

IDF Widows and Orphans Organization (Nonprofit)

**Financial Statements as of
December 31 2017**

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Independent Auditors' Report

For the Members of the IDF Widows and Orphans Organization (Nonprofit)

We have audited the attached balance sheets of the **IDF Widows and Orphans Organization (Nonprofit)** (hereinafter: "the Organization") as of December 31 2017 and 2016, its reports on changes in net assets and cash flow reports for each of the years ending those dates. These financial statements are the responsibility of the Organization's managing committee and management. Our responsibility is to express our opinion on these financial statements based on our audits.

We prepared our audit in accordance with generally accepted Israeli accounting standards, including standards defined in the Accounting Regulations (Accountant's Method of Operation), 1973. These regulations require that we plan and perform the audit with the aim of achieving reasonable assurance the Financial Statements are free of material misrepresentations. The audit includes samplings of evidence supporting the sums and information in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the Organization's managing committee and management, as well as an evaluation of the overall financial statement presentation. We believe that our audit provides adequate basis for our opinion.

As noted in Note 2a to the Financial Statements, these Financial Statements have been prepared in nominal sums and are not presented in reported sums as required by Israeli GAAP.

In our opinion, with the exception of that stated in the previous paragraph, these Financial Statements adequately reflect, in all material respects, the financial status of the Organization as of December 31 2017 and 2016, and the results of the Organization's activities, changes in its net assets and cash flows for each of the years ending those dates in accordance with generally accepted Israeli accounting practices – in nominal sums.

Avidor Bardichev Gazit
Certified Public Accountants

Ramat Gan,

June 18, 2018

IDF Widows and Orphans Organization (Nonprofit)

Balance Sheets

		<u>December 31</u>	
	<u>Note</u>	<u>2017</u>	<u>2016</u>
		<u>NIS</u>	
<u>Current Assets</u>			
Cash and cash equivalents	3	1,797,858	865,894
Tradable securities		438,554	1,280,605
Other accounts receivable	4	1,212,595	708,384
		<u>3,449,007</u>	<u>2,854,883</u>
		-----	-----
<u>Excess reserve for severance pay liability, net</u>	5	31,396	25,163
		-----	-----
<u>Investments and long-term assets</u>			
Attala Scholarships Fund dedication	6	3,060,700	3,057,716
Assistance funds	7	5,142,968	5,080,297
Activity center construction fund	8	7,118,571	6,000,000
Scholarship distribution fund	9	541,578	533,774
		<u>15,863,817</u>	<u>14,671,787</u>
		-----	-----
<u>Fixed assets, net</u>	10	266,458	291,243
		<u>-----</u>	<u>-----</u>
		<u>19,610,678</u>	<u>17,843,076</u>
		=====	=====
<u>Current Liabilities</u>			
Trade payables	11	848,164	524,490
Other payables and credit balances	12	359,332	293,262
		<u>1,207,496</u>	<u>817,752</u>
		-----	-----
<u>Assets, net</u>			
Unrestricted net assets			
Not designated by the Organization's institutions		2,272,907	2,062,294
Designated by the Organization's institutions		7,475,371	6,348,537
Used for fixed assets		266,458	291,243
		<u>10,014,736</u>	<u>8,702,074</u>
Temporarily restricted net assets		5,327,746	5,265,534
Permanently restricted net assets	6	3,060,700	3,057,716
		<u>18,403,182</u>	<u>17,025,324</u>
		-----	-----
		<u>19,610,678</u>	<u>17,843,076</u>
		=====	=====

June 18, 2018

Approval date
The Financial
Statements

Nehama Muskal
Committee
Member

Tammy Shelach
Chairwoman of the
Organization

The accompanying Notes constitute an inseparable part of the Financial Statements.

