

# **BATSHEVA DANCE COMPANY (REGISTERED NGO)**

## **FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019**

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**INDEPENDENT AUDITORS' REPORT TO THE  
MEMBERS OF THE BATSHEVA DANCE COMPANY (REGISTERED NGO)**

We have audited the accompanying balance sheets of The Batsheva Dance Company (Registered NGO) (hereafter- the NGO) as of December 31, 2019 and 2018, and the statements of activities, the statements of changes in net assets and the statements of cash flows for each of the years ended on those dates. These financial statements are the responsibility of the NGO's Management Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with generally accepted auditing standards in Israel, including those prescribed by the Auditors' Regulations (Mode of Performance), 1973. These regulations require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management Board of the NGO, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion in all material respects, the financial position of the NGO as of December 31, 2019 and 2018, and the results of its activities, changes in net assets and cash flows for each of the years ended on those dates, in conformity with generally accepted accounting principles in Israel (Israeli GAAP).

*BAZ & Co*

**Brightman Almagor Zohar & Co.**  
**Certified Public Accountants**  
**A Firm in the Deloitte Global Network**

Tel Aviv, Israel, July 20,2020

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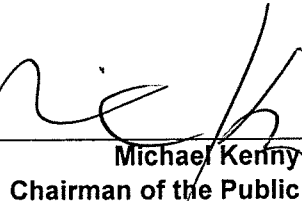
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# BATSHEVA DANCE COMPANY (REGISTERED NGO)

## BALANCE SHEETS

	Note	December 31,	
		2019	2018
		NIS	NIS
<b><u>Current assets</u></b>			
Cash and cash equivalents	3	6,759,501	8,567,455
Trade receivables	4	1,995,414	1,400,179
Other current assets	5	170,571	174,795
		<u>8,925,486</u>	<u>10,142,429</u>
Long term prepaid	18b(2)	<u>8,082,503</u>	<u>6,045,797</u>
<b><u>Fixed assets, depreciated cost</u></b>			
	6	<u>2,612,964</u>	<u>2,483,935</u>
		<u>19,620,953</u>	<u>18,672,161</u>
<b><u>Current liabilities</u></b>			
Trade payables	7	249,525	435,210
Other current liabilities	8	3,943,572	3,960,981
		<u>4,193,097</u>	<u>4,396,191</u>
<b><u>Long term liabilities</u></b>			
Provision for employees rights upon retirement, net	9	<u>149,028</u>	<u>208,244</u>
<b><u>Provisions, contingent liability, commitments and guarantees</u></b>			
	18	<u>1,435,000</u>	<u>1,430,000</u>
<b><u>Net assets</u></b>			
<b><u>Unrestricted net assets:</u></b>			
Deficiency from net assets for use for activities not designated by the institutions of the non-profit		(254,054)	(59,824)
Net assets for use in activities designated by the institutions of the non-profit		2,314,502	2,277,797
Net assets used for fixed assets		2,612,964	2,483,935
<b>Net assets restricted for use in activities:</b>		9,170,416	7,935,818
		<u>13,843,828</u>	<u>12,637,726</u>
		<u>19,620,953</u>	<u>18,672,161</u>

  
Zvi Ziv  
Chairman of the Board of  
Directors

  
Michael Kerney  
Chairman of the Public Council

  
Dina Aldor  
CEO

Date of approval of financial statements: July 20, 2020

The accompanying notes to the financial statements are an integral part of them.

