

OneFamily - Registered Association Ltd.

**Financial Statements
As of December 31, 2023**

Financial Statements as of December 31, 2023 OneFamily - Registered Association Ltd.

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AUDITORS REPORT

To the Members of the Management of ONEFAMILY-REGISTERED ASSOCIATION (R.A)

We have audited the accompanying balance sheet of OneFamily-Registered Association, an Association registered under the Association Law, 1980 ("the Association") as of December 31, 2023 and 2022, and the related Statement of Activities, Changes in Net Assets and Cash Flows for each of these years. The Financial Statements are the responsibility of the Executive Committee 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 under 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 testing and examining 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 Committee and Management of the Association, as well as evaluating the overall financial statement presented. 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 Association as of December 31, 2023 and 2022 and the results of its activities, changes in net assets and cash flows for each of the years then ended, in conformity with generally accepted accounting principles in Israel.

Sofrin Bachar & Co.
C.P.A. (Isr.)

___ August, 2024 Ramat-Gan,

	Note	December 31,	
		2023	2022
		NIS	NIS
ASSETS			
Current Assets			
Cash and cash equivalents	3	21,788,765	8,340,971
Designated deposits	4	8,607,684	3,270,308
Accrued income		1,653,300	381,600
Accounts receivable	5	980,711	912,414
		<u>33,030,460</u>	<u>12,905,293</u>
Long –Term Receivables			
Mutual Assistance Fund	6	<u>555,041</u>	<u>555,041</u>
Fixed Assets			
Cost	7	653,647	626,916
Less accumulated depreciation		482,556	469,536
		<u>171,091</u>	<u>157,380</u>
		<u>33,756,592</u>	<u>13,617,714</u>
LIABILITIES			
Current Liabilities			
Trade payables	8	312,260	467,853
Other accounts payable	9	691,765	649,460
		<u>1,004,025</u>	<u>1,117,313</u>
Long –Term Liabilities			
Accrued severance pay	10	<u>185,761</u>	<u>49,434</u>
Net Assets			
Unrestricted net assets used in operations		21,840,674	1,738,548
Unrestricted net assets used for fixed assets		171,091	157,378
Restricted net assets		10,555,041	10,555,041
		<u>32,566,806</u>	<u>12,450,967</u>
		<u>33,756,592</u>	<u>13,617,714</u>

Chaim Sacknovits
Member of the Association Management

Chantal Belzberg
Exec. Vice Chairman of the Association

____ August, 2024 Ramat-Gan,

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

	Note	Year ended December 31,	
		2023	2022
Revenues from operations:			
Donations received, net	13a	37,071,890	14,435,058
Cost of operations:			
Current expenditures	13b	16,243,824	9,888,107
General and administrative expenses	13c	602,715	930,643
<u>Total cost of operations</u>		<u>16,846,539</u>	<u>10,818,750</u>
Income of operations, net		20,225,351	3,616,308
Financing income (expenses), net	13d	<u>(109,512)</u>	<u>271,788</u>
Surplus		<u><u>20,115,839</u></u>	<u><u>3,888,096</u></u>

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

Statements of Changes in Shareholders' Equity OneFamily - Registered Association Ltd.

	Unrestricted net assets		Restricted net assets		Total
	Used in operations	Used for fixed assets	Mutual assistance	Purchase a structure	
Balance at January 1, 2022	3,867,603	140,227	556,300	4,000,000	8,564,130
Financing expenses	-	-	(1,259)	-	(1,259)
Surplus	3,888,096	-	-	-	3,888,096
Subtractions during the year:					
Transfer of unrestricted amounts used for fixed assets	(57,834)	57,834	-	-	-
Transfer of unrestricted amounts used for purchasing a structure (*)	(6,000,000)	-	-	6,000,000	-
Amounts used for covering depreciation expenses	40,683	(40,683)	-	-	-
Balance at December 31, 2022	<u>1,738,548</u>	<u>157,378</u>	<u>555,041</u>	<u>10,000,000</u>	<u>12,450,967</u>
Financing expenses	-	-	-	-	-
Surplus	20,115,839	-	-	-	20,115,839
Subtractions during the year:					
Transfer of unrestricted amounts used for fixed assets	(65,177)	65,177	-	-	-
Amounts used for covering depreciation expenses	51,464	(51,464)	-	-	-
Balance at December 31, 2023	<u>21,840,674</u>	<u>171,091</u>	<u>555,041</u>	<u>10,000,000</u>	<u>32,566,806</u>

(*) see note 4 (1).