IDF Widows and Orphans Organization (Nonprofit)

Reports on Activities

		<u>For the Year Ending</u>	
		<u>December 31</u>	
		<u>2017</u>	<u>2016</u>
	<u>Note</u>	<u>NIS</u>	
<u>Activity Turnover</u>			
Donations		3,961,086	3,229,040
Ministry of Defense allocations		2,010,000	2,020,000
Membership fees		1,861,737	1,704,269
Newsletter publication		24,902	56,910
Revenues from the organization of activities		1,689,724	1,410,213
Sums released from restricted net assets		620,542	485,482
Total activity turnover		<u>10,167,991</u>	<u>8,905,914</u>
Cost of activities	13	7,536,589	6,658,115
Net revenues from activities		<u>2,631,402</u>	<u>2,247,799</u>
Administrative and general expenses	14	1,385,903	1,335,108
Net revenues before financing		<u>1,245,499</u>	<u>912,691</u>
Finance revenues (expenses), net	15	(58,538)	83,302
Tax expenses		(1,133)	-
Net yearly revenues		<u><u>1,185,828</u></u>	<u><u>995,993</u></u>

The accompanying Notes constitute an inseparable part of the Financial Statements.

IDF Widows and Orphans Organization (Nonprofit)

Reports on Net Changes in Assets

	<u>Unrestricted Net Assets</u>			<u>Restricted Net Assets</u>		
	<u>Not Designated by the Organization's Institutions</u>	<u>Designated by the Organization's Institutions</u>	<u>Used for Fixed Assets NIS</u>	<u>Temporary</u>	<u>Permanent</u>	<u>Total</u>
<u>Balance as of January 1 2016</u>	2,034,949	5,348,537	322,595	5,171,692	3,060,806	15,938,579
Net yearly revenues	995,993	-	-	-	-	995,993
Financing expenses – funds	-	-	-	(576)	-	(576)
Withdrawal from funds	-	-	-	(485,482)	-	(485,482)
Re-designating activity center construction fund	(1,000,000)	1,000,000	-	-	-	-
Adapting the value of the Attala Fund to the terms of the dedication	-	-	-	-	(3,090)	(3,090)
Increase in value of designated funds	-	-	-	18,086	-	18,086
Transfer to the assistance and loans fund	-	-	-	561,814	-	561,814
Sums released from net assets						
Used for fixed assets	(26,181)	-	26,181	-	-	-
Sums transferred to cover expenses	57,533	-	(57,533)	-	-	-
Depreciation						
<u>Balance as of December 31 2016</u>	<u>2,062,294</u>	<u>6,348,537</u>	<u>291,243</u>	<u>5,265,534</u>	<u>3,057,716</u>	<u>17,025,324</u>
Net yearly revenues	1,185,828	-	-	-	-	1,185,828
Financing expenses – funds	-	-	-	(459)	-	(459)
Withdrawal from funds	-	-	-	(620,542)	-	(620,542)
Re-designating activity center construction fund	(1,000,000)	1,000,000	-	-	-	-
Adapting the value of the Attala Fund to the terms of the dedication	-	-	-	-	2,984	2,984
Increase in value of designated funds	-	126,834	-	173,773	-	300,607
Transfer to the assistance and loans fund	-	-	-	509,440	-	509,440
Sums released from net assets						
Used for fixed assets	(39,797)	-	39,797	-	-	-
Sums transferred to cover expenses	64,582	-	64,582)	-	-	-
Depreciation						
<u>Balance as of December 31 2017</u>	<u>2,272,907</u>	<u>7,475,371</u>	<u>266,458</u>	<u>5,327,746</u>	<u>3,060,700</u>	<u>18,403,182</u>

The accompanying Notes constitute an inseparable part of the Financial Statements.

IDF Widows and Orphans Organization (Nonprofit)

Cash Flow Reports

	<u>For the Year Ending</u>	
	<u>December 31</u>	
	<u>2 0 1 7</u>	<u>2 0 1 6</u>
	<u>NIS</u>	
<u>Cash Flow from Current Activities</u>		
Net yearly revenues	1,185,828	995,993
Adjustments needed to present cash flows from current activities – see appendix	(7,427)	294,244
Net cash from current activity	<u>1,178,401</u>	<u>1,290,237</u>
	-----	-----
<u>Cash Flow for Investment Activity</u>		
Deposit in activity center construction fund	(1,000,000)	(1,000,000)
Proceeds from realization (acquisition) of tradable securities, net	793,360	(119,729)
Acquisition of fixed assets	(39,797)	(26,181)
Net cash used in investment activities	<u>(246,437)</u>	<u>(1,145,910)</u>
	-----	-----
Increase in cash and cash equivalents	<u>931,964</u>	<u>144,327</u>
Balance of cash and cash equivalents at the beginning of the year	865,894	721,567
	-----	-----
Balance of cash and cash equivalents at the end of the year	<u>1,797,858</u>	<u>865,894</u>
	=====	=====

