



AlShayeb Auditing & Accountancy Co.  
Certified Public Accountants

### Independent Auditor's Report

To the Board of Directors of  
Bethlehem Chamber of Commerce and Industry (BCCI)  
Bethlehem - Palestine

#### Report on the financial statements

We have audited the accompanying statement of financial position of **Bethlehem Chamber of Commerce and Industry (BCCI) (Non for Profit Organization)** as of **31 December 2019** and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### Management's Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

#### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

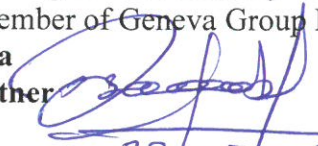
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Association. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

#### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Bethlehem Chamber of Commerce and Industry (BCCI) (Non-Governmental Organization)** as of 31 December 2019, the results of its operations, its cash flows and its functional expenses for the year then ended in accordance with International Financial Reporting Standards.

AlShayeb Auditing & Accountancy Co.  
Independent Member of Geneva Group International  
Issa Abu Farha  
Managing Partner

Bethlehem  
26 May 2020

  
28/05/2020  
**ISSA ABU FARHA**  
**C.P.A**  
**LICENSE NO 34**



GENEVA GROUP INTERNATIONAL  
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**Bethlehem Chamber of Commerce and Industry (BCCI)**  
**Statement of Financial Position - for the Year Ended 31 December 2019**

		<b>December 31,2019</b>	<b>December 31,2018</b>
	<b>Note</b>	<b>NIS</b>	<b>NIS</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	3	1,981,599	1,652,050
Inventory		15,472	4,789
Pledges receivable	4	18,975	29,700
Accounts receivable		1,757	9,075
Prepaid expenses	5	6,970	3,071
<b>Total Current Assets</b>		<b>2,024,773</b>	<b>1,698,685</b>
<b>Non-Current Assets</b>			
Fixed assets, Net	6	4,027,685	4,116,507
Investments	2.D	148,405	148,405
<b>Total Non-Current Assets</b>		<b>4,176,090</b>	<b>4,264,912</b>
<b>Total Assets</b>		<b>6,200,863</b>	<b>5,963,597</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable	7	186,728	249,657
Outstanding checks		21,088	9,467
Accrued liabilities	8	94,326	83,780
<b>Total Current Liabilities</b>		<b>302,142</b>	<b>342,904</b>
<b>Non-Current Liabilities</b>			
Accumulated Employees' Severance Benefits	9	353,607	299,188
Employees' Provident Fund		163,778	122,593
<b>Total Non-current Liabilities</b>		<b>517,385</b>	<b>421,781</b>
<b>Total Liabilities</b>		<b>819,527</b>	<b>764,685</b>
<b>Net Assets</b>			
Unrestricted net assets		1,371,323	1,127,043
Temporarily restricted net asserts (for projects)		18,975	28,875
Temporarily restricted net asserts(for fixed assets)		3,991,038	4,042,994
<b>Total Net Assets</b>		<b>5,381,336</b>	<b>5,198,912</b>
<b>Total Liabilities and Net Assets</b>		<b>6,200,863</b>	<b>5,963,597</b>

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

  
Chairman, Board of Directors

  
Treasurer

**Bethlehem Chamber of Commerce and Industry (BCCI)**  
**Statement of Activities - for the Year Ended 31 December 2019**

