

Palestinian Circus Association
Birzeit – Palestine

Financial Statements
For the Year Ended December 31, 2021
And Independent Auditor's Report

Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021

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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, 2021 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, 2021 and 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.

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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 30, 2022



Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021

Statement of Financial Position
(All amounts in NIS)

	<u>Note</u>	<u>2021</u>	<u>2020</u>
Assets			
Current assets			
Cash and cash equivalent	4	1,827,989	1,899,148
Grants receivable	5	640,358	887,965
Other current assets	6	33,388	14,287
Total current assets		2,501,735	2,801,400
Non-current assets			
Fixed assets, Net	7	499,065	614,886
Total assets		3,000,800	3,416,286
Liabilities and net assets			
Current liabilities			
Accrued expenses and other accounts payables	8	7,611	7,190
Total current liabilities		7,611	7,190
Non-current liabilities			
Provision for end of service indemnity	9	227,860	159,180
Total non-current liabilities		227,860	159,180
Total liabilities		235,471	166,370
Net assets			
Net assets at end of the year		2,147,741	2,331,374
Temporary restricted net assets	10	617,588	918,542
Total net assets at end of the year		2,765,329	3,249,916
Total liabilities and net assets		3,000,800	3,416,286

Chairman of the Board

Treasurer

The accompanying notes constitute an integral part of the Financial Statements



Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021

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

	Note	2021		2020
		Unrestricted	Temporary restricted	Total
Revenues				
Grants and donation	10,11	-	1,092,333	1,379,726
In-kind contribution		20,492	-	-
Membership fees		800	-	1,100
Other donation	12	367,116	-	170,685
Net assets released from restrictions	10,11	1,092,333	(1,092,333)	-
Total revenues		1,480,741	-	1,551,511
Expenses				
Projects expenses	13	1,080,116	-	1,354,481
General and administrative expenses	13	306,615	-	170,990
Currency differences		129,113	-	101,211
Depreciation expenses		148,530	-	152,750
Total expenses		1,664,374	-	1,779,432
Change in net assets during the year		(183,633)	-	(227,921)
Net assets, beginning of year		2,331,374	-	2,559,295
Net assets, end of year		2,147,741	-	2,331,374

The accompanying notes constitute an integral part of the Financial Statements.

**Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021**

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

	CARITAS Sweden (CWB)	Clowns without Borders	DROSOS FOUNDATION	Flanders government / Flemish government	Medical Aid for Palestinians (MAP) 2020	Spanish Agency for International Development Cooperation (AFCID) through NOVACT	Open Society Foundations (OSF)	Présence et Action Culturelles (PAC)	Erasmus Plus Program through Zalfimbang	Total Project Expenses	General Fund	Grand Total 2021	2020
Salaries and related expenses*	170,261	8,173	1,326	223,551	35,271	114,032	18,065	45,727	16,988	739,981	168,581	908,562	945,902
Building & land Improvement expense	-	-	-	-	-	-	-	-	-	-	4,250	4,250	41,814
Costumes, decor and props expense	-	-	-	-	-	-	-	-	-	-	2,223	2,223	3,381
Other expense	-	-	-	-	-	-	-	-	-	-	722	722	-
Travel insurance expense	-	-	-	-	-	-	-	-	-	-	517	517	-
Currency variances expense	-	-	-	-	-	3,911	-	-	-	3,911	-	3,911	-
Accommodation expense	-	-	-	7,012	8,388	13,895	-	-	-	29,295	-	29,295	12,202
Advertising, promotion, publication & printing	-	-	-	1,480	-	340	-	50	-	1,870	1,118	2,988	9,088
Artists fees	-	-	3,050	15,960	-	-	-	4,750	-	23,760	44,810	68,570	109,930
Auditing fees	4,500	-	-	-	-	-	-	-	-	4,500	-	4,500	5,034
Building & equipment insurance expense	-	-	-	-	1,000	-	-	-	-	1,000	-	1,000	-
Circus equipment & materials expense	-	-	-	1,500	-	7,367	7,944	6,540	-	23,351	-	23,351	14,618
Circus equipment transportation	-	-	-	800	-	-	-	-	-	800	-	800	2,400
Civil liability insurance	-	-	-	-	557	-	-	-	-	557	-	557	581
Cleaning expense	-	-	-	3,255	-	11,550	-	-	-	14,805	1,995	16,800	12,023
Consumables expense	500	-	-	3,225	-	273	-	3,871	-	7,869	1,971	9,840	9,956
Electricity expense	1,293	-	-	2,645	-	6,397	-	1,202	-	11,537	-	11,537	-
Equipment maintenance expense	880	-	-	-	-	-	-	-	-	880	-	880	-
Fuel expense	575	-	-	-	-	-	-	110	-	685	-	685	987
General local transportation expense	3,507	-	-	4,657	-	-	-	2,196	-	10,360	24,751	35,111	20,716
Gifts expense	-	-	-	235	-	-	-	-	-	235	-	235	200
Health & work injury insurance expense	-	-	-	34,483	-	-	-	-	-	34,483	-	34,483	-
Hospitality expense	817	-	-	1,900	-	-	-	-	-	2,717	1,700	4,417	277
Interest & bank charges	-	-	-	20	-	272	52	-	-	344	2,159	2,503	3,614
International accommodation expense	-	-	-	-	-	-	-	-	335	335	-	335	420
Maintenance expense	-	-	-	-	1,058	-	-	1,069	-	2,127	1,731	3,858	7,957
Materials expense	522	-	-	75	-	-	-	130	-	727	334	1,061	2,630
Materials shipping & clearing expense	-	-	-	570	-	-	-	-	-	570	-	570	448
Medical expense	800	-	-	185	-	-	-	377	-	1,362	2,107	3,469	3,272
Meetings hospitality & meals expense	-	-	-	1,714	9,510	8,403	-	786	-	20,413	11,317	31,730	6,045
Membership fees	-	-	-	328	-	-	-	4,824	-	5,152	-	5,152	2,639

**Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021**

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

	CLOWNS without Borders	CARITAS Sweden (CWB)	DHIP	DROSOS FOUNDATION	Flanders government / Flemish government	Medical Aid for Palestinians (MAP) 2020	Spanish Agency for International Development Cooperation (AECID) through NOVACT	Open Society Foundations (OSF)	Présence et Action Culturelles (PAC)	Erasmus Plus Program through Zaitimbang	Total Project Expenses	PCS General Fund	Grand Total 2021	2020
Office equipment & materials expense	660	-	-	-	-	-	-	-	-	-	660	-	660	600
Office supply	-	-	-	-	1,387	-	-	-	-	-	1,387	377	1,764	4,453
Per diems	-	-	-	-	-	6,549	-	-	-	-	6,549	2,777	9,326	44,224
Promotion and marketing	-	-	3,810	-	-	13,754	4,000	-	-	-	21,564	2,528	24,092	53,563
Rental expense	4,450	-	-	7,570	-	-	6,730	-	-	-	18,750	1,500	20,250	28,828
Stationary expense	529	-	-	2,219	-	1,442	-	-	244	-	4,434	160	4,594	3,126
Student insurance expense	-	-	-	16,066	-	-	-	-	3,217	-	19,283	76	19,359	-
Subscription fees	-	-	-	3,217	2,291	-	-	-	-	-	5,508	250	5,758	1,120
Telecommunication expenses	507	-	-	6,218	196	-	-	-	1,195	-	8,116	1,572	9,688	8,740
Trainers transportation expense	1,816	-	-	1,355	-	-	3,745	-	-	-	6,916	7,095	14,011	17,462
Training expenses	3,150	-	-	20,510	-	-	-	-	-	-	23,660	11,305	34,965	37,688
Translation expense	-	-	-	-	1,173	-	-	-	-	-	1,173	-	1,173	5,433
Travel cost, flight tickets	8,205	-	-	-	-	-	-	-	7,379	-	15,584	6,590	22,174	4,445
Visa expense	-	-	-	313	-	-	-	-	-	-	313	108	421	2,480
Utilities	-	-	-	-	-	-	-	-	-	-	-	1,991	1,991	16,974
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	8,824
Insurance expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	21,940
Consultant fees	-	-	-	-	-	-	-	-	-	-	-	-	-	45,137
Bad debt expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	4,300
Water expense	112	-	-	2,038	-	-	-	-	443	-	2,593	-	2,593	-
Total expenses	203,084	8,173	8,186	363,101	60,831	184,294	44,447	106,567	76,731	24,702	1,080,116	306,615	1,386,731	1,525,471
Purchase of fixes assets	-	-	-	12,217	-	-	-	-	-	-	12,217	-	12,217	25,245
Grand total	203,084	8,173	8,186	375,318	60,831	184,294	44,447	106,567	76,731	24,702	1,092,333	306,615	1,398,948	1,550,716