The accompanying Notes constitute an inseparable part of the Financial Statements.

IDF Widows and Orphans Organization (Nonprofit)

Cash Flow Reports (Continued)

Adjustments Required for the Presentation of Cash Flow from Current Activities

	<u>For the Year Ending</u>	
	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	
Income and expenses not involving cash flows:		
Depreciation	64,582	57,533
Decrease (increase) in excess reserve for severance pay liability, net	(6,233)	9,920
Devaluation of tradable securities, net	48,691	18,317
Changes in asset and liability items:		
Decrease (increase) in other receivables	(504,211)	95,854
Increase in trade payables	323,674	123,811
Decrease (increase) in other payables	66,070	(11,191)
	<u>(7,427)</u>	<u>294,244</u>

The accompanying Notes constitute an inseparable part of the Financial Statements.

IDF Widows and Orphans Organization (Nonprofit)

Notes to the Financial Statements

1. General

- a. The IDF Widows and Orphans Organization (Nonprofit) (hereinafter: “the Organization”) was founded on December 22 1991 and operates in accordance with the Associations Law, 1980. The Organization was originally registered as “the Association for the Survivors of the Fallen in Israel’s Wars”, and in 1999 it changed its name to its current name of “the IDF Widows and Orphans Organization”. In 1996 the Organization was recognized by the Minister of Defense as the representative organization for by virtue of the Families of Soldiers Fallen in Battle (Remuneration and Rehabilitation) Law, 1950. The meaning of this decision, among other things, was the receipt of a yearly budget from the Ministry of Defense.

The Organization’s goals, as set in the Organization’s bylaws, are to act with any person or entity, organization or government authority or the public in general, in order to rehabilitate the condition of the Organization’s members, as a public and as individuals, and in order to organize and raise assistance and help from various entities in the social and economic fields, connected to education and employment, and submitting medical, mental, legal and financial assistance to its members. In order to achieve these goals, the Organization works to receive donations, grants, estates, loans, membership fees and other budgets in order to finance its activity and assist its members.

The Organization’s actions were intended for public purposes as defined in the Income Tax Ordinance, and therefore its income is not taxable by virtue of Section 9.(2) of the Income Tax Ordinance.

The Organization has approval in accordance with Section 46 of the Income Tax Ordinance. according to which a donation given the Organization grants the individual donor with a credit of 35% of the sum of the donation (Company – credit to the corporate tax rate).

- b. Government Support
The Organization is supported by Ministry of Defense budgets.
- c. The definitions in these Financial Statements are in accordance with Accounting Standard 5 of the Israeli Institute of Certified Public Accountants, on accounting rules and financial reporting by non-profits.

Net Restricted Assets

Net assets, deriving from donations received or from some other inflow of assets, use of which by the Organization has been restricted by donor stipulations.

Temporary Restriction

Stipulations that expire upon the occurrence of a certain event or upon the passing of time, or which can be met or removed by taking some actions in accordance with these stipulations.

Permanent Restriction

Donor stipulations that do not expire with time, and which cannot be met or removed by taking some actions in accordance with these stipulations. Such a restriction allows the use of the fruits of the donations only.

Other Information

As defined in Auditing Standard 75 of the Institute of Certified Public Accountants in Israel on “Other Information in Documents Containing Controlled Financial Statements.”

IDF Widows and Orphans Organization (Nonprofit)

Notes to the Financial Statements

- d. In preparing the Financial Statements according to generally accepted accounting practices, management is required to use estimates and assessments that may influence the reported information on assets and liabilities, on data on contingent assets and pending liabilities disclosed in the books and on revenue and expense data for the reported period. Actual results may differ from these estimates.

