

# **IDF Widows & Orphans Organization (NPO)**

## **Financial Statements As of December 31, 2016**

### **Contents**

	<b><u>Page</u></b>
<b>Report of the Independent Accountants</b>	2
<b>Financial Statements:</b>	
Balance Sheets	3
Statements of Activities	4
Statements of Changes in Net Assets	5
Statements of Cash Flows	6 – 7
Notes to the Financial Statements	8 – 15
Budget Comparison and Other Information	16 – 18

**Report of the Independent Accountants**

**To the Members of the IDF Widows & Orphans Organization (NPO)**

We have audited the accompanying Balance Sheets of the **IDF Widows & Orphans Organization (NPO)** (hereinafter – “the Organization”) as of December 31, 2016 and 2015, 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 Organization’s Executive Committee and management. Our responsibility is to express an opinion on these financial statements based on our audits.

We have conducted our audits in accordance with generally accepted auditing standards in Israel, including standards set in the Auditor's Regulations (Auditor's Mode of Performance), 1973. These 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 Organization’s Executive Committee and management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As stated in Note 2a to the financial statements, the above mentioned financial statements were prepared in nominal values and are not presented in reported amounts as required according to generally accepted accounting principles in Israel.

In our opinion, with the exception of that mentioned in the previous paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2016 and 2015 and the results of its operations, the changes in its net assets and its cash flows for each of the years ended on those dates, in conformity with generally accepted accounting principles (Israeli GAAP) – in nominal values.

Avidor Berdichev Gazit  
Accountants

Ramat-Gan,  
June 25, 2017

**IDF Widows & Orphans Organization (NPO)**

**Balance Sheets**

	Note	December 31	
		2016	2015
		NIS	NIS
<b>Current assets</b>			
Cash and cash equivalents	3	865,894	721,567
Negotiable securities		1,280,605	1,179,193
Accounts receivable and debit balances	4	708,384	804,238
		<u>2,854,883</u>	<u>2,704,998</u>
<b>Surplus of reserve over severance pay liability, net</b>	5	<u>25,163</u>	<u>35,083</u>
<b>Long-term investments and assets</b>			
Dedication of Atle scholarship fund	6	3,057,716	3,060,806
Aid funds	7	5,080,297	4,914,379
Fund for the establishment of activity centers	8	6,000,000	5,000,000
Scholarship fund	9	533,774	605,850
		<u>14,671,787</u>	<u>13,581,035</u>
<b>Fixed assets, net</b>	10	<u>291,243</u>	<u>322,595</u>
		<u>17,843,076</u>	<u>16,643,711</u>
<b>Current liabilities</b>			
Suppliers and service providers	11	524,490	400,679
Accounts payable and credit balances	12	293,262	304,453
		<u>817,752</u>	<u>705,132</u>
<b>Net assets</b>			
Net unrestricted assets			
Not earmarked by the Organization's institutions		2,062,294	2,034,949
Earmarked by the Organization's institutions		6,348,537	5,348,537
Used for fixed assets		291,243	322,595
		<u>8,702,074</u>	<u>7,706,081</u>
Net temporarily restricted assets		5,265,534	5,171,692
Net permanently restricted assets	6	3,057,716	3,060,806
		<u>17,025,324</u>	<u>15,938,579</u>
		<u>17,843,076</u>	<u>16,643,711</u>

June 25, 2017

Financial Statements  
Date of Approval

Nechama Muscal  
Committee Member

Tami Shelach  
Organization Chairwoman

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

**IDF Widows & Orphans Organization (NPO)**

**Statements of Activities**

		<b>For the Year Ended</b>	
		<b>December 31</b>	
		<b>2016</b>	<b>2015</b>
	<b>Note</b>	<b>NIS</b>	<b>NIS</b>
<b><u>Activity revenues</u></b>			
Donations		3,229,040	4,589,474
Ministry of Defence allocations		2,020,000	1,760,000
Membership fees		1,704,269	1,662,843
Advertising in the journal		56,910	13,000
Revenues from organizing activities		1,410,213	1,587,556
Amounts released from net temporarily restricted assets		485,482	745,708
<b>Total activity revenues</b>		<b>8,905,914</b>	<b>10,358,581</b>
Cost of activities	13	6,658,115	7,605,194
<b>Net income from activities</b>		<b>2,247,799</b>	<b>2,753,387</b>
Administrative and general expenses	14	1,335,108	1,446,203
<b>Net income before financing</b>		<b>912,691</b>	<b>1,307,184</b>
Financing income (expenses), net	15	83,302	(27,135)
<b>Net income for the year</b>		<b>995,993</b>	<b>1,280,049</b>

