

**Bat Melech (Registered Association)**

**Financial Statements at December 31 2014**

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**Financial Statements at December 31 2014**

**Table of Contents**

	<u>Page</u>
Auditors' Report to the Members of the Association	1
Balance Sheets	2
Statements of Activities	3
Statements of Changes in Net Assets	4
Notes to Financial Statements	5-13

**Auditors' Report**  
**To the members of**  
**Bat Melech (Registered Association)**

We have audited the accompanying balance sheets of Bat Melech (Registered Association) (hereafter: "the Association") as of December 31 2014 and 2013, the statements of activities, and the statements of changes in net assets for each of the years then ended. These financial statements are the responsibility of the Association's management Committee. 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 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 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 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 Association as of December 31 2014 and 2013, and the results of its activities, and the changes in net assets for each of the years then ended, in conformity with generally accepted accounting principles in Israel (Israeli GAAP).


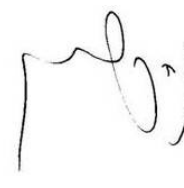
**Ben David, Shalvi, Kop & Co.**

**Bat Melech (Registered Association)**  
**Balance Sheets**  
**(USD)**

		<u>As of December 31</u>	
	<u>Note</u>	<u>2014</u>	<u>2013</u>
<b><u>Curret Assets</u></b>			
Cash and cash equivalents	3	926,181	395,872
Marketable securities		12,300	8,630
Checks receivable		32,841	6,994
Debtors and debit balances	4	6,659	27,457
		<u>977,981</u>	<u>438,953</u>
<b><u>Net Reserve for severance pay</u></b>	5	<b>25,436</b>	<b>31,739</b>
<b><u>Fixed Assets, Net</u></b>	6	<b>2,629,695</b>	<b>1,952,621</b>
		<u><b>3,633,112</b></u>	<u><b>2,423,313</b></u>
<b><u>Current Liabilities</u></b>			
Banks, overdraft		1,526	-
Suppliers and Service-Providers	7	15,176	49,595
Employees and related institutions		27,957	30,739
Income in advance		100,243	12,100
		<u>144,902</u>	<u>92,434</u>
<b><u>Net Assets</u></b>			
<b><u>Unrestricted Net Assets</u></b>			
Used for activities		596,169	316,731
Used for fixed and other assets		2,629,695	1,953,227
		<u>3,225,864</u>	<u>2,269,958</u>
<b><u>Temporarily Restricted Net Assets</u></b>			
		319,400	60,921
		(57,054)	-
		<u>3,488,210</u>	<u>2,330,879</u>
		<u><b>3,633,112</b></u>	<u><b>2,423,313</b></u>

25/7/2015

Date

Board Member

Board Member

The attached notes are an integral part of these statements

**Bat Melech (Registered Association)**  
**Statements of Activities**  
**(USD)**

		<b>As of December 31</b>	
		<b>2014</b>	<b>2013</b>
Revenues	8	2,438,103	1,586,928
Cost of Activities	9	1,995,540	1,334,583
Net income from activities		<u>442,563</u>	<u>252,345</u>
Administrative and General expenditure	15	174,130	162,464
Net income before finance		<u>268,433</u>	<u>89,881</u>
Net Financial income (expenses)	16	50,952	(30,997)
Net income before Depreciation		<u>319,385</u>	<u>58,884</u>
Depreciation		161,774	136,422
Other income(expenses), net other income ago		<u>157,611</u>	<u>(77,538)</u>
Other income		-	2,650
Net income (deficit) for the year		<u><b>157,611</b></u>	<u><b>(74,888)</b></u>

**The attached notes are an integral part of these statements**

**Bat Melech (Registered Association)**  
**Statements of Changes in Net Assets**  
**(USD)**

	<u>Unrestricted Assets</u>		<u>Temporarily Restricted Net Assets</u>	<u>Total</u>
	<u>Used for Activities</u>	<u>Used for Fixed Assets</u>		
<b>Balance as of January 1 2013</b>	<b>250,514</b>	<b>1,746,198</b>	-	<b>1,996,712</b>
<u>Changes during the year:</u>				
Deficit for the year	(74,888)	-	-	(74,888)
Designated income	-	-	589,737	589,737
<u>Amounts released from restrictions:</u>				
For activities	-	-	(157,113)	(157,113)
For Fixed assets	-	-	(348,136)	(348,136)
For overhead expenses	-	-	(23,567)	(23,567)
<u>Transfer of unrestricted sums:</u>				
Used for fixed assets	-	348,136	-	348,136
Disposal of depreciated fixed asset sold	1,239	(1,241)	-	(2)
Sums transferred to cover depreciation expenses	139,866	(139,866)	-	-
<b>Balance as of December 31 2013</b>	<b>316,731</b>	<b>1,953,227</b>	<b>60,921</b>	<b>2,330,879</b>
<u>Changes during the year:</u>				
Deficit for the year	157,611	-	-	157,611
Designated income	-	-	1,738,148	1,738,148
<u>Amounts released from restrictions:</u>				
For activities	-	-	(612,528)	(612,528)
For Fixed assets	-	-	(798,296)	(798,296)
For overhead expenses	-	-	(68,845)	(68,845)
<u>Transfer of unrestricted sums:</u>				
Used for fixed assets	(22,540)	820,835	-	798,295
Sums transferred to cover depreciation expenses	144,367	(144,367)	-	-
<b>Balance as of December 31 2014</b>	<b>596,169</b>	<b>2,629,695</b>	<b>319,400</b>	<b>3,545,264</b>

