

CNEWA - Pontifical Mission for Palestine

Financial Statements

**For the year ended December 31, 2023
And Independent Auditor's Report**

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To the management of the
CNEWA - Pontifical Mission for Palestine

Independent Auditor's Report

Opinion

We have audited the Financial Statements of **CNEWA - Pontifical Mission for Palestine** which comprise the Statement of Financial Position as of **December 31, 2023**, Statement of Activities, Statement of Changes in Net Assets, Statement of Functional Expenses and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Statement of Financial Position of **CNEWA - Pontifical Mission for Palestine** as of **December 31, 2023**, its financial performance and its cash flows for the year then ended in accordance with the accounting policies as described in note (2).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of **CNEWA - Pontifical Mission for Palestine** in accordance with the ethical requirements that are relevant to our audit of the financial statement in areas under the jurisdiction of Israeli Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The organizations' financial statements for the year ended December 31, 2022 were audited by another auditor who issued an unqualified report on them on March 23, 2023. The corresponding figures for 2022 were included in the financial statements for presentation purposes.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies as described in note (2), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the **CNEWA's** ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate **CNEWA - Pontifical Mission for Palestine** or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the **CNEWA** financial reporting process.

Independent Auditor's Report (continued)

Auditor's Responsibilities 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 in accordance with ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also,

1. 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
2. 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 internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 **CNEWA'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 **CNEWA** to cease to continue as a going concern.
5. 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.

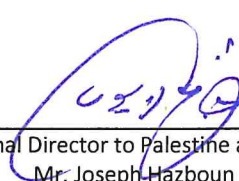
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Statement of Financial Position

(All amounts are in USD)

	Note	December 31, 2023	December 31, 2022
Assets			
Current Assets			
Cash and cash equivalents	(3)	1,361,323	594,666
Short-term deposits		155,950	224,221
Prepayments and other current assets	(4)	19,401	48,987
Total Current Assets		1,536,674	867,874
Non-current Assets			
Long-term deposits		962,729	904,221
Loans receivable	(5)	1,937	2,031
Due from CNEWA	(6)	582,366	575,608
Property, Plant and Equipment, Net	(7)	55,986	72,260
Total Non-current Assets		1,603,018	1,554,120
Total Assets		3,139,692	2,421,994
Liabilities and Net Assets			
Current Liabilities			
Accrued expenses	(8)	12,384	29,191
Total Liabilities		12,384	29,191
Non-current liabilities			
Pass-through liability	(9)	16,057	17,403
Provision for employees' indemnity	(10)	1,165,947	1,107,233
Total Non-current liabilities		1,182,004	1,124,636
Total liabilities		1,194,388	1,153,827
Net Assets			
Net assets – without donor restriction		328,961	262,223
Net assets – with donor restriction	(11)	1,616,343	1,005,944
Total Net Assets		1,945,304	1,268,167
Total Liabilities and Net Assets		3,139,692	2,421,994


Regional Director to Palestine and Israel
Mr. Joseph Hazboun

Statement of Activities and Changes in Net Assets

(All amounts are in USD)

	Note	Net assets without donor restriction	Net assets with donor restriction	2023	2022
Income and Contributions					
Contributions and grants from funding agencies	(12)	890,268	2,045,777	2,936,045	2,697,511
Interest Income		-	12,134	12,134	11,728
In-kind donations		-	-	-	2,900
Currency exchange gain		62,734	-	62,734	1,570
Net assets released from restrictions		1,447,512	(1,447,512)	-	-
Total Income and Contributions		2,400,514	610,399	3,010,913	2,713,709
Expenditures					
Accompanying the Church		588,144	-	588,144	701,894
Responding to Human Needs		1,782,859	-	1,782,859	1,902,714
Total Expenditures		2,371,003	-	2,371,003	2,604,608
(Increase/Decrease) in net assets from Operations		29,511	610,399	639,910	109,101
Other Changes in net assets					
Charges from CNEWA, HQ		3,154	-	3,154	1,561
CNEWA, HQ transfers of assets to end-of-service fund		34,073	-	34,073	69,367
CNEWA, HQ transfers of assets to fixed assets		-	-	-	9,000
		37,227	-	37,227	79,928
Net change in Net Assets		66,738	610,399	677,137	189,029
Net assets, Beginning of the year		262,223	1,005,944	1,268,167	1,079,138
Net assets, End of the year		328,961	1,616,343	1,945,304	1,268,167

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

Statement of Functional Expenses

(All amounts are in USD)

