)</b>	<b>(33,834)</b>	<b>918,542</b>

**11- GRANTS AND DONATIONS**

	2020	2019
Caritas	213,845	191,602
SIDA	219,300	311,533
PPAN – OSF	79,852	132,333
Flemish Government	80,785	59,290
Drosos Foundation	419,002	291,312
MAP	96,114	114,411
MAP 2020	53,030	
Clowns without Borders Sweden	57,415	28,268
Présence et Action Culturelles (PAC)	72,643	38,700
Zaltimbanq	6,083	3,863
Novact - AECID	38,644	33,160
DHIP	43,013	-
	<b>1,379,726</b>	<b>1,204,472</b>



**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

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

**12- OTHER DONATIONS**

	<b>2020</b>	<b>2019</b>
Friends of the Palestinian Circus School	-	58,045
Klaprozen voor Vrede- Popies	59,089	50,253
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	1,800	3,620
Donations and contributions from Circus students	17,861	45,990
Al- Takaful Insurance Company	7,201	-
DE ROMA VZW	23,340	-
VZW 30CC LEUVEN BELGIUM	11,583	-
PROVINCE DE HAINAUT -BRUSSELS	5,891	-
The Representative Office of Ecuador - Ramallah	1,366	-
Al Bustan Society - Silwan	18,568	-
Beit Bayut Society	1,523	-
Arab Culture Society	6,000	-
Donations from private sector and individuals	16,463	46,431
	<b>170,685</b>	<b>429,450</b>

**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

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

**13- EXPENSES**

	SIDA	Drossos Foundation	DHIP	Clowns without Borders Sweden (CWB)	CARITAS Zaitimbanu	Flanders government / Flemish government	Présence Culturelles (PAC)	Novact - AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Medical Aid for Palestinians (MAP) 2020	Total Project expenses	PCS General Fund	Total Expenses	2019
Salaries and related expenses*	115,695	224,822	6,881	40,415	155,146	67,081	-	22,753	65,273	50,380	35,466	789,575	156,327	945,902	993,190
Stationary expense	799	681	-	-	1,378	135	133	-	-	-	-	3,126	-	3,126	5,195
Utilities (water & electricity)	491	6,026	-	-	1,422	-	3,058	-	3,531	946	1,477	16,951	23	16,974	16,112
Interest & bank charges	-	14	-	-	324	-	-	358	-	14	68	778	2,836	3,614	3,372
Membership Fees	-	380	-	-	-	-	776	-	-	-	-	1,156	1,483	2,639	2,157
Rental expense	-	12,091	-	-	5,400	-	2,927	4,210	4,200	-	-	28,828	-	28,828	39,317
Cleaning expense	3,552	1,938	-	-	2,146	962	1,184	-	666	-	1,575	12,023	-	12,023	12,791
Translation expense	2,307	-	-	-	-	847	1,849	-	-	2,279	-	5,433	-	5,433	-
Maintenance expense	1,010	2,916	-	-	1,343	189	2,499	-	-	-	-	7,957	-	7,957	7,122
Fuel expense	-	300	-	-	686	-	-	-	-	-	-	986	1	987	280
Hospitality expense	-	-	-	-	201	-	76	-	-	-	-	277	-	277	17,169
Meetings hospitality & meals expense	-	2,542	-	-	84	-	2,249	-	150	1,020	-	6,045	-	6,045	10,525
International transportation expense	-	7,134	-	-	-	-	-	-	-	-	-	7,134	-	7,134	5,008
Student transportation expense	-	-	-	-	500	-	190	-	-	750	-	1,440	250	1,690	14,161
General local transportation expense	6,570	9,666	-	-	622	60	1,166	-	585	1,861	-	20,530	186	20,716	52,482
Trainers transportation expense	-	2,457	-	-	7,674	-	1,240	7,331	-	-	-	17,462	-	17,462	15,964
Medical expense	-	2,032	-	-	-	-	-	-	-	-	-	3,272	-	3,272	3,188
Advertising, promotion, publication, print	-	1,707	-	-	-	-	-	-	-	5,703	387	7,797	1,291	9,088	3,557
Auditing fees	5,034	-	-	-	-	-	-	-	-	-	-	5,034	-	5,034	5,582
Student insurance expense	7,137	11,324	-	-	-	-	-	1,795	-	-	-	20,256	-	20,256	26,135
Building & equipment insurance expense	-	1,000	-	-	-	-	-	-	-	-	-	1,000	-	1,000	1,735
Travel insurance expense	684	-	-	-	-	-	-	-	-	-	-	684	-	684	5,204
Visa expense	-	-	-	-	-	2,480	-	-	-	-	-	2,480	-	2,480	590
Office supply	900	422	-	-	942	-	1,709	-	300	-	-	4,273	180	4,453	10,902
International accommodation expense	-	-	-	-	420	-	-	-	-	-	-	420	-	420	-
Accommodation expense	-	12,202	-	-	-	-	-	-	-	-	-	12,202	-	12,202	5,870
Consultant fees	-	24,210	-	-	3,695	-	2,882	-	-	14,350	-	45,137	-	45,137	12,614
Costumes, decor and props expense	-	1,817	-	-	404	-	1,160	-	-	-	-	3,381	-	3,381	-
Per diems	7,000	-	35,000	-	2,224	-	-	-	-	-	-	44,224	-	44,224	1,527