		<b>Total</b>	
		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>NIS</b>	<b>NIS</b>
<b>Revenues</b>			
Membership Subscriptions	10	699,589	649,809
Service Fees	11	865,285	815,814
Income from Activities and Rentals		16,711	6,920
Other Income		1,524	14,968
<b>Total Revenues</b>		<b>1,583,109</b>	<b>1,487,511</b>
Net Assets Released from Temporary Restriction	12	9,900	169,574
<b>Revenues and Net Assets Released from Temporary Restriction</b>		<b>1,593,009</b>	<b>1,657,085</b>
<b>Expenditures</b>			
Salaries and Related Benefits	13	724,906	631,512
Program Direct Expenses	14	200,386	272,796
General and Administrative Expenses	15	361,030	323,032
Financial Expenses, Net	16	(14,294)	(13,593)
Depreciation	6	127,775	143,453
<b>Total Expenditures</b>		<b>1,399,803</b>	<b>1,357,200</b>
<b>Net Assets during the year</b>		<b>193,206</b>	<b>299,885</b>
Temporarily Restricted Contributions and Donations	12	-	32,200
Net Assets released from temporary restriction		(9,900)	(169,574)
Reclassification		(883)	176
Returned to Donors		-	(1,887)
<b>Changes in the Temporarily Restricted Net Assets</b>		<b>(10,783)</b>	<b>(139,085)</b>
<b>Changes in Net Assets for the Year</b>		<b>182,423</b>	<b>160,800</b>

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

**Bethlehem Chamber of Commerce and Industry (BCCI)**  
**Statement of Changes in Net Assets - for the Year Ended 31 December 2019**

	Unrestricted Net assets	Temporarily Restricted Net assets		Total
	General	Projects	Fixed Assets	
	NIS	NIS	NIS	
<b>Net Assets as of 31/12/2017</b>	891,869	167,960	3,979,463	5,039,292
Prior year adjustments	13,031	-	-	13,031
Increase in net assets during the year - statement B	160,800	-	-	160,800
Contribution from BCCI - GIZ Project	(14,211)	-	-	(14,211)
Changes in the Temporarily Restricted Net Assets	20,256	(139,085)	118,829	-
Released from temporary restriction	55,298	-	(55,298)	-
<b>Net assets as of 31/12/2018</b>	<b>1,127,043</b>	<b>28,875</b>	<b>4,042,994</b>	<b>5,198,912</b>
Increase in net assets during the year - statement B	182,423	-	-	182,423
Changes in the Temporarily Restricted Net Assets	9,900	(9,900)	-	-
Released from temporary restriction	51,956.00	-	(51,956.00)	-
<b>Net assets as of 31/12/2019</b>	<b>1,371,323</b>	<b>18,975</b>	<b>3,991,038</b>	<b>5,381,336</b>

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



**Bethlehem Chamber of Commerce and Industry (BCCI)**  
**Statement of Cash flow - for the Year Ended 31 December 2019**

	<b>December 31,2019</b>	<b>December 31,2018</b>
	<b>NIS</b>	<b>NIS</b>
<b>Cash Flows from Operating Activities</b>		
Changes in net assets for the year	182,423	160,800
<b>Adjustments to reconcile current year changes in Net assets to net cash provided by operating activities:</b>		
Prior year adjustments - Investments	-	13,031
Contributions in GIZ project	-	(14,211)
Depreciation	127,775	143,453
	<b>310,199</b>	<b>303,073</b>
<b>Change in Working Capital</b>		
Increase (decrease) in inventory	(10,683)	-
Increase (decrease) in pledges receivable	10,725	56,098
Increase (decrease) in accounts receivable	7,318	2,394
Increase (decrease) in prepaid expenses	(3,899)	5,915
Increase (decrease) in accounts payable	(61,090)	31,348
Increase (decrease) in outstanding checks	11,621	3,651
Increase (decrease) in accrued expenses	8,707	4,904
Increase (decrease) in employees' provident fund	41,185	25,489
Increase (decrease) in employees' severance benefits	54,419	13,969
<b>Net Cash Provided by Operating Activities:</b>	<b>368,502</b>	<b>446,841</b>
<b>Cash Flows from Investing Activities:</b>		
Decrease in investments	-	(21,656)
Purchase of fixed assets	(38,954)	(280,497)
<b>Net Cash Used in Investing Activities</b>	<b>(38,954)</b>	<b>(302,153)</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>329,548</b>	
<b>Cash and Cash equivalents at the beginning of year</b>	<b>1,652,050</b>	<b>1,507,362</b>
<b>Cash and Cas equivalent at the End of year ( see note 3)</b>	<b>1,981,598</b>	<b>1,652,050</b>

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