

Livay Shalvi Kop & Co. | Certified Public Accountants (Isr.)

Amot Bldg. 11 Kiryat Mada St., Har Hotzvim
P.O.B 45032, Jerusalem 91450, Israel

Tel 972 2 548 5000
Fax 972 2 548 5001



www.lsk-cpa.com

The National Project for the Ethiopian Community in Israel Ltd (CIC)

Financial Statements as of December 31, 2011

Tel-Aviv Office:

78 Rotschild Boulevard
P.O.B 14260, Tel Aviv 61142, Israel

Tel 972 3 560 7002
Fax 972 3 560 7046

**The National Project for the
Ethiopian Community in Israel Ltd (CIC)**

Financial Statements as of December 31, 2011

Table of Contents

	<u>Page</u>
Auditors' Report to the Members of the Association	1
Balance Sheets	2
Statements on Activities	3



Auditors' Report
to the Shareholders of
The National Project for the
Ethiopian Community in Israel Ltd (CIC)

We have audited the accompanying balance sheets of The National Ethiopian Community in Israel Ltd (CIC). (hereafter: "the Company" as of December 31, 2011 and 2010, the statements of activities, and the statements of changes in net assets for the years then ended. These financial statements are the responsibility of the Company's Board of Directors and management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Israeli Generally Accepted Auditing Standards, including those prescribed by 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 an 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 Executive and management of the association, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2011 and 2010, the results of its activities, and the changes in net assets for the years then ended, according to Israeli GAAP.

Shalvi, Kop & Co.
Certified Public Accountants, (Isr.)

Shalvi Kop.

Jerusalem, *19.8.12*

**The National Project for the
Ethiopian Community in Israel Ltd (CIC)**

Balance Sheet

(New Israeli Shekels)

	As of December 31	
	2011	2010
<u>Current Assets</u>		
Cash and Cash Equivalents	15,387,732	19,735,912
Debtors and Debit Balances	547,614	558,563
	15,935,346	20,294,475
<u>Fixed Assets</u>	31,962	11,984
<u>Other Assets</u>	4,303	11,507
	15,971,611	20,317,966
 <u>Current Liabilities</u>		
Service Providers	5,497,411	6,051,238
Creditors and Credit balances	217,699	155,025
	5,715,110	6,206,263
 <u>Long Term Liabilities</u>		
Provision for Severance Pay	6,381	24,765
 <u>Net Assets</u>		
Capital Share	7	7
<u>Unrestricted Assets</u>		
Used for Current Activites	8,938,803	13,075,203
Used for Fixed and other Assets	36,265	23,491
	8,975,068	13,098,694
 <u>Temporarily restricted net assets</u>	1,275,045	988,237
Net Assets	10,250,120	14,086,938
	15,971,611	20,317,966

Date

Director-General

**The National Project for the
Ethiopian Community in Israel Ltd (CIC)**

Statements on Activities

(New Israeli Shekels)

	For the Year Ending December 31	
	2011	2010
Activities Turnover	16,252,780	27,866,597
Cost of Activities	<u>18,044,583</u>	<u>18,518,856</u>
Net Income (Deficit) from Activities	(1,791,803)	9,347,741
Administrative and General Expenses	<u>2,707,177</u>	<u>2,512,850</u>
Net Income (Deficit) for the year Before Finance	(4,498,980)	6,834,891
Financial income (expenses), net.	<u>375,354</u>	<u>(635,459)</u>
Net Income (Deficit) For the Year	<u>(4,123,626)</u>	<u>6,199,432</u>