		2023			2022
	Note	Accompanying the Church	Responding to Human Needs	Total	Total
Salaries and Related Expenses					
Salaries		125,865	284,721	410,586	430,428
Salaries related benefits	(13)	41,705	84,982	126,687	158,486
Total Salaries and Related Expenses		167,570	369,703	537,273	588,914
Other Operating Expenses					
Professional fees and services		4,530	18,397	22,927	12,779
Occupancy		14,217	31,101	45,318	49,336
Equipment maintenance		1,478	3,011	4,489	3,575
Dues, books and subscriptions		649	1,322	1,971	1,803
Consumable supplies		445	2,055	2,500	2,394
Postage and shipping		118	241	359	432
Telecommunications		8,925	19,011	27,936	25,883
Printing		313	638	951	1,857
Business meals		300	612	912	2,125
Parking fees		801	1,633	2,434	2,457
Advertising		114	233	347	251
Bank fees		1,027	2,198	3,225	2,881
Promotion and public relations		362	738	1,100	3,547
Conferences, conventions, and seminars		1,250	2,548	3,798	5,602
Travel		6,278	13,066	19,344	20,547
Insurance (property and vehicles)		5,737	11,691	17,428	15,909
Total Other Operating Expenses		46,544	108,495	155,039	151,378
Programmatic Disbursements					
Subsidies to institutions	AI (A)	-	236,200	236,200	278,832
Project support to other institutions	AI (B)	368,002	1,056,178	1,424,180	1,565,274
Total Programmatic Disbursements		368,002	1,292,378	1,660,380	1,844,106
Depreciation and amortization		6,028	12,283	18,311	20,210
Total Functional Expenses		588,144	1,782,859	2,371,003	2,604,608

Statement of Cash Flows

(All amounts are in USD)

	2023	2022
Operating activities		
Changes in net assets for the year	677,137	189,029
Adjustments		
Depreciation	18,311	20,210
Provision for end of service benefits – net of currency variance	7,424	12,556
Provision employees’ provident fund benefits – net of currency variance	57,258	26,307
Net change in due from CNEWA	(6,758)	(12,557)
Adjustments to reconcile the increase in net assets for the current Year with net operating activities		
Prepayments and other current assets	29,586	(28,458)
Loans receivable	94	228
Payments during the year - Provision employees’ provident fund benefits	(5,968)	-
Accrued expenses	(16,807)	11,688
Pass-through liabilities	(1,346)	(1,953)
Net cash used in operating activities	758,931	217,050
Cash flow from investing activities		
Short-term deposit	68,271	(224,221)
Long-term deposit	(58,508)	19,072
Purchase of property and equipment	(2,037)	(10,468)
Net cash flows provided from Investing activities	7,726	(215,617)
Change in cash and cash equivalents	766,657	1,433
Cash and cash equivalents at the beginning of year	594,666	593,233
Cash and cash equivalents at the end of year	1,361,323	594,666

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

Notes to the Financial Statements

(All amounts are in USD)

Note (1) General:

Founded by Pope Pius XI in 1926, Catholic Near East Welfare Association (CNEWA) supports the works and activities of the Eastern churches, Northeast Africa, India and Eastern Europe. Concerned for the fate of Palestinian refugees, in 1949 Pope Pius XII founded the Pontifical Mission for Palestine (PMP), entrusting its leadership and administration to CNEWA. With growing regional instability, the mandate expanded to serve all those in need. Now with three offices in the Middle East — Amman, Beirut and Jerusalem — CNEWA-PMP works for, through and with the local churches, supporting programs that form church and community leaders, and sustain schools and social services for the most vulnerable.

The overall direction of CNEWA-PMP is entrusted to a president proposed by a board of bishops and confirmed by the Holy See. Ex officio, the archbishop of New York serves as chair. CNEWA-PMP collaborates closely with the Holy See's Congregation for the Eastern Churches as well as other departments of the Holy See. Regional Offices of CNEWA-PMP in Amman, Beirut and Jerusalem are managed by directors who recommend, plan and execute programs in their particular area of responsibility. In Amman, this includes projects in Jordan and Iraq; in Beirut, this includes projects in Lebanon, Syria and Egypt; and in Jerusalem, this includes projects in Palestine and Israel. In exceptional circumstances, an emergency response team is formed to address pressing needs.

In Jerusalem, CNEWA-PMP was a founding member of the Coordinating Catholic Aid Organizations Committee. CNEWA-PMP participates in a number of boards as ex officio members, including Bethlehem University and the Paul VI Ephpheta Institute.

Note (2) Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared in accordance with and comply with the financial regulations and the accounting policies of Catholic Near East Welfare Association (CNEWA or Home Office). These financial statements have been prepared under the historical cost convention and presented in US Dollars (USD).

Preparation of the financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates and the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

A. Net assets

Net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Accordingly, the net assets of the Mission and changes therein are classified and reported as follows:

- Net Assets Without Donor Restrictions – net assets without donor restrictions are available for use at the discretion of the Head office and/or management for general operating purposes. From time to time the Home Office may designate a portion of these net assets for specific purposes.
- Net Assets with Donor Restrictions – net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions.

The Mission reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restriction.

Notes to the Financial Statements (continued)

(All amounts are in USD)

Note (2) Summary of Significant Accounting Policies: (continued)

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Mission to expend the income generated by the assets in accordance with the provisions of additional imposed stipulations or an executive approved spending policy.

B. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and short-term deposits with an original maturity of three months or less after deducting any restricted deposits.

