AlShayeb Auditing & Accountancy Co.
Certified Public Accountants

Independent Auditor's Report (Cont.)

Auditors' Responsibilities for the Audit of the Financial Statements(cont.)

As part of an audit in 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 auditors' 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 auditors' 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

AlShayeb Auditing & Accountancy Co.
Independent Member of Geneva Group International
Jamal Abu Farha
Engagement Partner

Bethlehem
28 May 2022

Jamal AlShayeb Abu Farha
C.P.A
Licence No: 106/2017

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Statement of Financial Position
(All amounts are in NIS)

	Note	December 31,2021	December 31,2020
Assets			
Current Assets			
Cash and Cash equivalents	3	2,139,799	2,133,186
Inventory		-	9,112
Pledges receivable	4	182,514	122,771
Accounts receivable		54,378	5,644
Prepaid expenses		2,949	3,199
Total Current Assets		**2,379,640**	**2,273,912**
Non-Current Assets			
Fixed assets, Net	5	3,833,505	3,923,266
Investments	D.2	148,405	148,405
Total Non-Current Assets		**3,981,909**	**4,071,671**
Total Assets		**6,361,550**	**6,345,583**
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	6	190,265	168,260
Outstanding checks		79,924	6,220
Accrued liabilities	7	90,572	81,851
Total Current Liabilities		**360,761**	**256,331**
Non-Current Liabilities			
Accumulated Employees' Severance Benefits	8	379,720	440,822
Employees' Provident Fund		249,405	205,382
Total Non-current Liabilities		**629,125**	**646,204**
Total Liabilities		**989,886**	**902,535**
Net Assets			
Unrestricted net assets		1,333,176	1,169,984
Temporarily restricted net asserts (for projects)		158,684	337,643
Temporarily restricted net asserts(for fixed assets)		3,879,804	3,935,421
Total Net Assets		**5,371,664**	**5,443,048**
Total Liabilities and Net Assets		**6,361,550**	**6,345,583**

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

Chairman, Board of Directors **Treasurer**

CHAMBER OF COMMERCE & INDUSTRY - BETHLEHEM
الغرفة التجارية الصناعية - محافظة بيت لحم

Statement of Activities
(All amounts are in NIS)

	Note	Total 2021	Total 2020
Revenues			
Membership Subscriptions	10	708,098	640,700
Service Fees	11	526,525	631,281
Income from Activities and Rentals		18,710	7,620
Other Income		109,374	1,801
Total Revenues		**1,362,707**	**1,281,402**
Net Assets Released from Temporary Restriction	12	682,703	120,609
Revenues and Net Assets Released from Temporary Restriction		**2,045,410**	**1,402,011**
Expenditures			
Salaries and Related Benefits	13	741,794	834,744
Program Direct Expenses	14	904,773	428,902
General and Administrative Expenses	15	276,707	351,374
Financial Expenses, Net	16	(102,431)	(69,332)
Depreciation	6	116,991	113,279
Total Expenditures		**1,937,835**	**1,658,967**
Net Assets during the year		**107,575**	**(256,956)**
Temporarily Restricted Contributions and Donations	12	599,740	439,277
Net Assets released from temporary restriction		(682,703)	(120,609)
Reclassification		(95,996)	-
Changes in the Temporarily Restricted Net Assets		**(178,959)**	**318,668**
Changes in Net Assets for the Year		**(71,384)**	**61,712**

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

Bethlehem Chamber of Commerce and Industry (BCCI)
Financial Statements for the Year Ended 31 December 2021

Statement of Changes in Net Assets

(All amounts are in NIS)

	Unrestricted Net assets	Temporarily Restricted Net assets		
	General	Projects	Fixed Assets	Total
Net Assets as of 31/12/2019	1,371,323	18,975	3,991,038	5,381,336
Increase in net assets during the year - statement B	61,712	-	-	61,712
Changes in the Temporarily Restricted Net Assets	(318,668)	318,668	-	-
Released from temporary restriction	55,617	-	(55,617)	-
Net assets as of 31/12/2020	**1,169,984**	**337,643**	**3,935,421**	**5,443,048**
Increase in net assets during the year - statement B	(71,384)	-	-	(71,384)
Changes in the Temporarily Restricted Net Assets	178,959	(178,959)	-	-
Released from temporary restriction	55,617	-	(55,617)	-
Net assets as of 31/12/2021	**1,333,176**	**158,684**	**3,879,804**	**5,371,664**

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

Statement of Cash Flows
(All amounts in NIS)

	December 31,2021	December 31,2020
Cash Flows from Operating Activities		
Changes in net assets for the year	**(71,384)**	**61,712**
Adjustments to reconcile current year changes in Net assets to net cash provided by operating activities:		
Depreciation	116,991	113,281
	45,607	**174,993**
Change in Working Capital		
Increase (decrease) in inventory	9,112	6,360
Increase (decrease) in pledges receivable	(59,743)	(103,796)
Increase (decrease) in accounts receivable	(48,734)	(3,887)
Increase (decrease) in prepaid expenses	250	3,771
Increase (decrease) in accounts payable	22,005	(18,468)
Increase (decrease) in outstanding checks	73,704	(14,868)
Increase (decrease) in accrued expenses	8,721	(12,475)
Increase (decrease) in employees' provident fund	44,023	41,604
Increase (decrease) in employees' severance benefits	(61,102)	87,215
Net Cash Provided by Operating Activities :	**33,843**	**160,449**
Cash Flows from Investing Activities :		
Decrease in investments	-	-
Purchase of fixed assets	(27,230)	(8,860)
Net Cash Used in Investing Activities	**(27,230)**	**(8,860)**
Increase in Cash and Cash Equivalents	6,613	151,589
Cash and Cash equivalents at the beginning of year	2,133,185	1,981,598
Cash and Cas hequivalent at the End of year (see note 3)	**2,139,798**	**2,133,187**

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

Conclusion

This report may not reflect everything that Bethlehem Chamber of Commerce and Industry accomplished during the year 2021, as stated previously this is a summary of the most prominent activities and events that were implemented, but eventually it is an eloquent and honest expression of organized work, effort of cooperation between the Board of Directors and the staff to achieve the strategic goals that the management of the Chamber seeks to achieve despite all the obstacles caused by the Corona pandemic and its effects on all aspects of life locally and internationally.

Respect and appreciation to all our team that work to raise the level of performance in the Chamber in order to continue implementing programs, courses and meetings, and conducting plans for discussion, research, and providing solutions and visions for issues in all economic fields and private sector affairs in Bethlehem Governorate.