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**STATEMENTS OF ACTIVITIES**

	Note	For the year ended December 31	
		2019	2018
		NIS	NIS
<b>Operational volume:</b>			
Revenues from operations	10	10,326,651	11,146,648
Revenues from appropriations	11	7,259,092	7,581,507
Revenues from contributions	12	5,525,994	4,982,651
Amounts released from temporary restricted net assets	12(c)	120,000	-
		23,231,737	23,710,806
Dance School Activity			
Dance school revenues	13(a)	166,795	-
Dance school expenses	13(b)	(155,313)	-
		11,482	-
Net income from Dance school activity		11,482	-
<b>Cost of activities:</b>			
Salaries and related expenses		11,508,516	11,319,308
Operating expenses	14	7,386,541	8,763,593
New productions		794,959	795,681
Other expenses		163,472	204,360
		19,853,488	21,082,942
<b>Net income from activities</b>		3,389,731	2,627,864
General and administrative expenses	15	3,062,431	2,866,816
<b>Net (Loss)/income before financing</b>		327,300	(238,952)
Financing Incomes/ (expenses), net	16	(355,796)	109,705
<b>Net Loss for year</b>		(28,496)	(129,247)

The accompanying notes to the financial statements are an integral part of them.

# **BATSHEVA DANCE COMPANY (REGISTERED NGO)**

## **STATEMENTS OF CHANGES IN NET ASSETS**

	<b>Net assets unrestricted for use in activities</b>				<b>Total</b>
	<b>Undesignated by institutions of the non- profit</b>	<b>Designated by institutions of the non- profit</b>	<b>Used for fixed assets</b>	<b>Net assets restricted for use in activities</b>	
			<b>N I S</b>		
<b>Balance as of January 1, 2019</b>	(59,824)	2,277,797	2,483,935	7,935,818	12,637,726
Net Loss for 2019	(28,496)				(28,496)
Amounts designated by the NGO	(36,705)	36,705			-
Donations Received (*)				1,354,598	1,354,598
Amounts released from temporary restricted net assets				(120,000)	(120,000)
<b>Transfer of unrestricted amounts:</b>					
Used to acquire fixed assets	(852,037)		852,037		
Amounts transferred to cover depreciation expenses	723,008		(723,008)		
<b>Balance as of December 31, 2019</b>	<u>(254,054)</u>	<u>2,314,502</u>	<u>2,612,964</u>	<u>9,170,416</u>	<u>13,843,828</u>
<b>Balance as of January 1, 2018</b>	(50,015)	2,104,664	2,776,506	4,828,000	9,659,155
Net Loss for 2018	(129,247)	-	-	-	(129,247)
Amounts designated by the NGO	(173,133)	173,133	-	-	-
Donations Received (*)	-	-	-	3,107,818	3,107,818
<b>Transfer of unrestricted amounts:</b>					
Used to acquire fixed assets	(411,785)	-	411,785	-	-
Amounts transferred to cover depreciation expenses	704,356	-	(704,356)	-	-
<b>Balance as of December 31, 2018</b>	<u>(59,824)</u>	<u>2,277,797</u>	<u>2,483,935</u>	<u>7,935,818</u>	<u>12,637,726</u>

(\*) See note 12B.

The accompanying notes to the financial statements are an integral part of them.

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**STATEMENTS OF CASH FLOWS**

	<b>Year ended December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
<b><u>Cash flows - current operations:</u></b>		
Net Loss income for year	(28,496)	(129,239)
Adjustments necessary to present cash flows from current operations (Appendix A)	(2,162,019)	683,300
<b>Net cash derived from current operations</b>	<b><u>(2,190,515)</u></b>	<b><u>554,053</u></b>
<b><u>Cash flows - investment activities:</u></b>		
Acquisition of fixed assets	(852,037)	(411,785)
<b>Net cash used for investment activities</b>	<b><u>(852,037)</u></b>	<b><u>(411,785)</u></b>
<b><u>Cash flows - financing activities:</u></b>		
Restricted contributions designated for purchasing of assets	1,234,598	3,107,818
<b>Net cash used for financing activities</b>	<b><u>1,234,598</u></b>	<b><u>3,107,818</u></b>
<b>(Decrease) Increase in cash and cash equivalents</b>	<b>(1,807,954)</b>	<b>3,250,086</b>
<b>Balance of cash and cash equivalents at beginning of year</b>	<b><u>8,567,455</u></b>	<b><u>5,317,369</u></b>
<b>Balance of cash and cash equivalents at end of year</b>	<b><u>6,759,501</u></b>	<b><u>8,567,455</u></b>

The accompanying notes to the financial statements are an integral part of them.