C. Property and equipment

Property and equipment are stated at historical cost net of accumulated depreciation and impairment losses, if any. Depreciation is computed using the straight-line method over the estimated useful lives of the assets based on their estimated useful lives, as follows:

Asset category	Depreciation Rates
Furniture and fixtures	%10
Equipment	%20
Vehicles	%20
Leasehold improvements	%5

The cost of the property and equipment includes all of the expenditures that are directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to CNEWA - PMP and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

D. Provision for employee' benefits

Provision for Severance Pay: Provision for severance pay is payable to the employees at the end of their services and it is provided in accordance with the guidelines set by the local labor laws. The provision is computed and provided for based on one month for the latest salary of each employee. CNEWA, New York holds investments to cover the Pontifical Mission Jerusalem Office employees' end of service liability. The amount is internally designated to settle employees' end of service when it comes due. An actuarial valuation is not performed on the provision for employees' end of service benefits as the net impact of the discount rate and future salary and benefits level on the present value of the benefits obligations are not expected by management to be significant.

Employees Saving fund: During the year 2008, a contributory provident fund scheme for CNEWA - PMP employees was set up, whereby CNEWA - PMP contributed the equivalent of 12% of employees' salaries to the fund, which is matched by a 6% contribution by the employees. A separate bank account has been designed for provident fund liability and replenished with cash for the purpose of settlement upon the employees' termination of service.

Notes to the Financial Statements (continued)

(All amounts are in USD)

Note (2) Summary of Significant Accounting Policies: (continued)

E. Provisions

Provisions are recognized when the CNEWA - PMP has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

F. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities are recognised for the amounts to be paid in the future for goods and services received, whether billed by the suppliers or not.

G. Translation of foreign currencies

The accompanying financial statements are denominated in US Dollars. Transactions in other currencies are translated to US Dollars using the exchange rates prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies are translated to US Dollars by applying the exchange rates prevailing at the reporting date. Exchange gains or losses resulting from the settlement of such transactions are recognised in the *Statement of activities and changes in net assets*. The exchange rates of other currencies against the US dollar as of December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
New Israeli Shekel (NIS)	3.627	3.459
EURO	1.106	1.047

H. Expenditures recognition

Expenses are recognized when incurred based on the accrual basis of accounting.

I. Income tax

CNEWA - PMP is a non-profit membership-based organization. Accordingly, it is not subject to income tax.

Notes to the Financial Statements (continued)

(All amounts are in USD)

Note (3) Cash and Cash Equivalents.

Cash and Cash Equivalents consist of:

	December 31, 2023	December 31, 2022
Cash on hand	1,241	1,902
Cash at banks*	1,360,082	592,764
	1,361,323	594,666

*A bank account containing the amount of USD 30,676 as of December 31, 2023 (USD 24,447 as of December 31, 2022) classified as a current account is maintained in local bank was not recognized by management in the above depiction. The account was opened by CNEWA - PMP for the benefit of Pontifical Mission Educational and Cultural Center (a partner based in Bethlehem) as the latter is not officially registered with the applicable authorities and cannot open its own bank account.

Note (4) Prepayments and other current assets

Prepayments and other current assets consist of:

	December 31, 2023	December 31, 2022
Prepaid expenses	10,616	10,934
Other receivables	8,785	9,116
Due from CNEWA Canada	-	1,200
Due from CNEWA New York	-	27,737
Ending balance	19,401	48,987

Note (5) Loans Receivable

This amount represents non-interest-bearing loans granted to CNEWA - PMP employees with no definite due date and secured by their accumulated severance pay benefits upon termination of service.

Note (6) Due from CNEWA

Due from CNEWA consist of:

	December 31, 2023	December 31, 2022
Beginning balance	575,608	563,051
Additions during the year	34,073	69,367
Transfer from CNEWA New York to CNEWA - PMP for settlement of indemnity during the year	(2,274)	-
Foreign currency translation	(26,541)	(56,810)
Ending balance	580,866	575,608
Cost incurred by CNEWA –PMP on behalf of CNEWA New York	1,500	-
Total Due from CNEWA	582,366	575,608

Notes to the Financial Statements (continued)

(All amounts are in USD)

Note (7) Property, Plant and equipment-Net.

Property, Plant and equipment consist of:

	December 31, 2023					December 31, 2022
	Furniture and Fixture	Equipment	Vehicles	Leasehold improvements	Total	Total
Cost						
At January 1,	30,321	67,395	127,931	87,223	312,870	305,004
Additions	-	2,037	-	-	2,037	10,468
Disposals	-	619	-	-	619	(2,602)
At December 31,	30,321	70,051	127,931	87,223	315,526	312,870
Accumulated depreciation						
At January 1,	25,331	55,161	106,405	53,713	240,610	223,002
Additions	1,025	4,477	9,923	2,886	18,311	20,210
Disposals	-	619	-	-	619	(2,602)
At December 31,	26,356	60,257	116,328	56,599	259,540	240,610
Book value December 31, 2023	3,965	9,794	11,603	30,624	55,986	
Book value December 31, 2022	4,990	12,234	21,526	33,510		72,260

Note (8) Accrued Expense

Accrued Expense consist of:

	2023	2022
Audit fees	5,639	6,707
Telecommunications	4,525	3,634
Others	2,220	18,850
	12,384	29,191

Note (9) Pass-Through Liability

This amount represents membership fees collected from the "Coordinating Catholic Aid Organizations" (CCAO) that CNEWA - Pontifical Mission for Palestine serves as the secretary. The fees are collected from thirteen Catholic organizations members. Those contributions will be paid to third parties as seen and agreed by the members.