2. Principal Accounting Policies

The principal accounting policies, which were consistently applied in the preparation of the Financial Statements, are:

- a. Influence of Changes in Purchasing Power of Israeli Currency
The Financial Statements have been prepared according to generally accepted accounting principles, on the historical cost convention basis. No disclosure is provided in these reports regarding the impact of the changes to the general purchasing power of Israeli currency on the Organization's activity. Furthermore, the Financial Statements are not presented in reported sums in accordance with generally accepted Israeli accounting rules.
- b. Restricted Donations
Donations and/or other inflow of assets, received with usage of them restricted by donor stipulations and used for activity during the reported year, are presented in the Reports on Activity as income.

Donations, received with restrictions on their use by donors and which were not used for activity in the reported year, are presented in the Report on Changes as net assets, as an addition to restricted net assets. Upon achieving the goals for which these donations were received, the donations are presented, in the Report on Changes in Net Assets and the Report on Activities, as sums released from restricted net assets – for use for activities.

- c. Cash and Cash Equivalents
Cash and cash equivalents include highly liquid investments, including bank deposits the amount of time until their repayment upon investment does not exceed three months, and which are not restricted use or pledged.

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

	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
Consumer Price Index (in points)	131.71	131.19
Exchange rate in NIS of \$1 U.S.	3.467	3.845
Exchange rate in NIS of €1	4.1526	4.0438

- d. Investments
Debentures, shares and options were included according to their value on the Securities Exchange as of the Balance Sheet Date. Certificates of participation in mutual funds were included according to redemption prices as of the Financial Statements. Bank deposits include linkage differences, exchange rate differences and accumulated interest as of the Financial Statements. Profits (losses) from these investments were included in the reports on financing revenues (expenses) activity, net.
- e. Fixed Assets
Fixed assets are included at cost net of accumulated depreciation. Depreciation is calculated using the straight line method across the assets' estimated economic life span.

IDF Widows and Orphans Organization (Nonprofit)

Notes to the Financial Statements

2. Principal Accounting Policies (Continued)

f. Liabilities

Include obligations the Organization took upon itself as of the Financial Statements date.

g. Recognition of Income

Income is recorded on a cumulative basis, including deferred donations receivable via credit cards and checks collectable, referring to the report period but which have not been received as of the balance sheet date, and collection of which is expected to take place after the balance sheet date, as well as donations referring to the reported period and received in practice as of the signing of the Financial Statements.

Donations, received in assets, were included in the Financial Statements in accordance with the fair value of the assets as estimated by the organization.

h. Expenses

Expenses are recorded on a cumulative basis and include provisions to liabilities, the organization took upon itself as of the Financial Statements date.

3. Cash and Cash Equivalents

Composition:

	<u>December 31</u>	
	<u>2 0 1 7</u>	<u>2 0 1 6</u>
	<u>NIS</u>	
Cash in Israeli currency	821,484	573,595
Cash in foreign currency	928,698	219,048
Short-term deposits	47,676	73,251
	<u>1,797,858</u>	<u>865,894</u>

4. Other accounts receivable

Composition:

	<u>December 31</u>	
	<u>2 0 1 7</u>	<u>2 0 1 6</u>
	<u>NIS</u>	
Income receivable	679,000	-
Advance payments to suppliers	-	2,627
Credit companies and checks collectable	504,648	705,757
Prepaid expenses	28,947	-
	<u>1,212,595</u>	<u>708,384</u>

5. Excess reserve for severance pay liability, net

The Company's severance pay liabilities for its employees are covered in full by ongoing payments to insurance companies and by the balance of the retirement compensation reserve. The sums accumulated at the insurance company are not under the Organization's control and management and are therefore not presented in the balance sheet.

The Organization's severance pay commitments, not included in the pension or insurance plans, are included in full in the balance sheet in accordance with the law and work agreements, and are calculated on the basis of the employees' final salary as of the balance sheet date.

