BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2022

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2022

TABLE OF CONTENTS

AUDITOR'S REPORT
To the members of the association
BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)

We have audited the attached balance sheets of Beit Oleh America And Canada In Netanya (registered association under the Associations law,1980) (hereafter – the association) as of December 31, 2022 and 2021, and the statements of operations, changes in net assets and cash flows for each of the years ended on those dates. These financial statements are the responsibility of the board and management of the association. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Israel, including those prescribed by the Auditors (Mode of Performance), Regulations, 1973. Those standards require that we plan and perform the audit to obtain reasonable assurance as to 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 an assessment of the accounting principles used and significant estimates made by the board 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.

The financial statements referred to above are presented in nominal values rather than reported amounts, as required by Accounting Standards promulgated by the Israel Accounting Standards Board.

In our opinion, except as stated above regarding the basis of presentation, the aforementioned financial statements, present fairly, in all material respects, the financial position of the association as of December 31, 2022 and 2021, and the results of its operations, changes in net assets and cash flows for each of the years ended on those dates, in conformity with accounting principles generally accepted in Israel (Israeli GAAP).

Kleiner & Co.

Certified Public Accountants (Isr.)

Netanya, ________________ .

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
BALANCE SHEETS

	Note	DECEMBER 31 2022 NIS	DECEMBER 31 2021 NIS
Current assets			
Cash and cash equivalents		69,253	137,234
Debtors and debit balances	3	75,289	39,005
		144,542	176,239
Long-term investments	4		
Long-term savings		195,725	187,925
Tradable securities		385,277	447,994
		581,002	635,919
Fixed assets, net	5	389,383	442,772
		1,114,927	1,254,930
Current liabilities			
Suppliers and service providers		19,226	8,378
Creditors and credit balances	6	54,592	59,209
		73,818	67,587
Long-term liabilities			
Employee benefits provisions	7	470	13,239
Net assets			
Unrestricted net assets			
Applied to operations		430,826	484,698
Applied to acquisition of fixed assets		389,383	442,772
		820,209	927,470
Restricted net assets		220,430	246,634
Total net assets		1,040,639	1,174,104
		1,114,927	1,254,930

Paulette Woolf I.D. 341130474
Co-Chair

Brian Bank I.D. 346221609
Treasurer

Date statements approved: ________________

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

EIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
STATEMENTS OF OPERATIONS

	Note	YEAR ENDED DECEMBER 31 2022 NIS	2021 NIS
Operating Revenues	8	1,497,527	1,260,699
Operating expenses	9	1,268,373	868,503
Net incomes from operations		229,154	392,196
General and administrative expenses	10	319,062	311,263
Net incomes (expenses) before finance		(89,908)	80,933
Net finance incomes (expenses)	11	(43,557)	24,369
Surplus (deficit) for the year		(133,465)	105,302
		=======	=======

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

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
STATEMENTS OF CHANGES IN NET ASSETS

	Unrestricted net assets		Restricted net assets		
	Applied to Operations	Applied to acquisition of fixed assets	Intended for acquisition of fixed assets	Intended for scholarships and grants in Israel *	Total
	NIS	NIS	NIS	NIS	NIS
Balance as of January 1, 2021	739,416	67,258	-	262,128	1,068,802
Additions (deductions) during the year:					
surplus (deficit) for the year	(170,437)	-	291,333	(15,494)	105,302
Amounts transferred to acquisition of fixed assets	(139,109)	430,342	(291,233)	-	-
Amounts transferred to cover depreciation expenses	54,828	(54,828)	-	-	-
Balance as of December 31, 2021	484,698	442,772	-	246,634	1,174,104
Additions (deductions) during the year:					
surplus (deficit) for the year	(107,261)	-	-	(26,204)	(133,465)
Amounts transferred to acquisition of fixed assets	(10,085)	10,085	-	-	-
Amounts transferred to cover depreciation expenses	63,474	(63,474)	-	-	-
Balance as of December 31, 2022	430,826	389,383	-	220,430	1,040,639

* See note 12.

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

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
STATEMENTS OF CASH FLOWS

	YEAR ENDED DECEMBER 31 2022 NIS	YEAR ENDED DECEMBER 31 2021 NIS
Cash flows from operating activities:		
Surplus (deficit) for the year	(133,465)	105,302
Adjustments required to present cash flows from Operating activities (Appendix A)	34,999	26,745
Net cash provided by (used in) operating activities	(98,466)	132,047
Cash flows from investing activities:		
Acquisition of fixed assets	(10,085)	(430,342)
Repayment for long - term investments	29,855	365,380
Net cash provided by (used in) investing activities	19,770	(64,962)
Cash flows from financing activities:		
Decrease (increase) in amounts transferred to restricted net assets for scholarships and grants	10,715	(5,148)
Increase (decrease) in cash and cash equivalents	(67,981)	61,937
Cash and cash equivalents at beginning of the year	137,234	75,297
Cash and cash equivalents at end of year	69,253	137,234