**This item consists of basic salaries in the amount of NIS 824,160 and the related expenses which represent end of service expenses in the amount of NIS 68,680 and tax expenses in the amount of NIS 15,722.*

Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021

Statement of Cash Flows
 (All amounts in NIS)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Changes in net assets during the year	(183,633)	(227,921)
Adjustments to reconcile changes in net assets to net cash from operating activities		
Depreciation	148,530	152,750
Provision for the end of service indemnity	68,680	73,824
Change in current assets and current liabilities		
Decrease in grants receivable	247,607	741,038
(Increase) decrease in other current assets	(19,101)	20,890
Increase in accrued expenses & other accounts payable	421	1,385
(Decrease) in temporary restricted contribution	(300,954)	(625,416)
Net cash provided by operating activities	<u>(38,450)</u>	<u>136,550</u>
Cash flows (used in) investing activities		
Purchase of fixed assets	(32,709)	(25,245)
Net cash (used in) investing activities	<u>(32,709)</u>	<u>(25,245)</u>
(Decrease) increase in cash and cash equivalents	(71,159)	111,305
Cash and cash equivalents, beginning of year	<u>1,899,148</u>	<u>1,787,843</u>
Cash and cash equivalents end of year	<u>1,827,989</u>	<u>1,899,148</u>

The accompanying notes constitute an integral part of the Financial Statements.

Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021

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, 2021 were approved from the management of the association on March 30, 2022.

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

- **Open Society Foundation through Palestinian Performing Arts Network for the period from January 1, 2021 to December 31, 2021:**

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 33,000.

- **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.

Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021

Notes to the Financial Statements – continued

(All amounts in NIS)

- **Clowns without Borders Sweden (CWB) through the Freedom Theatre for the months from June 2021 to December 2021:**
Creative Arts for Peace and Equality- CAPE
Total grant amount: USD 10,100 (PCS share USD 2,500).
- **Medical Aid for Palestinians (MAP) for the periods from September 1, 2021 to August 31, 2022:**
Promoting the health and wellbeing of children with disabilities in the West Bank and East Jerusalem.
Grant amount: USD 59,663.8.
- **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.

The project was amended with an amount of USD 18,000 to cover additional cost due to Covid-19 crisis on July 29, 2020.

During 2021, the project was amended with an amount of USD 22,000 to cover additional cost due to Covid-19 crisis.

- **Spanish Agency for International Development Cooperation (AECID) through NOVACT 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 2020 to December 2020.**
United for freedom festival.
Grant amount: DKK 103,500.
Due to Covid-19 the PCS postponed shooting the video to year 2021.
- **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.

The project was amended with an amount of EUR 40,000 on February 23, 2021

- **Erasums plus program through Zaltimbanq for the period from September 1, 2019 to August 31, 2021:**
Grant amount: EUR 12,126.5.

Circus as Inter-cultural Encounter.

The project was amended to August 31, 2022.

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.

- **A M Qattan Foundation & Swiss Agency for Development and Cooperation SDC for the months from October 2021 to October 2022:**

Circus for All: United for Freedom Project.

Supported by Culture, Art and Social Engagement.

Grant amount: USD 40,000.

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 Activities and Changes in Net Assets 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, 2021

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, 2021.
- 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:

	2021	2020
USD	0.32080	0.31052
EUR	0.28325	0.25278
JOD	0.22765	0.22016
GBP	0.23893	0.22867
SEK	0.34334	0.39343

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, 2021

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

4- CASH AND CASH EQUIVALENTS

	<u>2021</u>	<u>2020</u>
Petty cash	8,000	8,000
TNB- Drosos- NIS	-	5,895
TNB- General- NIS	48,817	41,306
TNB- EOS- NIS	-	158,966
TNB- MAP- NIS	5,014	-
Al Quds bank- NIS	129	5,949
TNB- General- USD	814,020	475,312
TNB- Drosos- USD	16,518	35,141
TNB- EOS- USD	223,559	-
Al Quds bank- Time deposit- USD	623,432	644,088
Al Quds bank- General- USD	18,705	-
TNB- General- Euro	109,395	526,942
TNB – NOVACT	-	25,954
Outstanding checks	(39,600)	(28,405)
	<u>1,827,989</u>	<u>1,899,148</u>