The accompanying notes are an integral part of the financial statement

	Year ended December 31,	
	2023	2022
	<u>N.I.S.</u>	
<u>Cash flow from current operating activities:</u>		
Surplus	20,115,839	3,888,096
Adjustments required to reconcile surplus to net cash used by current operating activities (A):	<u>(1,265,492)</u>	<u>832,225</u>
Net cash used by operating activities	18,850,347	4,720,321
<u>Cash flow from investing activities:</u>		
Increase in designated deposits	(5,337,376)	(48,737)
Purchase of fixed assets	<u>(65,177)</u>	<u>(57,834)</u>
Net cash used for investing activities	<u>(5,402,553)</u>	<u>(106,571)</u>
<u>Cash flow from financing activities:</u>		
Decrease (increase) in trust funds	-	-
Net cash used in financing activities	<u>-</u>	<u>-</u>
Decrease in cash and cash equivalents	13,447,794	4,613,750
Cash and cash equivalents at beginning of the year	<u>8,340,971</u>	<u>3,727,221</u>
(A) Cash and cash equivalents at end of year	<u><u>21,788,765</u></u>	<u><u>8,340,971</u></u>
<u>Adjustments required to reconcile surplus to net cash provided by operating activities</u>		
<u>Revenue and expenses not involving cash flow:</u>		
Depreciation	51,463	40,683
Increase (decrease) in accrued severance pay	136,327	49,434
<u>Changes in asset and liability items:</u>		
Decrease (increase) in accrued income	(1,271,700)	560,400
Decrease (increase) in accounts receivable	(68,297)	(335,039)
Increase (decrease) trade payables and other accounts payable	<u>(113,285)</u>	<u>516,744</u>
	<u><u>(1,265,492)</u></u>	<u><u>832,225</u></u>

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

Note 1 - GENERAL

1. Description of business

OneFamily - Registered Association No 580382620 ("the Association ") was registered on October 21, 2001, as an Association in accordance with the Associations Law, 1980. The Association has proper management approval from the Registrar of Associations which was in effect until December 31, 2023. In addition, the Association obtained an approval for charitable donations pursuant to section 46 to the Income Tax Ordinance (see note 11).

The Association`s purpose:

To provide financial, emotional and social assistance to the victims of terrorism and their families and to provide any assistance they will require as victims of terrorist attacks.

To provide assistance at the community level for those dealing with the effects of terror and to provide financial and logistical support to organizations that are engaged in providing assistance to victims of terrorism.

Events of "Simchat Torah", October 7,2023 and war against terrorist increased the number of victims of terrorism who need the services of the association, it is presented the increase in income and in the increase in expenses.

Set up approximately 460 permanent volunteers and other occasional volunteers to assist in the work of the Association. The volunteers` main activities are to maintain a personal relationship with the victims and their families, provide emotional and personal care, visit their homes, and more.

Note 2 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the financial statements on a consistent basis are as follows:

A. Recognition basis:

The financial statements are prepared on an accrual basis, except for revenues from donations which are recognized on the basis of actual receipts.

B. Reporting basis of the financial statements:

The financial statements have been prepared in nominal amounts based on the historical cost convention.

C. Net assets:

The Association applies accounting standard no. 5 of the Israel Accounting Standards Association (which superseded opinion no. 69 of the Institute of Certified Public Accountants in Israel) regarding accounting and reporting principles for non – profit organizations.

Note 2 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. Net assets:

Net assets are classified into two principal categories:

1. Unrestricted net assets:

The Association's net assets whose use is not subject to any restrictions, either permanent or temporary, by donors.

2. Restricted net assets:

Reflects net assets that are subject to restrictions, either permanent or temporary.

D. Cash equivalents:

The Association considers all highly liquid investments, including unrestricted short-term bank deposits purchased with original maturities of three months or less, to be cash equivalents.

E. Fixed assets:

1. Fixed assets are stated at cost net of accumulated depreciation.
2. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are as follows:

	_____ %
Furniture and equipment	6-15
Computers	33
Motor vehicle	15
Electrical vehicle	15

F. Impairment of fixed assets:

The Association applies accounting standard no. 15, "Impairment of Assets". The standard applies to all of the assets included in the balance sheet other than inventories, assets arising from construction contracts, assets arising from employee benefits, deferred tax assets and financial assets (with the exception of investments in affiliates). According to the standard, whenever there is an indication that an asset may be impaired, the Association should determine if there has been an impairment of the asset by comparing the carrying amount of the asset to its recoverable amount. The recoverable amount is the higher of an asset's net selling price or value in use, which is determined based on the present value of estimated future cash flows derived by expected to be the continuing use of an asset and by its disposal at the end of its useful life. If the carrying amount of an asset exceeds its recoverable amount, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value. An impairment loss recognized should be reversed only if there have been changes in the estimates used to determine the assets recoverable amount since the impairment loss was recognized.