The reserve in the compensation fund includes profits that have accumulated and may be withdrawn, only after commitments in accordance with work agreements and the Severance Pay Law have been fulfilled.

IDF Widows and Orphans Organization (Nonprofit)

Notes to the Financial Statements

	December 31	
	2017	2016
Composition:		NIS
Fund deposited	124,340	117,273
Less – retirement pay reserve	(92,944)	(92,110)
	<u>31,396</u>	<u>25,163</u>

6. Attala Scholarships Fund Dedication

According to a court ruling, the Association has served as the trustee of the dedication in question starting 1994, with the sum of the dedication fund in nominal values as of February 8 1994, in which the money was transferred to the Fund to be kept in trust, is 1,446,160 NIS. The Organization serves as manager and trustee for the Attala Margalit Fund dedication. The terms of the dedication limit the organization to the distribution of academic scholarships to IDF orphans from the fruits of the deposit (from the real yield after linking to the CPI).

	December 31	
	2017	2016
Composition:		NIS
Donation fund	1,446,160	1,446,160
Linkage differentials accumulated for the fund, net	1,614,540	1,611,556
	<u>3,060,700</u>	<u>3,057,716</u>

7. Assistance Funds

	December 31	
	2017	2016
Composition:		NIS
Deposit of loans to Fund members (a)	4,153,648	3,914,848
Health grant assistance fund (b)	989,320	1,165,449
	<u>5,142,968</u>	<u>5,080,297</u>

- a) The Fund was founded in 2005 and is financed by monthly membership fees of 5 NIS, in accordance with the decision of the Knesset Labor and Welfare Committee, deducted from the membership fees and paid the Organization by its members. The deposits are deposited in a banking corporation and bears Prime-1.5% yearly interest. This deposit serves as the Organization's collateral for the planholders' loans, received at the Bank under preferred terms.
- b) The Fund was founded in 2005 and is financed by monthly membership fees of 5 NIS, in accordance with the decision of the Knesset Labor and Welfare Committee, deducted from the membership fees and paid the organization by its members. The purpose of the Fund is to assist the organization's members on health issues through grants, approved by the Organization's Loans and Bonuses Committee.

IDF Widows and Orphans Organization (Nonprofit)

Notes to the Financial Statements

8. **Activity Center Construction Fund**

According to a decision by the Organization's Managing Committee, it had been decided in the past to designate a total of 3,500,000 NIS from the organization's monetary balances to establish activity centers for widows who are members of the Organization. In 2015 the Managing Committee decided to set the Fund at 5,000,000 NIS. An additional 1,000,000 NIS was earmarked in 2016. Another 1,000,000 NIS was earmarked in 2017, making the principal balance as of December 31 2017 7,118,571 NIS (including a change in the value of securities attributed to the Fund).

9. **Scholarship Distribution Fund**

a) According to a decision by the Organization's Managing Committee, it had been decided in the past to designate a total of 1,000,000 NIS from the organization's monetary balances to distribute scholarships and wedding gifts. The Fund is presented according to the sum decided upon for dedication, less the sums withdrawn for the distribution of scholarships and plus the change in the value of securities attributed to the Fund.

No dividends were distributed in the reported year and in the preceding year from the Fund's money.

b) The Fund includes a donation intended for the distribution of scholarships from the estate of the late Sarah and Yosef Graff, received in 2011. No money from the Fund was distributed in the reported year (previous year – 71,500 NIS distributed).

10. **Fixed assets, net**

Composition:

	<u>Computers</u>	<u>Office Equipment and Furnishings</u>	<u>Leasehold Improvements</u>	<u>Total</u>
		<u>NIS</u>		
<u>Cost</u>				
Balance as of January 1 2017	389,880	439,907	462,119	1,291,906
Yearly additions	35,560	4,237	-	39,797
Balance as of December 31 2017	425,440	444,144	462,119	1,331,703
	-----	-----	-----	-----
<u>Accrued Depreciation</u>				
Balance as of January 1 2017	369,832	332,617	298,214	1,000,663
Yearly depreciation	14,296	17,507	32,779	64,582
Balance as of December 31 2017	384,128	350,124	330,993	1,065,245
	-----	-----	-----	-----
<u>Depreciated Cost</u>				
As of December 31 2017	41,312	94,020	131,126	266,458
As of December 31 2016	20,048	107,290	163,905	291,243
	=====	=====	=====	=====
Depreciation rates	33%	15%-7%	10%	
	=====	=====	=====	