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

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
STATEMENTS OF CASH FLOWS

Appendix A - Adjustments required to present cash flows from operating activity

	YEAR ENDED DECEMBER 31	
	2022	2021
	NIS	NIS
Income and expenses unrelated to cash flows:		
Depreciation	63,474	54,828
Increase (decrease) in employee benefits provisions	(12,769)	11,711
Loss (profit) from revaluation of tradable securities	32,862	(31,394)
Profit from revaluation of long - term savings	(7,800)	(7,800)
Increase (decrease) in amounts transferred to restricted net assets for scholarships and grants	(10,715)	5,148
	65,052	32,493
Changes in asset and liability classes:		
Decrease (increase) in debtors and debit balances	(36,284)	(20,455)
Increase (decrease) in suppliers and service providers	10,848	4,331
Increase (decrease) in creditors and credit balances	(4,617)	10,376
	(30,053)	(5,748)
Total adjustments required to present cash flows from operating activity	34,999	26,745

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

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1: General

1.1 Beit Oleh America And Canada In Netanya was incorporated on March18, 1982 as a non-profit organization in accordance with the Associations Law, 1980, number 580008282.

1.2 The main goals of Beit Oleh America And Canada in Netanya are to maintain and manage a community center for social and cultural activities for immigrants in Netanya, especially immigrants from America and Canada and from other English-speaking countries.

1.3 Beit Oleh America And Canada In Netanya is recognized by the VAT Authority as a “not for profit foundation.”

1.4 Beit Oleh America And Canada In Netanya is recognized by the Income Tax Authority as a “Public Foundation.”

1.5 Beit Oleh America And Canada In Netanya has been an independent organization since 1999, and is associated with the national organization AACI (Association of Americans & Canadians in Israel), that aims to absorb new immigrants.

1.6 Beit Oleh America and Canade in Netanya has not received donations from a foreign political entity, in 2022 and 2021.

Note 2: Significant accounting policies

The significant accounting policies applied in the preparation of the financial statements, consistently, are as follows:

2.1 Basis of the financial statements
The financial statements are prepared in nominal amounts of historical cost rather than reported amounts as required by Accounting Standard No. 12 of the Israel Accounting Standards Board. Reported amount is nominal amount adjusted for changes in the CPI to the CPI for December 2003, plus nominal amounts added after the transition date (December 31, 2003), less amounts deducted after that date.

2.2 The financial statements are prepared in accordance with Opinion No. 69 of the Institute of Certified Public Accountants and in accordance with Standard No. 5 of the Israel Accounting Standards which deal with accounting principles and financial reporting by nonprofit organizations.

2.3 The association's books are based on the accrual method.

2.4 Exchange rate and linkage basis
Amounts of assets and liabilities in foreign currency linked to foreign currency or indexed to CPI, are included on the basis of the exchange rate in effect at balance sheet date, or based on the index last published before the balance sheet date, respectively.

2.5 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

2.6 Cash and cash equivalents

Cash and cash equivalents are considered by the association as highly liquid investments, including short-term bank deposits with original maturity not exceeding three months from the date of investment and are not restricted

2.7 Fixed assets

Fixed assets are stated at cost less accumulated depreciation and do not include routine maintenance expenses. Depreciation is calculated on the basis of equal straight-line method over the useful life of the assets as follows:

	%
Leasehold improvements	10
Computers and related equipment	25-33
Equipment and office furniture	6-15

2.8 Employee benefits provisions

Amount of the liability for employee severance benefits is calculated in accordance with existing labor agreements ,using salary components to which, in management's opinion the employees are entitled.

Note 3: Debtors and debit balances

	DECEMBER 31	
	2022	2021
	NIS	NIS
Credit cards	55,479	37,545
Income receivable	14,810	-
Advance expenses	5,000	1,460
	75,289	39,005
	======	======

Note 4: Long-term investments

Composition:

1. Inheritance funds received in May 2017 in the amount of NIS 679,043 was invested in tradable securities.
2. Historically, donations were received in the amount of $110,000 which are invested in savings program and in tradable securities, restricted for scholarships. The donations and their accumulated investment earnings are used by the association for distribution of annual scholarships.

Savings Program
In 2013 a shekel Savings Program with a face value of 120,000 shekels was opened. Under the terms of this Savings Program, the investment is locked-in for 10 years, at the end of which period the association is entitled to withdraw the full face value, plus 65% of the face value representing accumulated interest. According to the Management, there is no intention to withdraw from this Savings Program before the end of the ten year period.
Therefore, a proportionate share of the aforesaid ten-year maturity value is allocated to Long-term savings each year, as interest income.

