

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

**Financial Statements as of December 31, 2018**

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**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, 2018 and 2017, 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, 2018 and 2017, 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, \_\_\_\_\_ 2019

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

	<u>As at December 31</u>	
	<u>2018</u>	<u>2017</u>
<b><u>Curret Assets</u></b>		
Cash and cash equivalents	1,235,059	3,328,762
Short-term bank deposits in Israeli currency	-	3,000,005
Debtors and debit balances	3,635,672	1,838,821
	<u>4,870,731</u>	<u>8,167,588</u>
 <b><u>Fixed Assets, Net</u></b>	 <u>16,868</u>	 <u>15,591</u>
	<u>4,887,599</u>	<u>8,183,179</u>
 <b><u>Current Liabilities</u></b>		
Suppliers and service providers	3,121,533	5,085,496
Creditors and credit balances	137,805	109,418
	<u>3,259,338</u>	<u>5,194,914</u>
 <b><u>Long Term Liabilities</u></b>		
Provision for severance pay, Net	48,156	44,113
 <b><u>Net assets</u></b>		
<b><u>Unrestricted assets</u></b>		
Used for current activites	1,498,237	2,928,554
Used for fixed assets	16,868	15,591
	<u>1,515,105</u>	<u>2,944,145</u>
 <b><u>Temporarily restricted net assets</u></b>	 64,993	 -
<b><u>Capital Share</u></b>	7	7
	<u>4,887,599</u>	<u>8,183,179</u>

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director-General

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

		<b>Year ended December 31</b>	
		<b>2018</b>	<b>2017</b>
Activities turnover	10	22,213,804	20,725,497
Cost of activities		20,927,297	19,576,320
Net income from activities		1,286,507	1,149,177
Administrative and general expenses		2,638,319	2,608,041
Expenses before financing		(1,351,812)	(1,458,864)
Financial expenses		77,228	98,410
Deficit for the year		<b>(1,429,040)</b>	<b>(1,557,274)</b>