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

## IDF Widows & Orphans Organization (NPO)

### Statements of Changes in Net Assets

	Net Unrestricted Assets (Deficit)			Net Restricted Assets		
	Not earmarked by the Organization's institutions	Earmarked by the Organization's institutions	Used for Fixed Assets	Temporary	Permanent	Total
	NIS	NIS	NIS	NIS	NIS	NIS
<b><u>Balance as of Jan. 1, 2015</u></b>	1,713,989	4,348,537	363,506	5,297,198	3,088,511	14,811,741
Net income for the year	1,280,049	-	-	-	-	1,280,049
Financing expenses – funds	-	-	-	(283)	-	(283)
Withdrawals from funds	-	-	-	(745,708)	-	(745,708)
Change in fund designation for establishment of activity centers	(1,000,000)	1,000,000	-	-	-	-
Adjustment of Atle fund value to dedication terms	-	-	-	-	(28,071)	(28,071)
Increase in value of earmarked funds	-	-	-	4,025	366	4,391
Transfer to aid and loan fund	-	-	-	616,460	-	616,460
Amounts released from net assets used for fixed assets	(16,422)	-	16,422	-	-	-
Amounts transferred to cover depreciation expenses	57,333	-	(57,333)	-	-	-
<b><u>Balance as of Dec. 31, 2015</u></b>	<u>2,034,949</u>	<u>5,348,537</u>	<u>322,595</u>	<u>5,171,692</u>	<u>3,060,806</u>	<u>15,938,579</u>
Net income for the year	995,993	-	-	-	-	995,993
Financing expenses – funds	-	-	-	(576)	-	(576)
Withdrawals from funds	-	-	-	(485,482)	-	(485,482)
Change in fund designation for establishment of activity centers	(1,000,000)	1,000,000	-	-	-	-
Adjustment of Atle fund value to dedication terms	-	-	-	-	(3,090)	(3,090)
Increase in value of earmarked funds	-	-	-	18,086	-	18,086
Transfer to aid and loan fund	-	-	-	561,814	-	561,814
Amounts released from net assets used for fixed assets	(26,181)	-	26,181	-	-	-
Amounts transferred to cover depreciation expenses	57,533	-	(57,533)	-	-	-
<b><u>Balance as of Dec. 31, 2016</u></b>	<u>2,062,294</u>	<u>5,348,537</u>	<u>291,243</u>	<u>5,265,534</u>	<u>3,057,716</u>	<u>17,025,324</u>

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

**IDF Widows & Orphans Organization (NPO)**

**Statements of Cash Flows**

	<b>For the Year Ended</b>	
	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
	<b>NIS</b>	<b>NIS</b>
<b><u>Cash flows from operating activities</u></b>		
Net income for the year	995,993	1,280,049
Adjustments required to present cash flows provided by operating activities – see Appendix	279,248	149,241
Net cash provided by operating activities	<u>1,275,241</u>	<u>1,429,290</u>
<b><u>Cash flows used in investing activities</u></b>		
Deposit into fund for establishing activity centers	(1,000,000)	(1,000,000)
Acquisition of negotiable securities, net	(104,733)	(1,121,999)
Acquisition of fixed assets	(26,181)	(16,422)
Net cash used in investing activities	<u>(1,130,914)</u>	<u>(2,138,421)</u>
<b>Increase (decrease) in cash and cash equivalents</b>	144,327	(709,131)
<b>Cash and cash equivalents at beginning of year</b>	721,567	1,430,698
<b>Cash and cash equivalents at end of year</b>	<u>865,894</u>	<u>721,567</u>