Tradable securities
Presented according to their balance sheet date.

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 5: Fixed assets, net

	Buildings* NIS	Leasehold improvements NIS	Computers and related equipment NIS	equipment and office furniture NIS	Total NIS
Cost					
Balance at January 1, 2022	1	702,984	151,822	201,829	1,056,636
Additions during the year		-	10,085	-	10,085
	1	702,984	161,907	201,829	1,066,721
Accumulated Depreciation:					
Balance at January 1, 2021	1	284,815	151,822	177,226	613,864
Charges during the year	-	54,891	3,328	5,255	63,474
	1	339,706	155,150	182,481	677,338
Balance at December 31, 2022	-	363,278	6,757	19,348	389,383
Balance at December 31, 2021	-	418,169	-	24,603	442,772

* Offices and a community hall located at 28 Shmuel Hantsiv St., Netanya.

Note 6: Creditors and credit balances

	DECEMBER 31	
	2022	2021
	NIS	NIS
Accrued expenses	21,946	19,725
Advance Income	-	4,830
Taxes and national insurance	3,991	4,588
Employees salaries	21,207	14,596
Provision for employee vacation	3,916	12,126
Other creditors	3,532	3,344
	54,592	59,209
	======	======

Note 7: Employee benefits provisions

	DECEMBER 31	
	2022	2021
	NIS	NIS
Employee benefits provisions	470	13,239
	======	======

The association liability for payment of severance pay and retirement grants is based on the last salary of employees at balance sheet date in accordance with the law, and is covered by current payments to insurance companies in respect of insurance policies and provident funds, as well as by the liabilities for employee benefits provisions in the balance sheet.

Amounts accumulated in managers' insurance and provident funds are registered in the name of the employee and the obligations for which are not shown in the balance sheet, since they are not controlled or managed by the association.

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 8: Operating revenues

	Note	YEAR ENDED DECEMBER 31 2022 NIS	2021 NIS
Donations and fundraising		152,077	413,250
Membership fees		73,336	69,170
Grants and support		23,122	27,765
Advertising revenues		96,539	68,841
Revenues from cultural activities, seminars and tours in English		526,227	203,523
Volunteers work	13	626,226	478,150
		1,497,527	1,260,699

Note 9: Operating expenses

	Note	YEAR ENDED DECEMBER 31 2022 NIS	2021 NIS
Volunteers work	13	626,226	478,150
Scholarship grants		28,995	29,000
Monthly English newsletter production		50,620	44,799
Advertising and marketing		1,755	-
Trips and tours in English		18,294	20,686
Enrichment classes, lectures and activities in English		358,892	79,182
Fundraising and membership		12,757	20,660
Payroll and related expenses		169,130	194,475
Other direct expenses		1,704	1,551
		1,268,373	868,503

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 10: General and administrative expenses

	Note	YEAR ENDED DECEMBER 31 2022 NIS	2021 NIS
Payroll and related expenses	14	73,754	69,229
Telephone and postage		9,511	12,077
Office supplies computers and maintenance		60,562	55,214
Office maintenance		16,456	13,766
Accounting and professional Fees		34,203	53,904
Insurance		13,278	11,885
Electricity and water		18,463	14,218
Rates and taxes		27,659	25,073
Gifts		1,700	900
Misc. expense		2	169
Depreciation		63,474	54,828
		319,062	311,263

Note 11: Net finance incomes (expenses)

	YEAR ENDED DECEMBER 31 2022 NIS	2021 NIS
Interest and fees	(10,696)	(7,025)
Profit (loss) from revaluation of securities	(32,861)	31,394
	(43,557)	24,369

BEIT OLEH AMERICA AND CANADA IN NETANYA
(A REGISTERED ASSOCIATION)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 12: The change in net assets restricted for scholarships and grants in Israel

	YEAR ENDED DECEMBER 31	
	2022	2021
	NIS	NIS
Interest on assets intended for scholarships	3,199	13,629
Managements fees and bank charges	(408)	(123)
Total financial net income from restricted assets	2,791	13,506
Scholarships paid	(28,995)	(29,000)
Total change in net assets restricted for scholarships and grants is Israel	(26,204)	(15,494)

Note 13: Volunteers work

In accordance with Section 7 of Accounting Standard No. 5 of the Israel Accounting Standards Board, the Association recorded the fair value of management hours, training and support of the volunteers that deal with the management of the community center and all areas of this organization (library, tours, classes, lectures, etc.), for activity in 2022 and 2021. The yearly amount of volunteer hours is 21,505 and 16,420, respectively. In accordance with the standard, the fair value of volunteer hours was recorded in both revenue and expense.

Note 14: Attribution Project Manager salary

According to the estimates of the association management, half of the salary and related expenses of the project manager, is attributable to management and general.