Notes to the Financial Statements (Continued)
(All amounts are in USD)

Note (10) Provision for employees' indemnity

Provision for employees' indemnity consist of:

	2023	2022
Employees' end of service benefits*	580,796	575,615
Employees' provident fund benefits**	585,151	531,618
	1,165,947	1,107,233

() Employees' end of service benefits*

	2023	2022
Beginning balance	575,615	563,059
Additions during the year	34,073	69,367
Transferred to accrued liabilities	(2,243)	-
Foreign currency translation	(26,649)	(56,811)
	580,796	575,615

*(**) Employees' provident fund benefits*

	2023	2022
Beginning balance	531,618	505,311
Additions during the year - CNEWA - PMP share	47,352	46,033
Additions during the year - employees share	33,612	34,655
Payments during the year	(3,725)	-
Foreign currency translation	(23,706)	(54,381)
	585,151	531,618

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Notes to the Financial Statements (Continued)

(All amounts are in USD)

Note (11) Net Assets – With Donor Restrictions

	Beginning Balance	Additions	Interest Income	Released from restriction	Ending Balance
Transfers from Catholic Near East Welfare Association (CNEWA), Headquarters:					
Ephpheta Institute	5,721	80,000	-	80,000	5,721
PM educational and cultural Center	17,991	1,700	-	19,691	-
Designated gifts	25,737	25,259	-	50,996	-
Specified gifts	-	55,100	-	26,100	29,000
Medical Scholarships	(170)	6,170	-	6,000	-
Mary Doty Park	-	110,110	-	76,555	33,555
Leadership program for young Christian girls and boys at the Rosary Sisters School	10,731		-	30	10,701
Bible summer camps for Christian youth groups	7,003		-	7,003	-
Support the 9 seminarians of the Greek Melkite Catholic Archbishop of Haifa	-	13,000	-	13,000	-
Youth pastoral ministry for the Catholic community in Jerusalem and the Old City of Jerusalem.	-	30,000	-	28,000	2,000
Sunday School & Bible Summer Camps for children & youth in Palestine, East Jerusalem, and the Old City	-	25,000	-	22,000	3,000
Sunday School & Bible Summer Camps for children & youth in Bethlehem	-	25,000	-	22,550	2,450
Support the pastoral work of the Melkite Bishop in Jerusalem	-	25,000	-	24,000	1,000
Support research and publication of information on Christian history in Palestine	6,500		-	1,806	4,694
St. Nicholas Home	-	10,000	-	10,000	-
Antonian Charitable Society	-	20,000	-	20,000	-
House of Grace	-	20,000	-	12,150	7,850
Support Christian Migrants in Israel - Teresians Association	-	15,000	-	15,000	-
Youth pastoral ministry for the Catholic community in Palestine	-	35,000	-	35,000	-
Extracurricular Program for school-aged children	-	30,000	-	9,326	20,674
Leadership through scout programs and camps	-	20,000	-	20,000	-
Sunday School & Bible Summer Camps for children & youth in Israel	-	15,000	-	15,000	-
Support regional Bible education contest in Palestine	-	20,000	-	15,000	5,000
Support youth pastoral program of the Maronite Church	-	10,000	-	10,000	-
Support the pastoral work of the Melkite Bishop in Haifa	-	25,000	-	25,000	-
Support Christian Migrants in Israel - Kuchinate Comboni Sisters	-	15,000	-		15,000
War on Gaza 2023 Emergency	-	85,000	-	85,000	-
Hogar Nino Dios for running cost and upkeep of the facilities	-	15,000	-	10,500	4,500
Subtotal - CNEWA HQ	73,513	731,339	-	659,707	145,145

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Notes to the Financial Statements (Continued)

(All amounts are in USD)

Note (11) Net Assets – With Donor Restrictions (Continued)