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**STATEMENTS OF CASH FLOWS**

**Appendix A - Adjustments necessary to present cash flows from current operations**

	<b>Year ended December 31</b>	
	<b>2 0 1 9</b>	<b>2 0 1 8</b>
	<b>NIS</b>	<b>NIS</b>
<b><u>Income and expenses not involving cash flows</u></b>		
Depreciation	723,008	704,356
Increase in provision for employee rights upon retirement, net	(59,216)	(28,382)
	<u>663,792</u>	<u>675,974</u>
<b><u>Changes in asset and liability items</u></b>		
(Increase)Decrease in trade receivables	(595,235)	487,983
Decrease in other current assets	4,224	91,944
Decrease in accounts payable	(185,685)	(118,449)
Decrease in other current liabilities	(17,409)	(286,019)
Increase in provisions	5,000	5,000
Increase in prepaid expenses	(2,036,706)	(173,133)
	<u>(2,825,811)</u>	<u>7,326</u>
	<u>(2,162,019)</u>	<u>683,300</u>

The accompanying notes to the financial statements are an integral part of them.

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - GENERAL**

- A. The NGO was established for the purpose of advancing the subsistence and success of the "Batsheva" modern dance company.
- B. The NGO assembles various monetary sources mostly for the following activities:
- (1) Maintaining a troupe of dancers and choreographers and preparing a cache of dancers.
  - (2) Undertakings with originators in the area of encouraging Israeli conceptions.
  - (3) Acquisition, production and presentation of creations.
  - (4) Encouragement of interest by the audience in modern dance and the work of the NGO.

**NOTE 2 - ACCOUNTING POLICIES**

**A. Accounting Opinion Number 69 and Accounting Standard Number 5:**

The NGO is an entity whose purpose is not the generation of income. The financial statements of the NGO have been prepared according to the provisions of Accounting Opinion Number 69 of the Institute of Certified Public Accountants in Israel and according to Accounting Standard Number 5 of the Israel Accounting Standards Board.

**B. General:**

The financial statements of the NGO are expressed in nominal NIS and are being prepared mainly for reporting to the various authorities according to law.

For this reason, and other practical reasons derived from the size of the NGO and from the reporting requirements, these financial statements have not been presented in reported amounts as is required by Standard 12 of the Israel Accounting Standards Board and the comparative figures were not presented in adjusted amounts as is mandated by the accounting opinions of the Institute of Certified Public Accountants in Israel.

**C. Basis for recognition of revenues and expenses:**

Revenues and expenses are included in the financial statements on the accrual basis.

**D. Fixed assets:**

Fixed assets acquired or received as a gift prior to January 1, 1997 are presented at marginal value.

Fixed assets acquired after that date are presented at cost

Depreciation is computed at equal annual rates according to the estimated useful lives of the assets.

**Annual depreciation rates:**

	(%)
Building	4
Leasehold improvements	10
Furniture and equipment	6-33

**E. Cash and cash equivalents:**

The section includes cash and short term deposits for up to 3 months.



**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3 - CASH AND CASH EQUIVALENTS**

**Composition:**

	<b>As of December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Cash	2,841,941	2,653,452
Short term deposits(*)	3,917,560	5,914,003
	<u>6,759,501</u>	<u>8,567,455</u>

(\*) for net assets restricted for use see statements of changes in net assets.

**NOTE 4 - TRADE RECEIVABLES**

**Composition:**

	<b>As of December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Open accounts	690,116	805,620
Checks receivable and credit cards	950,484	67,307
Income receivable (*)	354,814	530,145
	<u>1,995,414</u>	<u>1,403,072</u>
Doubtful debts	-	(2,893)
	<u>1,995,414</u>	<u>1,400,179</u>

(\*) In 2019, donations in amount of approximately NIS 324 thousand were promised to the NGO. The amounts were received at the beginning of 2020. (In 2018 the amount was NIS 438 thousand).