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

**IDF Widows & Orphans Organization (NPO)**  
**Statements of Cash Flows (continued)**

**Appendix** – Adjustments required to present cash flows provided by operating activities

	<b>For the Year Ended</b>	
	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
	<b>NIS</b>	<b>NIS</b>
<b>Income and expenses not entailing cash flows:</b>		
Depreciation	57,333	57,333
Decrease in surplus of reserve over severance pay liability, net	9,920	33,867
Decrease in value of negotiable securities, net	3,321	57,715
<b>Changes in asset and liability items:</b>		
Decrease (increase) in accounts receivable and debit balances	95,854	(237,214)
Increase in suppliers and service providers	123,811	150,430
Decrease (increase) in accounts payable and credit balances	(11,191)	87,110
	<b>279,248</b>	<b>149,241</b>

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

## **IDF Widows & Orphans Organization (NPO)**

### **Notes to the Financial Statements**

#### **1. General**

- a. The IDF Widows & Orphans Organization (NPO) (hereinafter – “the Organization”) was established on December 22, 1991 and operates in accordance with the Non-Profits Law, 1980. The Organization was initially registered under the name “The Association for Survivors of Israel’s Fallen Soldiers”, and in 1999 changed its name to its present name “The IDF Widows & Orphans Organization”. In 1996, the Organization was recognized by the Minister of Defense as the representative organization under the Fallen Soldier’s Families Law (Compensation and Rehabilitation), 1950. The significance of this decision, among others, was the receipt of an annual budget from the Ministry of Defense.

The goals of the Organization, as determined in the Organization’s articles of association, are to operate with any person or body, organization or government authority or in the general public for the rehabilitation of the Organization members’ condition, both as a group and as individuals, and for the organization and recruitment of aid and assistance from various social and economic groups related to education and employment, and provision of medical, psychological, legal and financial relief to its members. In order to achieve these goals, the Organization operates works to receive donations, grants, inheritances, loans, membership fees and other budgets to finance its activities and to provide assistance to its members.

The Organization’s operations are designed for public purposes as defined in the Income Tax Ordinance, and therefore its income is not taxed under Section 9(2) of the Income Tax Ordinance.

The Organization is approved according to Section 46 of the Income Tax Ordinance, according to which a donation made to the Organization entitles the individual contributor to a tax credit of 35% of the donation amount (company – a credit amounting to the corporate tax rate).

#### **b. Government support**

The Organization receives the support of a Ministry of Defense budget.

- c. The definitions in these financial statements are in conformity with Accounting Standard 5 of the Israel Accounting Standards Board regarding “Financial Accounting and Reporting Principles for Non-Profits”.

#### **Net restricted assets**

Net assets, from donations received or from some other inflow of assets, the use of which by the Organization has been restricted by contributors’ conditions.

#### **Temporary Restrictions**

Conditions that expire with the occurrence of a certain event or with the passing of time, or that can be upheld or removed by taking any actions according to the conditions.

#### **Permanent restrictions**

Donors’ conditions that do not expire with the passing of time and that cannot be upheld or removed by taking any actions according to the conditions. This restriction allows the use of only the proceeds from the contribution.



## IDF Widows & Orphans Organization (NPO)

### Notes to the Financial Statements

#### 1. General (continued)

##### Other information

As defined in Auditing Standard 75 of the Institute of Certified Accountants in Israel regarding "Other information in documents including audited financial statements".

- d. Preparation of the financial statements in conformity with generally accepted accounting principles requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities and the amounts of contingent assets and liabilities given disclosure in the financial statements, as well as the amounts of revenues and expenses during the reporting period. The actual results could differ from those estimates.

#### 2. Significant accounting policies

Significant accounting policies that were consistently applied in preparation of the financial statements are as follows:

a. The effect of changes in the general purchasing power of the Israeli currency

The financial statements were prepared in accordance with generally accepted accounting principles based on the historical cost convention. No disclosure was provided in these statements regarding the effect of changes in the general purchasing power of the Israeli currency on the Organization's activities. In addition, the financial statements are not presented in reported amounts, as required according to generally accepted accounting principles in Israel.

b. Restricted contributions

Donations and/or some other inflow of assets, received with a restriction on their use by contributors' conditions and that were used for activities during the reporting year, are presented in the statements of activities as revenue.