	Beginning Balance	Additions	Interest Income	Released from restriction	Ending Balance
Transfers from Catholic Near East Welfare Association (CNEWA), Canada:					
Ephpheta Institute	-	30,000	-	30,000	-
PM educational and cultural Center	-	36,000	-	36,000	-
NECC		22,500	-	11,250	11,250
Antonian Charitable Society		400	-	400	-
Beit Sahour Hospital for health control for pregnant women and babies	-	10,000	-	10,000	-
Support the remedial education program for students; support health and wellness of low-income parents and teacher training	1,500	-	-	1,500	-
Scholarships for Christian Youth in East Jerusalem, Bethlehem, and the Gaza Strip	4,022	-	-	4,022	-
Al-Ahli Hospital for medical care for poor and elderly Christian members of the parish in Gaza	2,004	-	-	2,004	-
Support the pastoral activities of the Syriac Bishop	-	10,000	-	10,000	-
Al-Ahli Hospital for medical care and medicine	-	3,628	-		3,628
Gregorian Masses	-	22,292	-		22,292
Leadership Scout Program	-	1,800	-	1,800	-
Koinonia / Strengthening the Christians presence in the Middle East	-	6,706	-		6,706
Support for ROSMUN – Model United Nations (MUN) Program for East Jerusalem schools	-	25,000	-		25,000
Leadership through scout programs and camps	-	20,000	-	10,000	10,000
Support regional Bible education contest in Israel	-	15,000	-	15,000	-
Support youth pastoral program of the Maronite Church	-	5,000	-	5,000	-
Support the pastoral work of the Melkite Bishop in Jerusalem	-	10,000	-	5,000	5,000
Support Christian Migrants in Israel - Kuchinate Comboni Sisters	-	10,000	-	7,500	2,500
Sakhnin Church	-	5,400	-	5,400	-
Subtotal - CNEWA Canada	7,526	233,726	-	154,876	86,376
Total - CNEWA	81,039	965,065	-	814,583	231,521

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Notes to the Financial Statements (Continued)

(All amounts are in USD)

Note (11) Net Assets – With Donor Restrictions (Continued)

	Beginning Balance	Additions	Interest Income	Released from Restriction	Ending Balance
Children’s Relief Bethlehem (CRB), Switzerland					
Procure Computers, projectors, and a smartboard for classroom use at the Ivrea Kindergarten in East Jerusalem	(15,000)	15,000	-		-
Promotion of health, psychosocial status among Palestinian women, children, and adolescents in the Gaza Strip (NECC)	-	46,000	-	13,500	32,500
Help establish the new kindergarten section within the College des Freres School, Old City of Jerusalem	-	35,000	-	35,000	-
Establish a school and community playground at the Salesian Sisters, Laura Vicuna School, Beit Jala	-	-	-	23,000	(23,000)
Total - Children’s Relief Bethlehem (CRB), Switzerland	(15,000)	96,000	-	71,500	9,500
Misereor					
Provision of solar panels for Al-Ahli Arab Hospital and YMCA in Gaza City	-	35,139	-	6	35,133
Psychological support for children, young people and their families in Gaza	84,807	8,396	-	93,110	93
Develop children's and Youth's skills and character through extracurricular programs at Bethlehem and East-Jerusalem area schools	7,541	139,635	-	112,546	34,630
Total - Misereor	92,348	183,170	-	205,662	69,856
Knights of the Holy Sepulcher, Holland					
2022 Projects	7,624	-	-	7,624	-
2023 Projects	-	57,353	-	57,353	-
Total - Knights of the Holy Sepulcher, Holland	7,624	57,353	-	64,977	-
Porticus					
Strengthening internal capacities and Resilience	8,657	-	-	4,735	3,922
Improve the learning environment for the seminarians at the Seminary in Beit Jala	23,292	-	-	23,292	-
Preparing the next generation of Christian leadership	146,622	-	-	78,235	68,387
Total - Porticus	178,571	-	-	106,262	72,309
Manos Unidas					
Improve quality of education for hearing impaired Palestinian children	-	45,968	-	43,894	2,074
Total - Manos Unidas	-	45,968	-	43,894	2,074

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Notes to the Financial Statements (Continued)

(All amounts are in USD)

Note (11) Net Assets – With Donor Restrictions (Continued)

	Beginning Balance	Additions	Interest Income	Released from Restriction	Ending Balance
Friends of the Holy Land					
Employment at the Arab Orthodox Cultural Center	(25,000)	25,000	-	-	-
Total - Friends of the Holy Land	(25,000)	25,000	-	-	-
Diocese of Stockholm					
Al-Ahli Hospital for medical care for poor and elderly Christian members of the parish in Gaza	1,966	11,148	-	1,966	11,148
Total - Diocese of Stockholm	1,966	11,148	-	1,966	11,148
Holy Land Arab Housing Society					
Housing Project	636,974	-	12,134	-	649,108
Total - Holy Land Arab Housing Society	636,974	-	12,134	-	649,108
Embrace the Middle East					
Extracurricular education 2022 - 2023	37,087	46,833	-	80,703	3,217
Educational guidance Phase II	9,835	-	-	9,160	675
Training and employment at AOCC Phase II	-	40,808	-	29,405	11,403
Youth for a Peaceful Society Phase II	-	20,118	-	11,200	8,918
Olive Harvesting for Empowerment	-	7,674	-	7,315	359
Total - Embrace the Middle East	46,922	115,433	-	137,783	24,572
European Union					
Supporting Resilience in East Jerusalem through Strengthening Dignified Elder Care	-	488,948	-	25	488,923
Total - European Union	-	488,948	-	25	488,923
Other Donation					
Open Doors / Care for you - Develop a Catholic Bible App in the Arabic language	500	-	-	500	-
Local Community Gaza Emergency - War 2023-2024	-	52,692	-	-	52,692
Christian Brothers of BU - Support Projects in Gaza	-	5,000	-	360	4,640
Total – Other Donations	500	57,692	-	860	57,332
Grand Total	1,005,944	2,045,777	12,134	1,447,512	1,616,343

Notes to the Financial Statements (Continued)
(All amounts are in USD)

Note (12) Contributions and grants from funding agencies

The amount represents contributions received that are unrestricted as detailed below.