5- GRANTS RECEIVABLE

	<u>Balance January 1, 2021</u>	<u>Additions during year</u>	<u>Adjustments</u>	<u>Amount received during the year</u>	<u>Currency Variance</u>	<u>Balance December 31, 2021</u>
Caritas	197,799	211,721	-	(154,347)	(25,698)	229,475
SIDA	5,868	-	-	(5,718)	(150)	-
PPAN – OSF	35,869	107,678	-	(138,869)	(4,678)	-
Flemish Government	41,538	-	-	-	(4,469)	37,069
DROSOS FOUNDATION	350,758	71,126	-	(351,627)	(4,833)	65,424
Ministry of Culture	45,000	-	-	-	-	45,000
MAP 2020	137,445	185,372	6,456	(182,392)	(2,747)	144,134
Clowns without Borders Sweden	-	8,142	-	(8,043)	(99)	-
Présence et Action Culturelles (PAC)	-	71,477	-	(71,477)	-	-
Erasmus Plus Program through Zaltimbang	28,844	-	-	-	(3,103)	25,741
Spanish Agency for Internationa Development Cooperation AECID through NOVACT	35,183	-	-	(34,287)	(896)	-
DHIP	9,661	-	-	(9,789)	128	-
A M Qattan Foundation & Swiss Agency for Development and Cooperation SDC	-	129,772	-	(31,014)	(5,243)	93,515
	<u>887,965</u>	<u>785,288</u>	<u>6,456</u>	<u>(987,563)</u>	<u>(51,788)</u>	<u>640,358</u>

6- OTHER CURRENT RECEIVABLES

	<u>2021</u>	<u>2020</u>
Employee's receivable	13,500	11,500
Prepaid expenses	-	2,787
Partners receivable- advances	16,815	-
Employee's custody	2,835	-
Others	238	-
	<u>33,388</u>	<u>14,287</u>

Palestinian Circus Association
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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	917,810	606,374	47,021	55,627	1,626,832
Additions	32,709	-	-	-	32,709
	950,519	606,374	47,021	55,627	1,659,541
Accumulated Depreciation:					
Beginning balance	630,666	323,621	27,406	30,253	1,011,946
Charge for the year	73,927	60,638	4,535	9,430	148,530
	704,593	384,259	31,941	39,683	1,160,476
Net book value					
At December 31, 2021	245,926	222,115	15,080	15,944	499,065
At December 31, 2020	287,144	282,753	19,615	25,374	614,886

8- ACCRUED EXPENSES AND OTHER ACCOUNTS PAYABLE

	2021	2020
Accrued expenses	6,873	6,452
Others	738	738
	7,611	7,190

9- PROVISION FOR END OF SERVICE INDEMNITY

Movement of this account is as follows:

	2021	2020
Beginning balance	159,180	85,356
Additions during the year	68,680	73,824
Payments during the year	-	-
Year-end balance	227,860	159,180

Palestinian Circus Association
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Notes to the Financial Statements– continued
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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 2021 are as follows:

	Balance January 1, 2021	Additions/ discount during the year	Temp. restricted		Balance December 31, 2021
			Expenses including Assets	Currency Variance	
Caritas	205,285	211,721	(203,084)	-	213,922
SIDA	-	-	-	-	-
PPAN – OSF	-	107,678	(106,567)	(1,111)	-
Flemish Government	114,475	-	(60,831)	-	53,644
DROSOS FOUNDATION	371,873	71,126	(375,318)	-	67,681
MAP	-	-	-	-	-
MAP 2020	136,731	185,372	(184,294)	1,775	139,584
Clowns without Borders Sweden	-	8,142	(8,173)	31	-
Présence et Action Culturelles (PAC)	-	71,477	(76,731)	5,254	-
Erasmus Plus Program through Zaltimbanq	37,687	-	(24,702)	-	12,985
Spanish Agency for International Development Cooperation (AECID) through NOVACT	44,432	-	(44,447)	15	-
DHIP	8,059	-	(8,186)	127	-
A M Qattan Foundation & Swiss Agency for Development and Cooperation SDC	-	129,772	-	-	129,772
	918,542	785,288	(1,092,333)	6,091	617,588