Donations, received with a restriction on their use by the contributors and that were not used for activities during the reporting year, are presented in the statement of changes in net assets as an addition to net restricted assets. Upon execution of the goals for which the above mentioned donations were received, the donations are presented in the statement of changes in net assets and in the statement of activities as amounts released from net restricted assets – for use in activities.

c. Cash and cash equivalents

Cash and cash equivalents include highly liquid investments, including bank deposits for which the period to maturity at the time of the investment did not exceed three months and that are not restricted for use or by lien.

Balances in or linked to foreign currency are included according to the representative rates of exchange as of the balance sheet date, as follows:

	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
Consumer Price Index (in points)	131.20	131.45
Rate of exchange in NIS of 1 USD	3.845	3.902
Rate of exchange in NIS of 1 EUR	4.044	4.247

## IDF Widows & Orphans Organization (NPO)

### Notes to the Financial Statements

#### 2. Significant accounting policies (continued)

d. Investments

Negotiable bonds, stocks and options were included according to their value on the stock exchange as of the financial statements date. Certificates of participation in trust funds were included according to the redemption prices as of the financial statements date. Bank deposits include linkage differentials, exchange rate differentials and interest accrued as of the financial statements date. Profits (losses) from these investments were included in the statements of activities as net financing income (expenses).

e. Fixed assets

Fixed assets are included at cost, less accumulated depreciation. Depreciation is calculated using the straight line method over the estimated economic life of the assets.

f. Liabilities

Included are liabilities that the Organization has undertaken up to the financial statements date.

g. Recognition of income

Income is recorded on an accrual basis, including deferred donations receivable through credit cards and checks collectible that relate to the reporting period but that have not been received as of the balance sheet date and the collection of which is expected after the balance sheet date, as well as donations that relate to the reporting period and that were received as of the date of signing the financial statements.

Donations received as assets were included in the financial statements at the fair value of the assets according to a valuation by an assessor or the Organization.

h. Expenses

Expenses are recorded on an accrual basis and include provisions for liabilities undertaken by the Organization as of the financial statements date.

#### 3. Cash and cash equivalents

Composition:

	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
Cash in Israeli currency	573,206	593,206
Cash in foreign currency	219,048	69,647
Short-term deposits	73,251	58,714
	<u>865,894</u>	<u>721,567</u>

## IDF Widows & Orphans Organization (NPO)

### Notes to the Financial Statements

#### 4. Accounts receivable and debit balances

Composition:

	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
Advance payments to suppliers	2,627	2,627
Credit companies and checks collectible	705,757	801,611
	<u>708,384</u>	<u>804,238</u>

#### 5. Surplus of reserve over severance pay liability, net

The Organization's severance pay liabilities for its employees are fully covered by ongoing payments to insurance companies and by the severance pay provision balance. The amounts accumulated in the insurance companies are not controlled or managed by the Organization, and therefore they are not presented in the balance sheet.

The Organization's severance pay liabilities, not included in the pension plans or the insurance, are fully included in the balance sheet in conformity with the law and work agreements, and are calculated based on the employees' last wage as of the balance sheet date.

The reserve in the compensation fund includes accrued profits and may be withdrawn only after the obligations have been fulfilled according to work agreements and the Severance Pay Law.

	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
Reserve deposited	117,273	114,789
Less – Severance pay provision	(92,110)	(79,706)
	<u>25,163</u>	<u>35,083</u>

#### 6. Dedication of Atle scholarship fund

According to a court decision, the Organization has served as trustee for this Dedication starting in 1994, when the Dedication fund amount in nominal values on February 8, 1994, at the time the funds were transferred to the Organization as trustee, was NIS 1,446,160. The Organization serves as trustee for the Dedication "Atle Margalit Fund". The terms of the Dedication limit the Organization to the distribution of educational scholarships to IDF orphans from the deposit's proceeds (from the real proceeds after linkage to the CPI).

