

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

Financial Statements as of December 31, 2017

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

Financial Statements as of December 31, 2017

Table of Contents

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

Auditors' Report
To the shareholders of
The National Project for the Ethiopian Community in Israel Ltd
(PBC)

We have audited the accompanying balance sheets of The National Project for the Ethiopian Community in Israel Ltd (PBC) (hereinafter: "the Company") as of December 31, 2017 and 2016, the statement of activities for each of 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 generally accepted auditing standards in Israel, including those prescribed by the Auditor's 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 examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the board of directors and management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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, 2017 and 2016, the results of its activities for each of the years then ended, in conformity with generally accepted accounting principles in Israel (Israeli GAAP).

Ben David, Shalvi, Kop & co
Certified Public Accountants, (Isr.)

Jerusalem, _____ 2018

The National Project for the Ethiopian Community in Israel Ltd
(PBC)
Balance Sheets
(New Israeli Shekels)

		<u>As at December 31</u>	
		<u>2017</u>	<u>2016</u>
<u>Curret Assets</u>			
Cash and cash equivalent	3	3,328,762	1,761,841
Short-term bank deposits in Israeli currency		3,000,005	4,000,006
Debtors and debit balances	4	1,838,821	64,537
		<u>8,167,588</u>	<u>5,826,384</u>
<u>Fixed Assets, Net</u>			
	5	15,591	29,597
		<u>8,183,179</u>	<u>5,855,981</u>
<u>Current Liabilities</u>			
Creditors and credit balances	6	80,861	73,846
Suppliers and service providers	7	5,114,053	831,219
		<u>5,194,914</u>	<u>905,065</u>
<u>Long Term Liabilities</u>			
Provision for severance pay	8	44,113	13,701
<u>Net assets</u>			
<u>Unrestricted assets</u>			
Used for current activites		2,928,554	4,471,822
Used for fixed assets		15,591	29,597
		<u>2,944,145</u>	<u>4,501,419</u>
<u>Temporarily restricted net assets</u>		-	435,789
<u>Capital Share</u>	9	7	7
		<u>8,183,179</u>	<u>5,855,981</u>

Date

Director-General

The National Project for the Ethiopian Community in Israel Ltd
(PBC)
Statemens of Activities
(New Israeli Shekels)

		Year ended December 31	
		2017	2016
Activities turnover	10	20,725,497	18,981,849
Cost of activities	11	19,576,320	13,247,443
Net income from activities		1,149,177	5,734,406
Administrative and general expenses	12	2,608,041	2,531,567
Net income (expenses) before financing		(1,458,864)	3,202,839
Financial expenses, net	13	98,410	36,429
Net income (deficit) for the year		(1,557,274)	3,166,410