Note 2 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

G. Exchange rate and linkage basis:

1. Assets and liabilities in or linked to foreign currency are presented according to the Representative Exchange Rates published by the Bank of Israel at balance sheet date.
2. Assets and liabilities linked to the Israeli CPI are presented according to the relevant index for each linked asset or liability.

Below are data about the Israeli CPI and the exchange rates of U.S. dollar.

As of December 31,	<u>Israeli CPI For December points</u>	<u>Representative Exchange rate of USD1 NIS</u>
2023	105.0	3.627
2022	101.98	3.519
Change during the year ended	<u>%</u>	<u>%</u>
2023	2.96	3.07
2022	5.26	13.15

H. The amount of cash and cash equivalents, credit from banks, trade payables and other accounts payable approximate their **fair value of financial instruments**.

NOTE 3 - CASH AND CASH EQUIVALENTS

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
	NIS	
By currency:		
In NIS	2,727,102	4,850,941
In foreign currency	4,426,147	3,490,030
Deposit (1)	<u>14,635,516</u>	<u>-</u>
	<u>21,788,765</u>	<u>8,340,971</u>

(1) Include NIS 1.6 million intended for Levinstern family and project "Secret Forest".

NOTE 4 - DESIGNATED DEPOSITS

	December 31,	
	2023	2022
	NIS	
A designated deposit to cover a liability for compensation	231,874	223,685
Mortgaged deposit	37,501	15,000
A designated deposit in favor of purchasing a structure (1)	8,338,309	3,031,623
	<u>8,607,684</u>	<u>3,270,308</u>

- (1) The association decided to designate an amount to earmark funds for the purchase of a building for the association's activities, until December 31, 2023, the association set aside 8.3 million NIS from the total cash for the purchase of a building

NOTE 5 - ACCOUNTS RECEIVABLE

	December 31,	
	2023	2022
	NIS	
Prepaid expenses	69,755	77,049
Check payable and credit cards	640,875	568,622
Institutions	71,008	67,550
Rental deposit (see note 12)	105,818	105,818
Other receivables	93,255	93,375
	<u>980,711</u>	<u>912,414</u>

NOTE 6 - MUTUAL ASSISTANCE LOAN FUND

In 2002, the Association in collaboration with the Organization of Israel's Terror Victims - Hayatzig" founded a Mutual Assistance Fund, "the Fund" with the purpose of "Irgun providing loans to families of terror victims. The amount in the fund amounted to 1 Million NIS. Each party invested in the Fund NIS 500,000. Income and expenses incurred in connection with the Fund's activity will be to the Fund.

The loans are retrieved through the bank account of the organization of Israel's Terror Victims in Bank Leumi of Israel Ltd. The loans are interest free and unlinked for periods of up to 36 months. The repayment of the loans requires the guarantee of only one person.

NOTE 6 - MUTUAL ASSISTANCE LOAN FUND (Cont.)

Any addition to the Fund will be made through equal investment by both parties. The Fund may be liquidated at any time and each party will receive its share in the Fund's assets and liabilities.

In 2013 the Association applied for the funds to be returned in accordance with the agreement. The Organization of Israel's Terror Victims refused to return the investment. The Association's legal counsel believes that Association has a high chance to regain its funds.

In addition, as of the signing of the financial statements has not yet provided the organization refuses the information about the Fund data for 2023 so the numbers shown are the data of the Fund as presented in the previous year (2022). Amounts presented in 2023 constitute the data of the fund for 2022, and include fund's activities for years 2022-2023.

B. Composition

	December 31,	
	2023	2022
	NIS	
Cash	79,679	79,679
Bank deposits	-	-
	<u>79,842</u>	<u>79,842</u>
Loans granted (see c below)	1,283,268	1,283,268
Less - doubtful accounts	-	-
	<u>1,362,947</u>	<u>1,362,947</u>
Less balance of debt (loan from assistance fund)	252,866	252,866
Less the share of the Organization of Israel's Terror Victims	555,040	555,040
	<u>555,041</u>	<u>555,041</u>
C. Following are maturity dates of loans granted:		
First year	737,313	737,313
Second year	421,054	421,054
Third year	124,901	124,901
	<u>1,283,268</u>	<u>1,283,268</u>