	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
Donation principal	1,446,160	1,446,160
Linkage differentials accrued to the fund, net	1,611,556	1,614,646
	<u>3,057,716</u>	<u>3,060,806</u>

## IDF Widows & Orphans Organization (NPO)

### Notes to the Financial Statements

#### 7. Aid funds

Composition:	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
	<b>NIS</b>	<b>NIS</b>
Deposit for loans to Organization members (a)	3,914,848	3,634,564
Aid fund for health grants (b)	1,165,449	1,279,815
	<b>5,080,297</b>	<b>4,914,379</b>

- a) The fund was established in 2005 and is financed by monthly membership fees of NIS 5, in accordance with a decision by the Knesset Labor and Social Affairs Committee, deducted from the membership fees paid to the Organization by its members.  
The deposit is held in a banking corporation and bears annual interest at a rate of Prime – 1.5%.  
The above mentioned deposit serves as the Organization's guarantee for loans to its members, which are received from the bank at preferable terms.
- b) The fund was established in 2005 and is financed by monthly membership fees of NIS 5, in accordance with a decision by the Knesset Labor and Social Affairs Committee, deducted from the membership fees paid to the Organization by its members. The fund's goal is to aid the Organization's members with health related matters through grants, approved by the Organization's Loans and Grants Committee.

#### 8. Fund for the establishment of activity centers

In accordance with a decision by the Organization's Executive Committee, a decision was made in the past to appropriate the amount of NIS 3,500,000 of the balance of the Organization's funds for the establishment of activity centers for widow members of the Organization. In 2015, the Executive Committee decided to set the fund amount at NIS 5,000,000. In 2016, it was decided to set a goal of an additional NIS 1,000,000, so that the balance of the principal as of December 31, 2016 is NIS 6,000,000.

#### 9. Scholarship fund

- a. In accordance with a decision by the Organization's Executive Committee, a decision was made in the past to appropriate the amount of NIS 1,000,000 of the balance of the Organization's funds for the distribution of scholarships and wedding gifts. The fund is presented according to the decided upon amount for appropriation, less amounts withdrawn for the distribution of scholarships.  
In the reporting year and in the previous year, no scholarships were distributed from the fund.
- b. The fund includes a donation, designated for the distribution of scholarships from an inheritance in the name of Sarah and Yosef Graf (Z"l), which was received in 2011. During the reporting year, the amount of NIS 71,500 was distributed from the fund (NIS 242,300 in the previous year).

**IDF Widows & Orphans Organization (NPO)**

**Notes to the Financial Statements**

10. **Fixed assets, net**

Composition:	<u>Computers</u>	<u>Office Furniture and Equipment</u>	<u>Leasehold Improvements</u>	<u>Total</u>
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
<b>Cost</b>				
Balance as of Jan. 1, 2016	372,759	430,847	462,119	1,265,725
Additions during the year	17,121	9,060	-	26,181
Balance as of Dec. 31, 2016	<u>389,880</u>	<u>439,907</u>	<u>462,119</u>	<u>1,291,906</u>
<b>Accumulated depreciation</b>				
Balance as of Jan. 1, 2016	361,054	316,641	265,435	943,130
Depreciation for the year	8,778	15,976	32,779	57,533
Balance as of Dec. 31, 2016	<u>369,832</u>	<u>332,617</u>	<u>298,214</u>	<u>1,000,663</u>
<b>Depreciated cost</b>				
As of Dec. 31, 2016	<u>20,048</u>	<u>107,290</u>	<u>163,905</u>	<u>291,243</u>
As of Dec. 31, 2015	<u>11,705</u>	<u>114,206</u>	<u>196,684</u>	<u>322,595</u>
Depreciation rates	<u>33%</u>	<u>7% - 15%</u>	<u>10%</u>	

11. **Suppliers and service providers**

Composition:	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
Open debts	211,958	265,076
Checks payable	312,532	135,603
	<u>524,490</u>	<u>400,679</u>