**Palestinian Circus Association**  
**Financial statements for the year ended December 31, 2020**

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

**13- EXPENSES- continued**

	SIDA	Drosos Foundation	DHIP	Clowns without Borders Sweden (CWB)	CARITAS Zaltimbanj	Flanders government / Flemish government	Présence Culturelles (PAC)	Novact - AECID	Open Society Foundations (OSF)	Medical Aid for Palestinians (MAP)	Medical Aid for Palestinians (MAP) 2020	Total Project expenses	PCS General Fund	Total Expenses	2019
Gifts expense	-	-	-	-	-	200	-	-	-	-	-	200	-	200	630
Circus equipment & materials expense	-	6,250	-	-	815	1,800	113	-	-	5,390	-	14,368	250	14,618	14,056
Office equipment & materials expense	-	-	-	-	600	-	-	-	-	-	-	600	-	600	-
Materials shipping & clearing expense	-	235	-	-	213	-	-	-	-	-	-	448	-	448	11,399
Building & land improvement expense	9,512	-	-	-	400	2,750	19,151	-	3,438	6,563	-	41,814	-	41,814	4,641
Materials expense	-	460	-	-	-	1,800	370	-	-	-	-	2,630	-	2,630	-
Civil liability insurance	-	-	-	-	581	-	-	-	-	-	-	581	-	581	600
Travel cost, flight tickets	-	-	-	-	1,910	1,481	-	-	-	-	-	3,391	1,054	4,445	25,861
Circus equipment transportation	-	800	-	-	550	-	200	-	-	-	850	2,400	-	2,400	18,739
Artists fees	54,584	36,186	-	-	-	-	19,160	-	-	-	-	109,930	-	109,930	82,626
Workshops expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,802
Permits expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150
Artist transportation to Venues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,914
Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,458
Work injury expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	151,891
Material expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,067
Promotion and marketing	3,102	9,884	1,132	10,198	2,020	-	9,859	2,197	-	6,135	9,036	53,563	-	53,563	13,617
Communications expense	-	-	-	-	-	-	-	-	-	323	-	323	-	323	-
Consumables expense	-	2,502	-	-	4,029	-	987	-	458	-	-	7,976	1,980	9,956	245
Mail, telephone & internet	923	4,123	-	-	-	-	1,554	-	1,251	400	166	8,417	-	8,417	7,794
Training expenses	-	9,745	-	6,802	17,136	-	-	-	-	-	4,005	37,688	-	37,688	-
Subscription Fees	-	291	-	-	-	-	-	-	-	-	-	291	-	291	-
Bad debt expenses	-	-	-	-	-	-	-	-	-	-	-	-	829	829	-
<b>Total</b>	<b>219,300</b>	<b>396,157</b>	<b>43,013</b>	<b>57,415</b>	<b>212,445</b>	<b>6,083</b>	<b>79,785</b>	<b>72,643</b>	<b>79,852</b>	<b>96,114</b>	<b>53,030</b>	<b>1,354,481</b>	<b>170,990</b>	<b>1,525,471</b>	<b>1,634,239</b>

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

**14- SUBSEQUENT EVENTS**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to Have an adverse impact on the economics and financial markets. Management is continually monitoring the potential impact of the pandemic on the Association. Management will review and adjust planned expenditures should it be determined the outbreak will significantly impact the financial position and activities of the Association.