

AMUDIM ISRAEL
(A REGISTERED SOCIETY)
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019

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**Auditors Report to the Members of the
AMUDIM ISRAEL**

We have audited the attached balance sheets of AMUDIM ISRAEL (hereinafter - “the Society”) as at December 31, 2019 and 2018, and the statements of activities, statements of changes in net assets and statements of cash flows for each of the years then ended. These financial statements are the responsibility of the Society’s Committee and Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, including those prescribed under the Auditors’ Regulations (Auditor’s Mode of Performance) - 1973. Those standards 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 Society’s Executive Committee and Management, as well as evaluating the overall financial statement presentation. We believe that my audit provides a reasonable basis for my opinion.

In our opinion, the aforementioned financial statements present fairly, in all material aspects, the financial position of the Society as at December 31, 2019 and 2018, the results of activities, changes in net assets and cash flows, for each of the years then ended, in conformity with accounting principles generally accepted in Israel (Israel GAAP).

Naama Elefant

**Certified Public
Accountant (Isr)**

Jerusalem, may 26, 2020

AMUDIM ISRAEL
(A REGISTERED SOCIETY)
BALANCE SHEETS

		December 31		
		Note	2019	2018
			<u>NIS</u>	<u>NIS</u>
<u>CURRENT ASSETS:</u>				
Cash and cash equivalents	3		376,313	282,777
Accounts receivable and accruals	4		<u>36,999</u>	<u>24,890</u>
			<u>413,312</u>	<u>307,667</u>
<u>NON-CURRENT ASSETS</u>				
Fixed assets	5		<u>56,736</u>	<u>75,492</u>
			<u>56,736</u>	<u>75,492</u>
			<u>470,048</u>	<u>383,159</u>
<u>CURRENT LIABILITIES :</u>				
Suppliers and service providers			5,060	6,134
Other payables	6		<u>189,089</u>	<u>157,497</u>
			<u>194,149</u>	<u>163,631</u>
<u>NET ASSETS – UNRESTRICTED:</u>				
Applied to activities			219,163	144,036
Applied for purchase of fixed assets			<u>56,736</u>	<u>75,492</u>
			<u>275,899</u>	<u>219,528</u>
			<u>470,048</u>	<u>383,159</u>

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

Date of signature

Council Member

Council Member

AMUDIM ISRAEL
(A REGISTERED SOCIETY)
STATEMENTS OF OPERATIONS

	<u>Note</u>	<u>Year ended December 31</u>	
		<u>2019</u>	<u>2018 (*)</u>
		<u>NIS</u>	<u>NIS</u>
Operational turnover	7	2,868,350	2,211,047
Cost of operations	8	<u>2,499,719</u>	<u>1,743,449</u>
Net income from operations		368,631	467,598
Administrative and general expenses	9	<u>291,135</u>	<u>257,680</u>
Net income before financial expenses		77,496	209,918
Financial expenses, net		<u>21,125</u>	<u>15,490</u>
Net income for the year		<u>56,371</u>	<u>194,428</u>

*Reclassified

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

AMUDIM ISRAEL

(A REGISTERED SOCIETY)

STATEMENTS OF CHANGES IN UNRESTRICTED NET ASSETS

	<u>Undesignated</u>	<u>Invested in fixed assets</u>	<u>Total</u>
	NIS	NIS	NIS
Balance as at January 1, 2018	(53,199)	78,299	25,100
Annual net revenues	194,428	-	194,428
Invested in fixed assets	(15,439)	15,439	-
Depreciation expenses coverage	18,246	(18,246)	-
Balance as at December 31, 2018	<u>144,036</u>	<u>75,492</u>	<u>219,528</u>
Annual net revenues	56,371	-	56,371
Invested in fixed assets	(1,920)	1,920	-
Depreciation expenses coverage	20,676	(20,676)	-
Balance as at December 31, 2019	<u>219,163</u>	<u>56,736</u>	<u>275,899</u>

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

AMUDIM ISRAEL
(A REGISTERED SOCIETY)

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

- a. Amudim Israel (a registered society; hereafter – the society) was established on July 3, 2017, and was registered in the Registry of Societies under No. 580647691.
- b. The society's goals:
 - Handling some of the most difficult problems facing the Israeli society in the fields of education, welfare, health, safety and quality of life.
 - The society assists individuals and their families to break out of what has become a vicious circle of abuse, addiction, crime and poverty, inter alia by operating an emergency telephone service center providing assistance, information and guidelines for people suffering, or who have suffered, from physical/sexual abuse, drug/alcohol addiction and for the homeless, and developing a programme for consciousness of personal safety at school and in the family.
- c. The society's books are kept at its independent auditors' office.
- d. The society has been awarded a "public institution" status under section 9(2) of the Income Tax Ordinance and a certificate under section 46 of the Income Tax Ordinance for the purpose of receiving donations.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