12. **Accounts payable and credit balances**

Composition:	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
Employees and institutions for salaries	177,602	161,193
Expenses payable	48,260	48,260
Other	67,400	95,000
	<u>293,262</u>	<u>304,453</u>

**IDF Widows & Orphans Organization (NPO)**

**Notes to the Financial Statements**

13. **Cost of activities**

	<b>For the Year Ended</b>	
	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
	<b>NIS</b>	<b>NIS</b>
Composition:		
Family events (trips, summer camp, culture, etc.)	3,790,993	4,521,992
Support for families	588,812	707,888
Production of Organization journal	432,348	382,850
Distribution of scholarships and wedding gifts	351,000	529,800
Salaries and related expenses	820,546	764,860
Rent and electricity	322,650	351,054
Municipal taxes	69,849	71,582
Office maintenance and expenses	161,016	136,787
Post and communications	63,181	84,407
Depreciation	51,780	51,600
Shipping and deliveries	5,940	2,374
	<b>6,658,115</b>	<b>7,605,194</b>

14. **Administrative and general expenses**

	<b>For the Year Ended</b>	
	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
	<b>NIS</b>	<b>NIS</b>
Composition:		
Salaries and related expenses	635,889	608,205
Office rent and electricity	35,850	39,276
Municipal taxes	7,761	7,954
Communications	7,865	10,777
Legal expenses	124,440	126,921
Bookkeeping and auditing	153,640	161,616
Strategic consulting, public relations and administration	96,529	97,833
Office expenses and maintenance	21,691	19,002
Refreshments, entertainment and gifts	21,714	30,183
Fees, membership fees and advanced training	13,435	21,935
Vehicle maintenance, parking, travel and deliveries	66,342	84,638
Office insurance	1,508	1,918
Officers liability insurance	9,667	10,025
Fundraising	26,843	128,632
Depreciation	5,753	5,733
Advertising	25,670	48,264
Organization election expenses	48,802	37,391
Miscellaneous	31,709	5,900
	<b>1,335,108</b>	<b>1,446,203</b>

**IDF Widows & Orphans Organization (NPO)**

**Notes to the Financial Statements**

15. **Financing income (expenses), net**

Composition:	<b>For the Year Ended</b>	
	<b>December 31</b>	
	<b>2015</b>	<b>2014</b>
	<b>NIS</b>	<b>NIS</b>
<b>Financing income</b>		
Interest and dividend income	138,052	108,422
	<u>138,052</u>	<u>108,422</u>
Less – the share of restricted funds in financing income	(14,996)	-
Total financing income	<u>123,056</u>	<u>108,422</u>
<b>Financing expenses</b>		
Commissions to banks and credit companies	(24,916)	(31,618)
Consulting and managing investments	(7,798)	(9,461)
Exchange rate differentials, net	(3,719)	(32,738)
Losses realized and revaluation of negotiable securities, net	(3,321)	(85,420)
	<u>(39,754)</u>	<u>(159,237)</u>
Less – the share of restricted funds in financing expenses	-	23,680
Total financing expenses	<u>(39,754)</u>	<u>(135,557)</u>
Financing income (expenses), net	<u>83,302</u>	<u>(27,135)</u>

## IDF Widows & Orphans Organization (NPO)

### Budget Comparison

The budget was approved at a meeting of the elected representatives of the Organization. The budget data that is "other information" is not audited.