	2023	2022
Grants from CNEWA - HQ	648,768	775,502
Grants from CNEWA - Canada	241,500	234,000
	890,268	1,009,502

Note (13) Salaries related benefits

Salaries related benefits consist of:

	2023	2022
Provision for employees' end of service benefits	34,073	69,367
Provident fund - CNEWA - PMP contribution	47,352	46,033
Medical insurance	16,138	18,228
National insurance fees	14,415	11,612
Life insurance	6,244	6,682
Other benefits	8,466	6,564
	126,688	158,486

Note (14) Related Parties

This item represents transactions and balances with related parties, i.e., directors, senior management and organizations, over which they exercise control.

a) Transactions with related parties are as follows:

	2023	2022
Key management compensation		
Key management compensation - salaries	203,283	210,227
Key management compensation - bonus	600	600
Provident Fund expenses	24,364	22,394
End of service severance expense	16,920	39,929
Main activities		
Contribution and grants received CNEWA- restricted	965,065	610,789
Contribution and grants received CNEWA- unrestricted	890,268	1,009,502

b) Balances with related parties are as follows:

	2023	2022
Key management compensation		
Key management compensation - Provident fund benefits	346,331	318,125
Key management compensation - End of service severance benefits	358,292	357,790
Main activities		
Due from CNEWA	582,366	575,608
Loans receivable	1,937	2,031

Notes to the Financial Statements (Continued)

(All amounts are in USD)

Note (15) – Risk Management

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The charity is subject to fluctuations in interest rates on its interest-bearing liabilities, if any.

Credit risk

Credit risk is the risk that one party will fail to discharge an obligation and will cause the other party to incur a financial loss. At the statement of financial position date, no significant concentrations of credit risk were identified by the PMP's management.

Currency risk

The PMP is subject to fluctuations in foreign exchange rates in the normal course of its operation. Further, the PMP does not hedge its currency exposure by means of hedging financial instruments.

Country risk

CNEWA - PMP is conducting all its activities in Palestine and Israel. The political and economic situations in the area increase the risk of carrying out its activities and might adversely affect CNEWA - PMP's performance.

Note (16) – Fair Value of Financial Instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. Financial instruments comprise financial assets and financial liabilities.

The PMP financial assets consist of cash and bank balances, and other debit balances. Its financial liabilities consist of payables, accruals, and other liabilities.

The fair values of financial instruments are not materially different from their carrying value.

Note (17) – Comparative Figures

Certain prior year figures may have been reclassified to conform to the presentation of the current year.

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Annex I – Expenses By Program (Continued)

(A)Subsidies to Institutions

(All amounts are in USD)

	Accompanying the Church	Responding to Human Needs	Total 2023		Total 2022
Catholic Near East Welfare Association (CNEWA), Canada					
Ephpheta Institute	-	80,000	80,000		94,000
PM Educational and Cultural Center	-	1,700	1,700		61,000
NECC - Gaza	-	-	-		22,500
Catholic Near East Welfare Association (CNEWA), Headquarters					
Ephpheta Institute	-	60,000	60,000		78,832
PM Educational and Cultural Center	-	72,000	72,000		-
NECC - Gaza	-	22,500	22,500		22,500
Total Subsidies to Institutions	-	236,200	236,200		278,832

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Annex I – Expenses By Program (Continued)
(B)Project Support to other Institutions
(All amounts are in USD)