- a. Reporting principles -
The society's financial statements have been drawn up in conformity with the reporting principles for not-for-profit entities, as stipulated by professional pronouncements of the Institute of Certified Public Accountants in Israel and by accounting standards promulgated by the Israel Accounting Standards Board.
- b. The effect of the changes in the general purchasing power of Israeli currency –
The society's financial statements are presented in reported amounts, in conformity with accounting standards promulgated by the Israel Accounting Standards Board.
- c. Cash and cash equivalents –

The society considers all highly liquid investments including short-term (up to three months) bank deposits to be cash equivalents.

AMUDIM ISRAEL
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (cont.):

- d. Statement of cashflows has not been drawn up as it would not have added any significant information not otherwise presented in these financial statements.

NOTE 3 - CASH AND CASH EQUIVALENTS

Composed as follows:

	<u>December 31</u>	
	<u>2019</u>	<u>2018</u>
	<u>NIS</u>	<u>NIS</u>
Cash in bank	376,313	282,277
	<u>376,313</u>	<u>282,277</u>

NOTE 4 - ACCOUNTS RECEIVABLE AND ACCRUALS

Composed as follows:

	<u>December 31</u>	
	<u>2019</u>	<u>2018</u>
	<u>NIS</u>	<u>NIS</u>
Advance payments to suppliers and others	6,300	-
Receivables and outstanding balances	30,699	24,890
	<u>36,999</u>	<u>24,890</u>

AMUDIM ISRAEL
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 – FIXED ASSETS, NET:

Composed as follows:

	Equipment and furniture	Computers	Electronic equipment	Website	Total
	NIS		NIS		NIS
Cost					
Balance at beginning of year	4,995	31,581	54,816	4,083	95,475
Additions	-	-	980	940	1,920
Balance at end of year	4,995	31,581	55,796	5,023	97,395
Accumulated depreciation					
Balance at beginning of year	379	10,323	8,498	786	19,986
Depreciation for the year	442	10,422	8,258	1,554	20,676
Balance at end of year	821	20,745	16,756	2,340	40,662
Depreciated balance at December 31, 2019	4,174	10,836	39,040	2,683	56,736
Depreciated balance at December 31, 2018	4,620	21,258	46,317	3,297	75,492

AMUDIM ISRAEL
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 – OTHER PAYABLES

Composed as follows:

	December 31	
	2019	2018
	NIS	NIS
Employees and employee institutions	177,230	146,203
Unpaid expenses	10,000	10,000
Sundry	1,859	1,294
	189,149	157,497

NOTE 7 – OPERATIONAL TURNOVER

Composed as follow:

	Year ended December 31	
	2019	2018
	NIS	NIS
Donations	2,868,350	2,211,047
	2,868,350	2,211,047

NOTE 8– COST OF OPERATIONS

Composed as follows:

	Year ended December 31	
	2019	2018 (*)
	NIS	NIS
Payroll and related expenses	1,700,097	1,240,107
Rent and maintenance of premises	299,514	320,013
Supporting Services	397,929	142,190
Travel	3,004	3,951
Publicity	25,420	10,046
Communications and IT	33,573	5,696
Professional training	19,506	3,200
Depreciation	20,676	18,246
	2,499,719	1,743,449

*Reclassified

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 9 – ADMINISTRATIVE AND GENERAL EXPENSES

Composed as follows:

	Year ended	
	December 31	
	2019	2018
	NIS	NIS
Payroll and related expenses	180,518	201,817
Maintenance and office	31,368	8,842
Travel abroad	8,650	-
Professional fees	64,646	44,111
Taxes and fees	5,953	2,910
	<u>291,135</u>	<u>257,680</u>

NOTE 10 – INTERESTED PARTIES

The society has one interested party which donated over 25% of total donations – Amudim Community Resources, Inc.

NOTE 11 - EVENTS AFTER THE REPORTING PERIOD

The World Health Organization characterized the COVID-19 virus as a global pandemic on March 11, 2020. The duration and economic impact of this pandemic are uncertain.

At this time, management is unable to quantify its potential effects on the operations and financial performance of the Society.