11- GRANTS AND DONATIONS

	2021	2020
Caritas	203,084	213,845
SIDA	-	219,300
PPAN – OSF	106,567	79,852
Flemish Government	60,831	80,785
DROSOS FOUNDATION	375,318	419,002
MAP	-	96,114
MAP 2020	184,294	53,030
Clowns without Borders Sweden	8,173	57,415
Présence et Action Culturelles (PAC)	76,731	72,643
Erasmus Plus Program through Zaltimbanq	24,702	6,083
Spanish Agency for International Development Cooperation (AECID) through NOVACT	44,447	38,644
DHIP	8,186	43,013
	1,092,333	1,379,726

Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021

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

12- OTHER DONATIONS

	<u>2021</u>	<u>2020</u>
Friends of PCS	58,275	-
Klaprozen voor Vrede- Popies	42,207	59,089
Ramallah Municipality	-	1,800
Donations and contributions from Circus students	83,294	17,861
Al- Takaful Insurance Company	-	7,201
DE ROMA VZW	-	23,340
VZW 30CC LEUVEN BELGIUM	-	11,583
PROVINCE DE HAINAUT -BRUSSELS	6,968	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	53,270	16,463
Italian Agency for Development Cooperation (AICS)	69,316	-
Al Quds bank	18,610	-
Palestinian Performing Art Network (PPAN)	15,699	-
Charlie Wheeler	8,462	-
The Parent Theatre Group	7,970	-
Palestina solidariteit VZW	1,938	-
Cirkus in Beweging VZW	1,107	-
	<u>367,116</u>	<u>170,685</u>

**Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021**

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

13- EXPENSES

	CARITAS Sweden	Crowns without Borders	DROSOS FOUNDATION	Flanders government / Flemish government	Medical Aid for Palesinians (MAP) 2020	Spanish Agency for International Development (AECID) through NOVACT	Open Society Foundations (OSF)	Présence et Action Culturelles (PAC)	Erasmus Plus Program through Zalfimbiang	Total Project Expenses	PCS General Fund	Grand Total 2021	2020
Salaries and related expenses*	170,261	8,173	223,551	35,271	114,052	18,065	106,567	45,727	16,988	739,981	168,581	908,562	945,902
Building & land improvement expense	-	-	-	-	-	-	-	-	-	-	4,250	4,250	41,814
Costumes, decor and props expense	-	-	-	-	-	-	-	-	-	-	2,223	2,223	3,381
Other expense	-	-	-	-	-	-	-	-	-	-	722	722	-
Travel insurance expense	-	-	-	-	-	-	-	-	-	-	517	517	-
Currency variances expense	-	-	-	-	-	3,911	-	-	-	3,911	-	3,911	-
Accommodation expense	-	-	7,012	8,388	13,895	-	-	-	-	29,295	-	29,295	12,202
Advertising, promotion, publication & printing	-	-	1,480	-	340	-	-	50	-	1,870	1,118	2,988	9,088
Artists fees	-	-	15,960	-	-	-	-	4,750	-	23,760	44,810	68,570	109,930
Auditing fees	4,500	-	-	-	-	-	-	-	-	4,500	-	4,500	5,034
Building & equipment insurance expense	-	-	-	1,000	-	-	-	-	-	1,000	-	1,000	-
Circus equipment & materials expense	-	-	1,500	-	7,367	7,944	-	6,540	-	23,351	-	23,351	14,618
Circus equipment transportation	-	-	800	-	-	-	-	-	-	800	-	800	2,400
Civil liability insurance	-	-	-	557	-	-	-	-	-	557	-	557	581
Cleaning expense	-	-	3,255	-	11,550	-	-	-	-	14,805	1,995	16,800	12,023
Consumables expense	500	-	3,225	-	273	-	-	3,871	-	7,869	1,971	9,840	9,956
Electricity expense	1,293	-	2,645	-	6,397	-	-	1,202	-	11,537	-	11,537	-
Equipment maintenance expense	880	-	-	-	-	-	-	-	-	880	-	880	-
Fuel expense	575	-	-	-	-	-	-	110	-	685	-	685	987
General local transportation expense	3,507	-	4,657	-	-	-	-	2,496	-	10,360	24,751	35,111	20,716
Gifts expense	-	-	235	-	-	-	-	-	-	235	-	235	200
Health & work injury insurance expense	-	-	34,483	-	-	-	-	-	-	34,483	-	34,483	-
Hospitality expense	817	-	1,900	-	-	-	-	-	-	2,717	1,700	4,417	277
Interest & bank charges	-	-	20	-	272	52	-	-	-	344	2,159	2,503	3,614
International accommodation expense	-	-	-	-	-	-	-	-	335	-	-	335	420
Maintenance expense	-	-	-	1,058	-	-	-	1,069	-	2,127	1,731	3,858	7,957
Materials expense	522	-	75	-	-	-	-	130	-	727	334	1,061	2,630
Materials shipping & clearing expense	-	-	570	-	-	-	-	-	-	570	-	570	448
Medical expense	800	-	185	-	-	-	-	377	-	1,362	2,107	3,469	3,272
Meetings hospitality & meals expense	-	-	1,714	9,510	8,403	-	-	786	-	20,413	11,317	31,730	6,045
Membership fees	-	-	328	-	-	-	-	4,824	-	5,152	-	5,152	2,639