	2023			2022
	Accompanying the Church	Responding to Human Needs	Total	
Catholic Near East Welfare Association (CNEWA), Headquarters				
Specified gifts	-	31,676	31,676	37,800
Medical Scholarships	-	6,000	6,000	6,000
Designated gifts	-	38,070	38,070	-
PM Educational and Cultural Center	-	17,991	17,991	-
Brotherhood park - Gaza	-	31,555	31,555	-
Mary Doty Park	-	45,000	45,000	61,200
Secretariat for Christian youth for subsidizing bible summer camps for Christian youth groups	7,003	-	7,003	2,500
Latin Parish for subsidizing pastoral activities in Jerusalem and the Old City	-	-	-	501
Latin Patriarchate for bible formation and contest program for youth in Israel	-	-	-	10,000
Maronite Church for supporting youth pastoral program of the Maronite Church	-	-	-	11,750
Greek Catholic Melkite Patriarchate for subsidizing youth pastoral ministry for the community	-	-	-	11,400
Latin Parish for subsidizing the Oratorio program at the Holy Family church in Gaza	-	-	-	10,730
House of Grace for supporting youth at-risk program	-	12,500	12,500	-
Latin Parish Beit Jala - Emergency due to COVID 19	28,000	-	28,000	30,000
Scholarships for Christian University Students in Gaza, Bethlehem and Jerusalem	-	-	-	3,483
Leadership program for young Christian girls and boys at the Rosary Sisters School	-	30	30	4,269
Bible formation and contest program in the West Bank	-	-	-	5,000
Support Needy Students of Bethlehem University	-	-	-	14,000
Support the 9 seminarians of the Greek Melkite Catholic Archbishop of Haifa	13,000	-	13,000	15,000
Leadership through scout programs and camps	-	20,000	20,000	20,000
NECC Malnutrition and Anemia Program for Children	-	-	-	5,000
Sunday School & Bible Summer Camps for children & youth in Palestine, East Jerusalem, and the Old City	22,000	-	22,000	15,000
Sunday School & Bible Summer Camps for children & youth in Bethlehem	22,550	-	22,550	20,000
Support regional Bible education contest in Palestine	25,000	-	25,000	10,000
Support youth pastoral program of the Maronite Church	16,500	-	16,500	10,500
Support the pastoral work of the Melkite Bishop in Jerusalem	29,000	-	29,000	20,000
Terra Sancta School - Sites visits for the religious Holy Places	2,500	-	2,500	2,500
Salt of Earth Pastoral program in Burqin	-	-	-	10,000
Support the pastoral activities of the Syriac Bishop	3,306	-	3,306	6,000
AFAQ	-	-	-	10,000
St.Nicholas Home	-	10,000	10,000	-
Infant Welfare Center for remedial education for children at risk	-	2,000	2,000	-
Antonian Home for the Elderly, Bethlehem for providing program support for the elderly	-	20,000	20,000	-
Support Christian Migrants in Israel - Teresians Association	-	15,000	15,000	-
Youth pastoral ministry for the Catholic community in Bethlehem.	35,000	-	35,000	-
Extracurricular Program for school-aged children	-	9,326	9,326	-
Sunday School & Bible Summer Camps for children & youth in Israel	15,000	-	15,000	-
Support the pastoral work of the Melkite Bishop in Haifa	25,000	-	25,000	-
Youth of Jesus Homeland-Anthem	-	3,400	3,400	-
War on Gaza 2023 Emergency	-	85,000	85,000	-
Hogar Nino Dios for running cost and upkeep of the facilities	10,500	-	10,500	-

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Annex I – Expenses By Program (Continued)
(B) Project Support to other Institutions
(All amounts are in USD)

	2023			2022
	Accompanying the Church	Responding to Human Needs	Total	
Catholic Near East Welfare Association (CNEWA), Canada				
Church of Kufr Smei' renovations	18,000	-	18,000	20,000
Beit Sahour Hospital for health control for pregnant women and babies	-	20,000	20,000	20,000
Scholarships for Christian University Students in Gaza, Bethlehem and Jerusalem	-	6,248	6,248	23,752
Bethlehem University	-	-	-	21,692
Infant Welfare Center for remedial education for children at risk	-	15,000	15,000	12,000
House of Grace for supporting youth at-risk program	-	-	-	10
Latin Parish for the employment of Christian youth in Gaza, Bethlehem & Jerusalem	-	-	-	7,800
Al-Ahli Hospital for medical care for poor and elderly Christian members of the parish in Gaza	-	22,004	22,004	17,996
Support for the Thomas Aquinas Training Youth Formation Center program at the Holy Family Latin Parish Church, Gaza	-	-	-	752
Emergency Relief Gaza: housing renovation & psychosocial support	-	-	-	1,513
Support the marketing of the products of religious congregations	-	-	-	10,000
Youth pastoral ministry for the Catholic community in Bethlehem.	5,008	-	5,008	19,600
Support for ROSMUN – Model United Nations (MUN) Program for East Jerusalem schools	-	-	-	25,000
Sunday School & Bible Summer Camps for children & youth in Israel	-	-	-	20,000
Support the pastoral work of the Melkite Bishop in Haifa	25,000	-	25,000	30,000
Eilaboun Catholic Church	-	-	-	5,550
Canna of Galilee Catholic Church	-	-	-	5,550
Canna of Galilee Orthodox Church	-	-	-	5,550
Bethlehem the Order of Carmelite Nuns	-	-	-	5,550
Ramleh Latin Church	-	-	-	55,465
Jenin Catholic Church	-	-	-	5,550
Nazareth Jabal Etoor Church	-	-	-	5,550
Tura'an Catholic Church	-	-	-	55,465
Antonian Charitable Society	-	400	400	-
Abu Dis Home for the Elderly	-	14,870	14,870	-
Leadership scout program	-	1,800	1,800	-
Syriac Orthodox Pat/new generation of leader	20,000	-	20,000	-
Leadership through scout programs and camps	-	10,000	10,000	-
Support regional Bible education contest in Israel	15,000	-	15,000	-
Support youth pastoral program of the Maronite Church	5,000	-	5,000	-
Support the pastoral work of the Melkite Bishop in Jerusalem	5,000	-	5,000	-
Salt of Earth Pastoral program in Burqin	10,000	-	10,000	-
Support Christian Migrants in Israel - Kuchinate Comboni Sisters	-	7,500	7,500	-
Sakhnin Church	5,400	-	5,400	-
War on Gaza 2023 Emergency	-	25,000	25,000	-
Children's Relief Bethlehem (CRB), Switzerland				
Providing a safe haven for children and youth through the YMCA football program	-	-	-	21,675
Diagnostic services and treatment for High-Risk Breast Cancer Patients at Al-Ahli Arab Hospital - Gaza	-	-	-	235
Rushing Aid to Gaza, Rosary Sisters School and YMCA - repair damages	-	-	-	13,976
Emergency Appeal - Heating Fuel for the Creche in Bethlehem	-	-	-	10,545
Transport incubator for Beit Sahour Cooperative Society for Health Welfare (CSHW)	-	-	-	14,550