NOTE 7 - FIXED ASSETS

	Furniture and equipment	Computers	Motor vehicles	Total
	<u>NIS</u>			
Cost:				
Balance at January 1, 2023	168,327	102,735	317,410	588,472
Additions during the year	3,206	61,969	-	65,175
Subtractions during the year	-	-	-	-
Balance at December 31, 2023	<u>171,533</u>	<u>164,704</u>	<u>317,410</u>	<u>653,647</u>
Accumulated depreciation:				
Balance at January 1, 2023	83,773	29,909	317,410	431,092
Additions during the year	14,073	37,391	-	51,464
Subtractions during the year	-	-	-	-
Balance at December 31, 2023	<u>97,846</u>	<u>67,300</u>	<u>317,410</u>	<u>482,556</u>
Depreciated cost at December 31, 2023	<u>73,687</u>	<u>97,404</u>	<u>-</u>	<u>171,091</u>
Depreciated cost at December 31, 2022	<u>84,554</u>	<u>72,827</u>	<u>-</u>	<u>157,380</u>

NOTE 8 - TRADE PAYABLES

	December 31,	
	2023	2022
	<u>NIS</u>	
Open balances	267,512	409,330
Checks payable	44,748	58,523
	<u>312,260</u>	<u>467,853</u>

NOTE 9 - OTHER ACCOUNTS PAYABLE

	Year ended	
	December 31,	
	2023	2022
	N.I.S	
Accrued expenses	198,818	256,788
Employees and payroll accruals	492,947	392,672
	<u>691,765</u>	<u>649,460</u>

NOTE 10 - ACCRUED SEVERANCE PAY

The Association's liabilities to some of its employees are covered by Managers' Insurance Policies.

The accrued liability amounts and the policies' value for compensation purposes are not included in the balance sheet as they are not under the control and management of the Association.

The amount of liability as of the balance sheet date reflects the Association's entire liabilities for the payment of severance pay to its employees which are not covered by deposits with Managers' Insurance policies stated above.

The balance of the fund as at 31/12/2023(Nis 232 thousands) presented in cash and cash equivalents.

NOTE 11 - TAXES ON INCOME

A. The Association is considered a public institution under paragraph 9 (2) to the Income Tax Ordinance and, accordingly, its income is tax exempt as long as the income does not constitute business activity that is liable for tax.

B. In 2005, the Association was approved as a public institution for charitable purposes. Accordingly, pursuant to Section 46 to the Income Tax Ordinance, donors are entitled to tax credit.

The approval is in effect until December 31, 2024 and each time it will be extended by three additional years unless the director of the Tax Authority decides that the Association did not fulfill the conditions stipulated by the law or the commitment that the Association had signed before the Tax Authority.

NOTE 12 - COMMITMENTS

In 2007, the Association leased a building with an area of 500 sq.m, in the center of Jerusalem. The monthly lease fee totals \$ 7,500. The Association uses this building for all of its activities. Secure the payment of the lease fees, the Association deposited NIS 106,000, which is equivalent to \$ 30,000.

Note 13 - Supplementary Information to Statement of Operation (cont'd)

	Year ended	
	December 31,	
	2023	2022
	N.I.S	
A. Donations received, net:		
Donations from abroad	24,144,028	8,076,494
Donations in Israel	9,256,983	4,955,744
Budgets from government offices	1,988,611	665,996
Monetary donations	1,682,268	736,824
	<u>37,071,890</u>	<u>14,435,058</u>

(1) Increase in income due to the events of October 7, 2023, see note 1 below

	Year ended	
	December 31,	
	2023	2022
	N.I.S	
B. Current expenditures:		
Financial assistance to families	4,051,160	899,541
Tangible assistance	211,712	158,943
Emotional and rehabilitative assistance for adults, including retreats and workshops (3)	6,241,178	4,212,678
Emotional support for children, young adults, and orphans, including retreats and workshops	3,703,101	3,099,152
"Fulfill your dream " project	58,130	29,180
Fundraising and communications in Israel	1,978,543	1,488,613
	<u>16,243,824</u>	<u>9,888,107</u>

(3) Expenses include volunteers value of Nis 1,682 thousands, in 2022 Nis 737 thousands.

C. General and administrative expenses:

Salary and related expenses	342,660	684,600
Rent	42,497	35,675
Office expenses	21,234	4,507
Maintenance and insurance	5,007	6,668
Depreciation of fixed assets	51,464	40,683
Car maintenance	50,597	123,131
Professional fees	58,183	24,570
Computer maintenance	29,603	9,452
Professional and training	1,470	1,357
	<u>602,715</u>	<u>930,643</u>

Note 13 - Supplementary Information to Statement of Operation (cont'd)

	Year ended	
	December 31,	
	2023	2022
	N.I.S	
Financing income (expenses), net:		
Financing income	359,488	30,113
Income (expenses) rate differences	(362,157)	368,291
Less- financing expenses and exchange rate differences	(106,843)	(126,616)
	<u>(109,512)</u>	<u>271,788</u>