**NOTE 5 - OTHER CURRENT ASSETS**

**Composition:**

	<b>As of December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Other receivables	55,012	35,139
Prepaid expenses	81,936	111,734
Advances to suppliers	33,623	27,922
	<u>170,571</u>	<u>174,795</u>

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 6 - FIXED ASSETS**

**A. Composition:**

	<b>Furniture &amp; Equipment</b>	<b>Payments on account of building</b>	<b>Leasehold improvements N I S</b>	<b>Technology project</b>	<b>Total</b>
<b>Cost:</b>					
Cost - January 1, 2019	3,913,922	261,540	4,654,105	75,968	8,905,532
Acquisitions during year	408,624	-	443,413	-	852,037
Cost - December 31, 2019	<u>4,322,546</u>	<u>261,540</u>	<u>5,097,518</u>	<u>75,968</u>	<u>9,757,572</u>
<b>Accumulated depreciation:</b>					
Depreciation- January 1, 2019	2,775,337	201,299	3,368,996	75,968	6,421,600
Additions for year	357,940	10,462	354,606	-	723,008
Accumulated depreciation- December 31, 2018	<u>3,133,277</u>	<u>211,761</u>	<u>3,723,602</u>	<u>75,968</u>	<u>7,144,608</u>
<b>Balance at the end of period:</b>					
December 31, 2019	<u>1,189,269</u>	<u>49,779</u>	<u>1,373,916</u>	<u>-</u>	<u>2,612,964</u>
December 31, 2018	<u>1,138,585</u>	<u>60,241</u>	<u>1,285,109</u>	<u>-</u>	<u>2,483,935</u>

B. See Note 2D with regard to rates of depreciation.

**NOTE 7 - TRADE PAYABLES**

**Composition:**

	<b>As of December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Open accounts	197,610	372,603
Checks payable	51,915	62,607
	<u>249,525</u>	<u>435,210</u>

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 8 - OTHER CURRENT LIABILITIES**

**Composition:**

	<b>As of December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Employees and payroll deductions	1,616,615	1,482,369
Government institutions	15,156	13,919
Accrued expenses	763,952	657,668
Prepaid income	1,547,849	1,807,025
	<u>3,943,572</u>	<u>3,960,981</u>

**NOTE 9 - PROVISION FOR EMPLOYEE RIGHTS UPON RETIREMENT, NET**

The provision for employee rights upon retirement included in the balance sheet represents the balance of the liability in the name of employees not covered by current deposits with insurance companies and by deposits to severance pay funds in the name of the NGO.

	<b>As of December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Obligation for the termination of employee employer relationships	149,028	208,244
Less: severance pay fund(*)	-	-
	<u>149,028</u>	<u>208,244</u>

(\*) in the beginning of 2018, the pay fund divided and deposited to employees personal funds

**NOTE 10 - REVENUES FROM OPERATIONS**

**Composition:**

	<b>As of December 31,</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Performances in Israel	4,795,206	4,609,848
Performance abroad	4,417,331	5,071,366
Other income	1,114,114	1,465,434
	<u>10,326,651</u>	<u>11,146,648</u>

**NOTE 11 - REVENUES FROM APPROPRIATIONS**

**Composition:**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Revenues from appropriations from the Ministry of Culture and Sports	6,644,293	6,823,741
Revenues from appropriations from the Tel Aviv Municipality (*)	614,799	757,766
	<u>7,259,092</u>	<u>7,581,507</u>

(\*) Includes income due to a discount from municipal tax costs for NIS 119 thousand (last year-approximately NIS 127 thousand).