**Palestinian Circus Association
Financial Statements for the Year Ended December 31, 2021**

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

13- EXPENSES- continued

	CARTAS Sweden	Clovers without Borders	DROSOS FOUNDATION	Flanders government / Flemish government	Medical Aid for Palestinians (MAP) 2020	Spanish Agency for International Development (AECID) through NOVACT	Open Society Foundations (OSF)	Présence et Action Culturelles (PAC)	Erasmus Plus Program through Zaltimbaré	Total Project Expenses	PCS General Fund	Grand Total 2021	2020
Office equipment & materials expense	660	-	-	-	-	-	-	-	-	660	-	660	600
Office supply	-	-	-	1,387	-	-	-	-	-	1,387	377	1,764	4,453
Per diems	-	-	-	-	6,549	-	-	-	-	6,549	2,777	9,326	44,224
Promotion and marketing	-	-	-	-	13,754	4,000	-	-	-	21,564	2,528	24,092	53,563
Rental expense	4,450	-	7,570	-	-	6,730	-	-	-	18,750	1,500	20,250	28,828
Stationary expense	529	-	2,219	-	1,442	-	-	244	-	4,434	160	4,594	3,126
Student insurance expense	-	-	16,066	-	-	-	-	3,217	-	19,283	76	19,359	-
Subscription fees	-	-	3,217	2,291	-	-	-	-	-	5,508	250	5,758	1,120
Telecommunication expenses	507	-	6,218	196	-	-	-	1,195	-	8,116	1,572	9,688	8,740
Trainers transportation expense	1,816	-	1,355	-	-	3,745	-	-	-	6,916	7,095	14,011	17,462
Training expenses	3,150	-	20,510	-	-	-	-	-	-	23,660	11,305	34,965	37,688
Translation expense	-	-	-	1,173	-	-	-	-	-	1,173	-	1,173	5,433
Travel cost, flight tickets	8,205	-	-	-	-	-	-	7,379	-	15,584	6,590	22,174	4,445
Visa expense	-	-	313	-	-	-	-	-	313	108	421	2,480	2,480
Utilities	-	-	-	-	-	-	-	-	-	-	1,991	1,991	16,974
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	8,824
Insurance expenses	-	-	-	-	-	-	-	-	-	-	-	-	21,940
Consultant fees	-	-	-	-	-	-	-	-	-	-	-	-	45,137
Bad debt expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Water expense	-	-	-	-	-	-	-	-	-	-	-	-	4,300
	112	-	2,038	-	-	-	-	443	-	2,593	-	2,593	-
Total expenses	203,084	8,173	363,101	60,831	184,294	44,447	106,567	76,731	24,702	1,080,116	306,615	1,386,731	1,525,471

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

14- CORONA VIRUS- COVID 19

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.