**The attached notes are an integral part of these statements**

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 1 - General**

Bat Melech (Registered Association) (hereafter: "the Association") was registered as an Association at the Registrar of Public, Nonprofit Associations in accordance with Associations' Law on October 1995. Its number is 580270395.

The Association operates two shelter for religious women and their children, halfway houses and provides legal assistance to Battered women.

The Association is recognized as a "public institution" as defined in section 9(2) and section 46 of the Income Tax Ordinance until December 2017.

The Organization has a proper management confirmation form in 2015.

**Note 2 - Significant Accounting Policies**

A. Historical Cost Convention

The financial statements are presented in conformity with generally accepted accounting principles, on the basis of the historical cost convention wherein no adjustments have been made for the changes in the purchasing power of the Shekel on the business results.

B. Cash and Cash Equivalents

The Association considers all highly liquid investments, including short-term bank deposits (up to three months from date of deposit) that are not restricted as to withdrawal or use, to be cash equivalents

C. Marketable Securities

The marketable securities are stated according to the market value on the dates of the financial statements.

D. Fixed Assets

Fixed assets are stated at cost and are depreciated by the straight-line method over the estimated useful lives of the assets. Annual rates of depreciation are as follows:

Buildings	4%-10%
Furniture and office equipment	6%-33%
Leasehold Improvements	10%
Computers	33%

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 2 - Significant Accounting Policies (Cont.)**

E. Translation of the Statements Into U.S. Dollars

The figures in the statements of activities were converted using an average rate of exchange for the Israeli Shekel (2014 - \$1 = NIS 3.5779; 2013 - \$1 = NIS 3.6107), or the actual dollar rate at the date of transaction. Figures in the balance sheets were calculated at the representative rate of exchange at the 31.12.14 (\$1 = NIS 3.889).

F. Statement of Cash Flows

Not conducted Statement of Cash Flows because it does not add significant information beyond financial statements and reality.

G. Worth money

The organization received donations worth money for the association's activities. Kind donations are recorded based on the market value of the donation, in accordance with the opinion of management.

In addition, income from value-ins volunteers. Volunteers valuation made By the association management and is based on common tariff per hour worked.

**Note 3 - Cash and cash equivalents**

	<u>As of December 31</u>	
	<u>2014</u>	<u>2013</u>
Cash on hand	12,584	8,747
Cash in the bank - israeli currency	39,845	43,809
Cash in the bank - foreign currency	-	154
Short-term bank deposits in NIS	262,502	23,192
Short-term bank deposits in Foreign currency	611,250	319,970
	<u><b>926,181</b></u>	<u><b>395,872</b></u>



**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 4 - Debtors and debit balances**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Prepaid expenses	6,659	5,254
Deposits in trust by lawyer	-	22,203
	<b>6,659</b>	<b>27,457</b>

**Note 5 - Net Reserve for severance pay**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Compensation Fund	47,240	51,042
Reserve for severance pay	(21,804)	(19,303)
	<b>25,436</b>	<b>31,739</b>

The liability for severance pay is calculated according to the employee's final salary and depending on their seniority, workers employed across the organization for one job.

The liability recorded in the balance sheet together with insurance policies, cover the liability association in respect of severance pay to its employees at balance sheet date.

Funds deposited in an approved compensation fund owned by the association.

**Note 6 - Fixed Assets, Net**

	<b>Buildings</b>	<b>Furniture and office equipment</b>	<b>Leasehold Improvements</b>	<b>Computers</b>	<b>Total</b>
<b><u>Cost</u></b>					
Balance as at January 1 2014	2,691,592	601,485	29,246	6,683	3,329,006
Additions	809,576	3,610	6,982	667	820,835
Balance as at December 31 2014	<b>3,501,168</b>	<b>605,095</b>	<b>36,228</b>	<b>7,350</b>	<b>4,149,841</b>
<b><u>Accumulated Depreciation</u></b>					
Balance as at January 1 2014	947,653	409,660	13,939	4,527	1,375,779
Additions	113,727	27,851	1,835	954	144,367
Balance as at December 31 2014	<b>1,061,380</b>	<b>437,511</b>	<b>15,774</b>	<b>5,481</b>	<b>1,520,146</b>
Fixed Assets, Net as at December 31 2014	<b>2,439,788</b>	<b>167,584</b>	<b>20,454</b>	<b>1,869</b>	<b>2,629,695</b>
Fixed Assets, Net as at December 31 2013	<b>1,743,334</b>	<b>191,825</b>	<b>15,306</b>	<b>2,156</b>	<b>1,952,621</b>