IDF Widows and Orphans Organization (Nonprofit)

Notes to the Financial Statements

11. Trade Payables

Composition:

	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	
Outstanding debts	353,320	211,958
Checks redeemable	494,844	312,532
	<u>848,164</u>	<u>524,490</u>

12. Other Payables and Credit Balances

Composition:

	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	
Employees and institutions in respect of salaries	212,019	177,602
Expenses payable	63,780	48,260
Ministry of Finance – Income Tax	1,133	-
Others	82,400	67,400
	<u>359,332</u>	<u>293,262</u>

13. Cost of Activities

Composition:

	<u>For the Year Ending</u>	
	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	
Family events (hikes, summer camp, culture and so on)	4,579,420	3,790,993
Family support	797,792	588,812
Organization newsletter production	274,434	432,348
Distribution of grants and wedding gifts	331,190	351,000
Salary and associated	861,347	820,546
Rent and electricity	357,643	322,650
Municipal taxes	72,360	69,849
Administrative and office maintenance	155,516	161,016
Mail and communications	46,138	63,181
Depreciation	58,124	51,780
Shipping and deliveries	2,625	5,940
	<u>7,536,589</u>	<u>6,658,115</u>

IDF Widows and Orphans Organization (Nonprofit)

Notes to the Financial Statements

14. **Administrative and General Expenses**

Composition:

	<u>For the Year Ending</u>	
	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	
Payroll and benefits	695,170	635,889
Office rent and power	39,738	35,850
Municipal taxes	8,040	7,761
Communications	4,940	7,865
Legal	107,521	124,440
Accounting and auditing	158,411	153,640
Strategic consulting and public and government relations	71,303	96,529
Administrative and office maintenance	16,708	21,691
Gifts and hospitality	25,604	21,714
Fees, membership fees and supplementary education	47,859	13,435
Auto maintenance, parking, travel and deliveries	80,093	66,342
Office insurance	1,663	1,508
Executive liability insurance	9,146	9,667
Fundraising	111,796	52,513
Depreciation	6,458	5,753
Organization's election expenses	-	48,802
Miscellaneous	1,453	31,709
	<u>1,385,903</u>	<u>1,335,108</u>

15. **Finance revenues (expenses), net**

Composition:

	<u>For the Year Ending</u>	
	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	
Financing Income		
Interest and dividend income	68,677	138,052
Profits realized and revaluation of tradable securities, net	254,900	-
	<u>323,577</u>	<u>138,052</u>
Less – some of the funds restricted with financing revenues	(303,591)	(14,996)
Total financing income	<u>19,986</u>	<u>123,056</u>
Financing Expenses		
Commissions for banks and credit companies	(31,331)	(24,916)
Investment management and consulting	(7,250)	(7,798)
Exchange rate differences, net	(39,943)	(3,719)
Losses realized and revaluation of tradable securities, net	-	(3,321)
Total financing expenses	<u>(78,524)</u>	<u>(39,754)</u>
Finance revenues (expenses), net	<u>(58,538)</u>	<u>83,302</u>

IDF Widows and Orphans Organization (Nonprofit)

Comparison with Budget

The budget was approved at the meeting of the Organization's elected representatives. Budget data that constitutes "other information" is not reviewed.