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 12 - REVENUES FROM CONTRIBUTIONS**

**A. Composition non restricted donations:**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
American Friends of Batsheva	1,918,604	1,365,091
The Robert Weil Family Foundation	1,050,000	850,000
The Tel-Aviv Foundtion	217,963	-
UNITED ISRAEL APPEAL OF CANADA, INC	201,620	-
Fintex Worldwide LTD	176,950	250,000
Delta Galil Industries Ltd.	100,000	100,000
The Azrieli Foundation	100,000	50,000
Aaron Gutwirth Fund	80,000	80,000
Pluriel Fondation pour l'Art Contemporaine	65,647	288,227
Playtika Ltd.	60,000	60,000
Burak Jacob & Nehama	50,000	50,000
Eastronics LTD	50,000	50,000
ANAMEDICAL LTD	50,000	-
GAGA MOTION LTD	50,000	-
Eli Zilcha	40,000	-
Mifal HaPais	32,000	-
A.L Electronics Ltd	25,000	25,000
Zisman Shmuel Yehuda	25,000	25,000
ROYAL GEM (ISRAEL) LTD	25,000	-
IBI Amban Investment Portfolio Management LTD	20,000	40,000
Daphi & Gigi Levy Weiss	20,000	-
NovoCure Ltd	-	203,650
Sandra Weil	-	200,000
Check Point Software Technologies Ltd.	-	100,000
Michael Sela Foundation	-	90,000
Baramundi Foundation	-	75,044
Stemijon Investment Ltd	-	72,856
Sharon Harel & Sir Ronald Cohen	-	35,000
Neta Segal	-	34,800
M.E.H foundation	-	30,000
Automotive Equipment and Cars (2004) Ltd	-	25,000
Akavia Ariela & Gidon	-	23,000
Hamburger Evron & co	-	20,500
Joseph and Christina Kasierer Foundation	-	20,000
In kind Donations(*)	157,292	38,830
Individual contributors, including members of theManagement Board and Public Council	1,010,918	780,653
	<u>5,525,994</u>	<u>4,982,651</u>

(\*) During the reporting year, the NGO received In kind donations estimated by the NGO's management in the amount of approximately NIS 157 thousand. (Last year NIS 39 thousands)

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 12 - REVENUES FROM CONTRIBUTIONS (Cont.)**

**B. Composition restricted donations:**

	<b>Year ended December 31</b>	
	<b>2 0 1 9</b>	<b>2 0 1 8</b>
	<b>NIS</b>	<b>NIS</b>
America-Israel Cultural Foundation	24,000	-
NEVE TSEDEK GROUP LTD	173,800	-
American Friends of BatSheva	-	199,691
Sharon Harel & Sir Ronald Cohen	-	50,000
Miriam Heinrich	-	20,000
Individual contribute or secluding members of the management Board and public council	26,450	126,401
Contributors for a new building (see note 18c )	1,130,348	2,711,726
	<u>1,354,598</u>	<u>3,107,818</u>

**C. Change in restricted donations (\*):**

	<b>Year ended December 31</b>	
	<b>2 0 1 9</b>	<b>2 0 1 8</b>
	<b>NIS</b>	<b>NIS</b>
Balance as of January 1 <sup>st</sup>	396,092	-
Restricted donation received during the period	224,250	396,092
Amount released during the period	(120,000)	-
Balance as of December 31 <sup>st</sup>	<u>500,342</u>	<u>396,092</u>

(\* ) Without donations for the building listed in note 18c

**NOTE 13 - Dance School Activity**

**A. Dance school Revenues:**

	<b>Year ended December 31</b>	
	<b>2 0 1 9</b>	<b>2 0 1 8</b>
	<b>NIS</b>	<b>NIS</b>
Revenues from operations	150,000	-
Other revenues	15,795	-
Donations	1,000	-
	<u>166,795</u>	<u>-</u>