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 7 - Suppliers and Service-Providers**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Open accounts	8,822	33,754
Checks payable	6,354	15,841
	<b>15,176</b>	<b>49,595</b>

**Note 8 - Revenues**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Allocations from Ministry of Labor and Welfare	960,531	824,464
Amounts released from restrictions for activities (Allocations)	686,384	157,113
Donations from abroad	255,324	175,004
Donations in Israel	348,670	313,846
Volunteer Value *	85,681	72,906
Amounts released from restrictions for overhead expenses (Allocations)	77,146	23,567
Donations in kind *	24,367	20,028
	<b>2,438,103</b>	<b>1,586,928</b>

**Note 9 - Cost of Activities**

		<b>As of December 31</b>	
		<b>2014</b>	<b>2013</b>
Operation of Women's Shelter (A)	10	638,004	605,769
Operation of Women's Shelter (B)	11	511,123	457,374
The Million Project		670,598	97,741
Department for Legal Aid for Women	12	79,137	99,729
Volunteer Value *		52,838	31,420
Education and Explanation	13	31,466	27,608
Operation and Maintenance of Halfway Houses	14	12,374	14,942
		<b>1,995,540</b>	<b>1,334,583</b>

\* See Note 2.G

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 10 - Operation of Women's Shelter (A)**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Salaries and related expenses	298,185	268,133
Food and living expenses	124,438	116,799
Shelter maintenance	77,874	78,675
Supporting expenses	40,039	41,061
Transportation and vehicle maintenance	31,094	39,822
Social activities and workshops	30,817	29,854
Clothing	9,915	5,660
Participation in tuition fees	9,905	10,329
Taxes and fees	6,402	5,008
Telephone, Postage and deliveries	3,855	5,226
Office expenses and computer maintenance	3,129	3,066
Refreshments and gifts	1,859	1,683
Legal fees	250	373
Advertising and public relations	242	80
	<b><u>638,004</u></b>	<b><u>605,769</u></b>

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 11 - Operation of Women's Shelter (B)**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Salaries and related expenses	255,696	245,776
Food and living expenses	92,054	75,387
Shelter maintenance	60,644	36,609
Transportation and vehicle maintenance	30,716	25,854
Social activities and workshops	23,415	21,026
Supporting expenses	20,452	21,214
Clothing	9,747	5,618
Participation in tuition fees	5,962	6,854
Taxes and fees	5,575	15,117
Office expenses and computer maintenance	3,274	617
Refreshments and gifts	1,643	1,461
Telephone, Postage and deliveries	1,412	373
Advertising	533	1,468
	<b><u>511,123</u></b>	<b><u>457,374</u></b>

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 12 - Department for Legal Aid for Women**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Salaries and related expenses	36,575	36,383
Volunteer Value *	32,843	41,485
Advertising	4,412	5,180
Insurance	1,337	1,722
Office expenses and computer maintenance	1,269	5,227
Rent and maintenance	1,003	7,067
Refreshments and gifts	657	382
Taxes and fees	398	398
Telephone, Postage and deliveries	337	737
Professional literature	194	624
Transportation and vehicle maintenance	112	480
Legal fees	-	44
	<b>79,137</b>	<b>99,729</b>

**Note 13 - Education and Explanation**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Salaries and related expenses	31,267	26,711
Conventions	148	479
Maintenance	51	239
Refreshments and gifts	-	179
	<b>31,466</b>	<b>27,608</b>

\* See Note 2.G

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 14 - Operation and Maintenance of Halfway Houses**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Supporting expenses	12,216	6,333
Salaries and related expenses	4,636	10,518
Rent and maintenance	2,615	3,420
Insurance	1,255	679
Telephone, Postage and deliveries	83	148
Gifts	-	1,736
Traveling, deliveries and car maintenance	-	32
Less - participation of others in expenses	(8,431)	(7,924)
	<b>12,374</b>	<b>14,942</b>

**Note 15 - Administrative and General expenditure**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Salaries and related expenses	108,732	96,384
Professional services	22,253	20,908
Vehicle maintenance and movers	19,410	20,440
Postage and communication	5,958	5,490
Travel abroad	5,124	1,173
Fundraising	4,650	9,379
Office expenses and computer maintenance	3,752	3,937
Advertising and public relations	3,057	4,033
Taxes and fees	736	384
Refreshment and gifts	458	336
	<b>174,130</b>	<b>162,464</b>

**Bat Melech (Registered Association)**  
**Notes to Financial Statements**  
**(USD)**

**Note 16 - Net Financial income (expenses)**

	<b>As of December 31</b>	
	<b>2014</b>	<b>2013</b>
Income (expense) from revaluation	54,094	(26,157)
Interest	(3,142)	(4,840)
	<b><u>50,952</u></b>	<b><u>(30,997)</u></b>