	<u>2 0 1 8</u>	<u>December 31</u> <u>2 0 1 7</u>	<u>2 0 1 7</u>
	<u>Budget</u>	<u>NIS</u> <u>Actual</u> <u>Performance</u>	<u>Budget</u>
Activity Turnover			
Ministry of Defense allocation	2,010,000	2,010,000	2,000,000
Membership fee revenues	1,680,000	(*) 1,861,737	1,704,000
Donations	4,251,000	3,961,086	3,908,000
Sums released from restricted net assets	600,000	620,542	576,000
Revenues from the organization of activities	1,380,000	1,689,724	1,300,000
Other revenues	50,000	24,902	30,000
	<u>9,971,000</u>	<u>10,167,991</u>	<u>9,518,000</u>
 Organization's Operating Expenses			
Cost of activities			
Support for families of Organization members	1,615,000	1,128,982	1,680,000
Events and activities for Organization members	4,602,000	4,579,420	4,219,000
Organization newsletter production	245,000	274,434	350,000
Salary and associated	810,000	861,347	790,000
Rent and electricity	350,000	357,643	340,000
Municipal taxes	90,000	72,360	90,000
Office and maintenance expenses	170,000	92,130	180,000
Mail and communications	140,000	46,138	130,000
Computer and website maintenance	50,000	63,386	55,000
Deliveries	10,000	2,625	10,000
Travel and parking	10,000	-	10,000
Depreciation	-	58,124	-
Unplanned and miscellaneous	25,000	-	25,000
Financing expenses, net	40,000	58,538	40,000
Total cost of activities	<u>8,157,000</u>	<u>7,595,127</u>	<u>7,919,000</u>

(*) Revenues from membership fees, net, are presented after deducting revenues from membership fees to the sum of 509,440 NIS for assistance funds, classified under temporarily restricted net assets.

IDF Widows and Orphans Organization (Nonprofit)

Comparison with Budget (Continued)

	<u>For the Year Ending</u>		
	<u>December 31</u>		
	<u>2 0 1 8</u>	<u>2 0 1 7</u>	<u>2 0 1 7</u>
		<u>NIS</u>	
		<u>Actual</u>	
	<u>Budget</u>	<u>Performance</u>	<u>Budget</u>
Administrative and General Expenses			
Payroll and benefits	710,000	626,426	690,000
Rental fees and power	45,000	39,738	44,000
Municipal taxes	12,000	8,040	12,000
Communications	15,000	4,940	15,000
Legal	130,000	107,521	130,000
Accounting and auditing	163,000	158,411	163,000
Administrative and office maintenance	40,000	18,371	55,000
Hospitality, gifts and entertainment	15,000	25,604	15,000
Fees, membership fees and supplementary education	15,000	47,859	15,000
Vehicles, parking, travel and deliveries	94,000	80,093	95,000
Depreciation	-	6,458	-
Marketing strategy	220,000	71,303	110,000
Director insurance	15,000	9,146	15,000
Remuneration for Managing Committee members for meetings	70,000	68,744	70,000
Fundraising cost	250,000	111,796	150,000
Unplanned and miscellaneous	20,000	1,453	20,000
Total general and administrative expenses	<u>1,814,000</u>	<u>1,385,903</u>	<u>1,599,000</u>
Tax expenses	-	1,133	-
Net yearly revenues	<u>-</u>	<u>1,185,828</u>	<u>-</u>
	=====	=====	=====

IDF Widows and Orphans Organization (Nonprofit)

Details for Donations of over 20,000 NIS in 2017

Donation data constitutes “other information” and is not audited.

<u>Source of Donation</u>	<u>Donation Date</u>	<u>Sum in NIS</u>
FIDF	January 18 2017	309,224
EDLON	January 27 2017	183,922
Moshe Rachamim	February 20 2017	183,941
Uri Lauer	March 12 2017	24,200
Heseg Fund	April 30 2017	100,000
Heseg Fund	May 8 2017	100,000
The General Guardian	May 18 2017	52,000
Federation of Synagogues	June 19, 2017	21,298
Bank Hapoalim Ltd.	June 23, 2017	20,000
FIDF	July 20 2017	221,601
Alpha Epsilon Fraternity	July 25 2017	70,580
Bushey United Synagogue	August 15, 2017	29,816
IDFWOCA	August 29, 2017	256,932
PEF	October 3 2017	40,437
FIDF	October 19 2017	174,565
FIDF	November 23 2017	964,393
FIDF	December 28 2017.	174,365
City of Ramat Hasharon	December 31 2017	50,000