**B. Dance School expenses:**

	<b>Year ended December 31</b>	
	<b>2 0 1 9</b>	<b>2 0 1 8</b>
	<b>NIS</b>	<b>NIS</b>
Salaries and related expenses	102,953	-
Operating expenses (teachers, marketing)	37,573	-
General and administrative expenses	14,787	-
	<u>155,313</u>	<u>-</u>

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 14 - OPERATING EXPENSES**

**Composition:**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Performance operations	1,457,103	1,990,496
Travel abroad	2,054,918	2,712,082
General operations	1,166,869	1,047,003
Advertising, marketing and sales	874,986	932,394
Raising resources	250,776	367,166
Royalties and copyrights	454,055	526,874
Treatments for dancers	317,821	352,639
Taxes and fees	130,746	169,710
Depreciation of operating equipment	679,267	665,229
	<u>7,386,541</u>	<u>8,763,593</u>

**NOTE 15- GENERAL AND ADMINISTRATIVE EXPENSES**

**Composition:**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Salaries and related expenses	2,490,318	2,390,653
Postage, telephone and messenger service	237,981	207,384
Insurance	10,000	5,296
Per diem, entertainment and gifts	21,746	40,807
Car maintenance	40,012	32,647
Professional fees	134,167	109,397
Depreciation	43,741	39,127
Courses and professional development	19,466	21,505
Others	65,000	20,000
	<u>3,062,431</u>	<u>2,866,816</u>

**NOTE 16- Financing income (expenses):**

**Composition:**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Interest on short term deposits	16,684	7,554
Credit card & bank commissions	(89,009)	(90,440)
Exchange rate differences (expenses) / Incomes	(283,471)	192,591
	<u>(355,796)</u>	<u>109,705</u>

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 17- TAXES ON INCOME**

The NGO is a non-profitable institution and therefore is not obligated to pay income taxes on its income from operations. The NGO is recognized as a public institution for purposes of contributions pursuant to Section 46 of the Income Tax Ordinance.

**NOTE 18 - PROVISIONS, CONTINGENT LIABILITY, COMMITMENTS AND GUARANTEES**

**A. Provisions:**

**Composition**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Contingent liability (*)	828,000	828,000
Commitments and guarantees (**)	570,000	570,000
Others	37,000	32,000
	<b>1,435,000</b>	<b>1,430,000</b>

(\*) In Previous years, the NGO executed a provision in a total of NIS 828 thousand towards Proventous, in respect of money paid by them towards third parties. In case the new hall project will not carried out, the NGO will be obligated to pay back the amount.

(\*\*) In previous years, the NGO executed a provision in a total of NIS 570 thousand with respect to the NGO's commitments.in the reporting year

**B. Commitments:**

(1) Starting September 2018, Ohad Naharin is the NGO's choreographer and Gili Navot took his place as an Artistic Director. The Board of Directors approved the appointment of Gili Navot on July 10, 2017. The management is in final stages of the agreements with Naharin.

(2) On December 6, 2017, an agreement was signed between the NGO and the Tel Aviv-Yafo Foundation (hereinafter: "the Fund") for the construction of a new campus for the activities and needs of the NGO. The NGO is responsible for raising and transferring funds worth half the cost of the project, in the amount of NIS 74 million. The payments of the NGO will be transferred to the Fund in installments, on the dates and under the conditions specified in the agreement. Up to the date of the financial statements, the NGO transferred 6 million NIS to the fund. The remain balance of NIS1.6 Million are additional investment of the NGO in the campus.