	<b>December 31</b>		
	<b>2017</b>	<b>2016</b>	<b>2016</b>
	<b>NIS</b>	<b>NIS</b>	<b>NIS</b>
	<b>Budget</b>	<b>Actual Performance</b>	<b>Budget</b>
<b>Activity revenues</b>			
Ministry of Defense allocation	2,000,000	2,020,000	1,700,000
Revenues from membership fees	1,704,000	(*) 1,704,269	1,704,000
Donations	3,908,000	3,229,040	4,472,416
Amounts released from restricted net assets	576,000	485,482	576,000
Revenues from organizing activities	1,300,000	1,410,213	1,300,000
Other revenues	30,000	56,910	30,000
	<u>9,518,000</u>	<u>8,905,914</u>	<u>9,782,416</u>
<b>Organization activity expenses</b>			
<b>Cost of activities</b>			
Support for Organization member families	1,680,000	1,336,818	1,635,000
Events and activities for Organization members	4,219,000	3,393,987	4,168,000
Production of Organization journal	350,000	432,348	350,000
Salaries and related expenses	790,000	820,546	760,000
Rent and electricity	340,000	322,650	320,000
Municipal taxes	90,000	69,849	80,000
Office expenses and maintenance	180,000	97,507	150,000
Post and communications	130,000	63,181	150,000
Computer maintenance and website	55,000	60,190	50,000
Deliveries	10,000	5,940	10,000
Travel and parking	10,000	3,319	10,000
Depreciation	-	51,780	-
Unexpected expenses and miscellaneous	25,000	-	25,000
Financing expenses (income), net	40,000	(83,302)	40,000
Total cost of activities	<u>7,919,000</u>	<u>6,574,813</u>	<u>7,748,000</u>

(\*) The revenues from net membership fees are presented less revenues from membership fees of NIS 561,814 for the aid funds, listed under net temporarily restricted assets.



**IDF Widows & Orphans Organization (NPO)**

**Budget Comparison (continued)**

	For the Year Ended		
	December 31		
	2017	2016	2016
	NIS	NIS	NIS
	Actual		
	Performance	Budget	
<b>Administrative and general expenses</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
Salaries and related expenses	690,000	565,195	660,000
Office rent and electricity	44,000	35,850	40,000
Municipal taxes	12,000	7,761	10,000
Communications	15,000	7,865	15,000
Legal expenses	130,000	124,440	130,000
Bookkeeping and auditing	163,000	153,640	163,000
Office maintenance and expenses	55,000	23,687	55,000
Refreshments, gifts and entertainment	15,000	21,714	15,000
Membership fees and advanced training	15,000	13,435	15,000
Vehicle maintenance, parking, travel and deliveries	95,000	65,854	95,000
Depreciation	-	5,753	-
Marketing strategy	110,000	96,529	110,000
Directors liability insurance	15,000	9,667	15,000
Advertising	-	25,670	-
Compensation to Exec. Committee members for meetings	70,000	70,694	70,000
Fundraising	150,000	26,843	300,000
Unexpected expenses and miscellaneous	20,000	31,709	20,000
Organization election expenses	-	48,802	321,416
<b>Total administrative and general expenses</b>	<b>1,599,000</b>	<b>1,335,108</b>	<b>2,034,416</b>
<b>Net income for the year</b>	<b>-</b>	<b>995,993</b>	<b>-</b>

**IDF Widows & Orphans Organization (NPO)**

**List of donations over NIS 20,000 in 2016**

Data regarding donations are “other information” and are not audited.

<b><u>Source of Donation</u></b>	<b><u>Date of Donation</u></b>	<b><u>Amount in NIS</u></b>
PEF	Jan. 20, 2016	25,659
PEF	Feb. 2, 2016	154,433
PEF	Feb. 9, 2016	77,572
Bank Leumi Le’Israel	Feb. 14, 2016	30,000
The Estate of Melanie Heseg	Feb. 18, 2016	140,747
The Estate of Melanie Heseg	Mar. 2, 2016	190,500
PEF	Mar. 15, 2016	166,545
PEF	Apr. 12, 2016	41,480
Bank Hapoalim Le’Israel	May 8, 2016	20,000
Covenant	Jun. 16, 2016	77,471
FIDF	Jun. 28, 2016	267,251
PEF	Jul. 3, 2016	39,928
Israel Toremet	Jul. 20, 2016	117,673
PEF	Jul. 26, 2016	75,782
Alfa Epsilon	Aug. 2, 2016	75,360
PEF	Sept. 8, 2016	20,655
American Support	Aug. 19, 2016	28,859
PEF	Nov. 15, 2016	23,044
PEF	Nov. 22, 2016	21,422
IDFWOCA	Dec. 25, 2016	203,760
FIDF	Dec. 29, 2016	863,775