CNEWA - PONTIFICAL MISSION FOR PALESTINE
Financial Statements for the year ended December 31, 2023

Annex I – Expenses By Program (Continued)
(B) Project Support to other Institutions
(All amounts are in USD)

	2023			2022
	Accompanying the Church	Responding to Human Needs	Total	Total
Procure Computers, projectors, and a smartboard for classroom use at the Ivrea Kindergarten in East Jerusalem	-	-	-	15,000
Promotion of health, psychosocial status among Palestinian women, children, and adolescents in the Gaza Strip (NECC)	-	13,500	13,500	-
Help establish the new kindergarten section within the College des Freres School, Old City of Jerusalem	-	35,000	35,000	-
Establish a school and community playground at the Salesian Sisters, Laura Vicuna School, Beit Jala	-	23,000	23,000	-
Misereor				
Green-energy technologies for Palestinian educational institutions in the West Bank and eastern Jerusalem	-	-	-	186,258
Develop children's and Youth's skills and character through extracurricular programs at Bethlehem and East-Jerusalem area schools	-	97,619	97,619	88,236
Psychological support for children, young people and their families in Gaza	-	73,544	73,544	-
Knights of the Holy Sepulcher, Holland				
KHS 2023 projects	-	57,353	57,353	-
2021 Projects	-	-	-	18,910
2022 projects	-	7,625	7,625	31,937
Kindermisissionswerk "PMK"				
Strengthening of the Scouts Movement in Gaza through Capacity building and common activities			-	17,713
Mother and Child Health program of the NECC Clinics in Gaza Strip			-	25,811
Grand Magisterium				
Grand Magisterium/2020 grants and support			-	(264)
Manos Unidas				
Gaza Psychosocial program for women and children	-	-	-	11,790
Electricity-saving solar power system installation at the creche orphanage/holy family hospital, Bethlehem governorate, west bank	-	-	-	38,410
Improve quality of education for hearing impaired Palestinian children	-	43,894	43,894	-
Embrace the Middle East				
Orthodox Scouts Training and development	-	-	-	13,101
Training and employment at AOCC	-	-	-	17,826
Youth for a Peaceful Society	-	-	-	17,711
YMCA Gaza Football Pitch renovations	-	-	-	12,472
YMCA Gaza emergency response	-	-	-	25,000
Extracurricular education 2022 - 2023	-	76,590	76,590	4,230
Educational guidance Phase II	-	9,160	9,160	4,240
Youth for a Peaceful Society Phase II	-	11,200	11,200	-
Training and employment at AOCC Phase II	-	29,405	29,405	-
Olive Harvesting for Empowerment	-	7,315	7,315	-
Porticus				
Strengthening internal capacities and Resilience	4,735	-	4,735	1,520
Improve the learning environment for the seminarians at the Seminary in Beit Jala	-	23,292	23,292	64,534
Evaluation of congregation properties in Israel/Palestine	-	-	-	19,876
Preparing the next generation of Christian leadership	-	74,985	74,985	15,378
Friends of the Holy Land				
Scholarship 2019 - 2020	-	-	-	6,110
Employment at the Arab Orthodox Cultural Center	-	-	-	25,000

Annex I – Expenses By Program (Continued)
(B) Project Support to other Institutions
 (All amounts are in USD)

	2023			2022
	Accompanying the Church	Responding to Human Needs	Total	Total
Diocese of Stockholm				
Preparation work for the installation of a greenhouse on the Salesian Sisters' land in Cremisan Valley, Beit Jala, West Bank	-	-	-	6,966
Al-Ahli Hospital for medical care for poor and elderly Christian members of the parish in Gaza	-	1,966	1,966	8,000
Support for malnourished children through the malnourishment program at Al-Ahli Arab Hospital - Gaza	-	-	-	22,970
Other Donation				
Christian Brothers - Emergency response for Gaza	-	360	360	2,000
Giorgio Lapira - NECC Gaza support	-	-	-	7,933
The Representative Office of Japan to Palestine - Providing Medical Equipment for breast cancer patients at Al-Ahli Arab Hospital in Gaza	-	-	-	63,545
Swiss Holy Land Association - Gaza Psychosocial Program for Women and Children	-	-	-	5,102
Open Doors / Care for you - Develop a Catholic Bible App in the Arabic language	500	-	500	-
Total Project Support to Other Institutions	368,002	1,056,178	1,424,180	1,565,274