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 18 - PROVISIONS, CONTINGENT LIABILITY, COMMITMENTS AND GUARANTEES (Cont.)**

**C. Designated contributions for the Campus:**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
Opening balance as of January 1 <sup>st</sup>	6,711,726	4,000,000
Designated contributions received (*)	1,130,348	2,711,726
Closing balance as of December 31 <sup>st</sup>	<u>7,842,074</u>	<u>6,711,726</u>

**(\*) Contribution restricted:**

	<b>Year ended December 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>NIS</b>	<b>NIS</b>
American Friends of BatSheva	1,040,773	1,397,430
Besen family Foundation	523,050	-
Debbie Dadon AC	261,525	-
Sara Sela	180,000	-
Gandir Investment Ltd	87,500	87,500
M.E.H foundation	87,500	-
L.I.N Holdings Ltd	-	1,043,996
Neta Segal	-	350,000
George Horesh		35,000
Sheli & Asaf Harlap		30,000
Noked Israel (2001) Ltd		15,000
Yoav Shemesh		1,200
Intermediate financing	(1,050,000)	(248,400)
Total	<u>1,130,348</u>	<u>2,711,726</u>

**D. Guarantees:**

The NGO has a bank guarantee vis-à-vis third parties in an amount of NIS 110 thousands.

**NOTE 19 - Events after the balance sheet date**

As of the date of approval of the financial statements, due to COVID-19 crisis, there has been a significant decline in the NGO's activities. There is a decrease of approximately NIS 2.8 million in operating income in March - May 2020 compared to the previous period in 2019. In addition, there is uncertainty regarding the governmental support due the COVID-19, lack of activity and the volume of donations that the NGO will be able to raise in 2020.

As part of the measures taken by the NGO to deal with COVID-19, at the beginning of April 2020, it was decided to reduce 25% in employee salaries. It was also decided to expend half of the NGO's employees for unpaid leave. These measures resulted decrease in salary expenses for April-May, 2020 of approximately NIS 1.6 million compared to the previous period in 2019.



**BATSHEVA DANCE COMPANY (REGISTERED NGO)**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Apendix A**

	Year ended December 31		
	2019		2018
	NIS		NIS
	Current activities	Dance School	Current activities
<b>Items of sources and uses</b>			
<b>Sources:</b>			
Ministry of Culture and Sports	6,644,293	-	6,823,741
Tel Aviv-Jaffe Municipality	614,799	-	757,766
Contributions	5,645,994	1,000	4,982,651
Revenues from performances	10,326,651	165,795	11,146,648
<b>Total sources</b>	<u>23,231,737</u>	<u>166,795</u>	<u>23,710,806</u>
<b>Uses:</b>			
<b>Operations</b>			
Salaries for operations	11,508,516	102,953	11,319,308
<b>Expenses for activities:</b>			
Performance operations	1,457,103	-	1,990,496
Travel abroad	2,054,918	-	2,712,082
General operations	1,166,869	37,573	1,047,003
Advertising, marketing and sales	874,986	-	932,394
Raising resources	250,776	-	367,166
Royalties and copyrights	454,055	-	526,874
Treatments for dancers	317,821	-	352,639
Taxes and fees	130,746	-	169,710
New productions	794,959	-	795,681
Depreciation of operating equipment	679,267	-	665,229
Other expenses	163,472	-	204,360
<b>Total operating expenses</b>	<u>8,344,972</u>	<u>37,573</u>	<u>9,763,634</u>
<b>Overhead</b>			
Administrative salaries	2,490,318	14,787	2,390,653
Professional services	134,167	-	109,397
Car maintenance and travel	40,012	-	32,647
Gifts and entertainment	21,746	-	40,807
Other overhead	376,188	-	293,312
<b>Total overhead</b>	<u>3,062,431</u>	<u>14,787</u>	<u>2,866,816</u>
<b>Total uses for activities</b>	<u>22,915,919</u>	<u>155,313</u>	<u>23,949,758</u>
(Expenses) / Revenues from activities	<u>315,818</u>	<u>11,482</u>	<u>(238,952)</u>
Financing incomes / (expenses)	<u>(355,796)</u>	<u>-</u>	<u>109,705</u>
Net (Loss) / income for year	<u>(39,978)</u>	<u>11,482</u>	<u>(129,247)</u>

**BATSHEVA DANCE COMPANY (REGISTERED NGO)**

**FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019**