

**Bat Melech (R.A.)**

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

**Bat Melech (R.A.)**

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**Auditors' Report**  
**To the members of**  
**Bat Melech (R.A.)**

We have audited the accompanying balance sheets of Bat Melech (R.A.) (hereafter: "the Association") as of December 31, 2023 and 2022, 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 Association's management Committee, 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, 2023 and 2022, 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.**  
**Certified Public Accountants**

Jerusalem,     Sep 25     2024

**Bat Melech (R.A.)**  
**Balance Sheets**  
**(In U.S. Dollar)**

	<u>Note</u>	<u>As of December 31,</u>	
		<u>2023</u>	<u>2022</u>
<b><u>Current Assets</u></b>			
Cash and cash equivalents	3	341,104	281,251
Deposit	4	412,680	412,122
Debtors and debit balances	5	211,995	117,991
		<u>965,779</u>	<u>811,364</u>
<b><u>Non-current Assets</u></b>			
Deposits - intended for investment in fixed assets		18,224	254,745
Marketable securities - intended for investment in fixed assets		1,582,330	1,500,442
Fixed Assets, Net	6	4,163,992	2,819,878
		<u>5,764,546</u>	<u>4,575,065</u>
		<u><u>6,730,325</u></u>	<u><u>5,386,429</u></u>
<b><u>Current Liabilities</u></b>			
Short-term credit from banks		36,802	35,241
Suppliers and service providers	7	84,083	41,926
Creditors and credit balances	8	187,039	235,436
		<u>307,924</u>	<u>312,603</u>
<b><u>Long-term Liabilities</u></b>			
Long-term loan from banks	9	110,683	151,327
Liabilities for employee severance benefits, net	10	130,477	136,048
		<u>241,160</u>	<u>287,375</u>
<b><u>Net Assets</u></b>			
<b><u>Unrestricted Net Assets</u></b>			
Used for activities		333,582	249,365
Invested in fixed assets		4,163,992	2,819,878
		<u>4,497,574</u>	<u>3,069,243</u>
<b><u>Foreign currency translation adjustments</u></b>		(229,505)	(170,947)
<b><u>Restricted</u></b>	11	1,888,155	1,888,155
		<u>6,156,224</u>	<u>4,786,451</u>
		<u><u>6,705,308</u></u>	<u><u>5,386,429</u></u>

Sep 25 2024

Date



Board Member



Board Member

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

**Bat Melech (R.A.)**  
**Statements of Activities**  
**(In U.S. Dollar)**

		<b>Year ended</b>	
		<b>December 31,</b>	
		<u>2023</u>	<u>2022</u>
Activities turnover	12	5,099,493	3,437,730
Cost of activities	13	3,500,874	3,213,652
Net income from activities		<u>1,598,619</u>	<u>224,078</u>
General and administrative expenses	20	271,701	380,132
Net income (eexpenses) before financing		<u>1,326,918</u>	<u>(156,054)</u>
Net financial income (expenses)	21	185,380	(154,594)
Net income (Deficit) for the year		<u><u>1,512,298</u></u>	<u><u>(310,648)</u></u>

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

**Bat Melech (R.A.)**  
**Statements of Changes in Net Assets**  
**(In U.S. Dollar)**

	Net Assets					
	Unrestricted Net Assets			Restricted*	Capital fund from translation differences	Total
	Used for Activities	Invested in fixed assets				
<b>Balance as of January 1, 2022</b>	<b>523,525</b>	<b>3,208,251</b>	<b>1,603,983</b>	<b>94,012</b>	<b>5,429,771</b>	
<u>Changes during the year</u>						
Deficit for the year	(310,648)	-	-	-	(310,648)	
Limited contributions	-	-	284,172	-	284,172	
<u>Amounts released from restrictions:</u>						
Invested in fixed assets	(241,968)	241,968	-	-	-	
To cover depreciation expenses	278,456	(278,456)	-	-	-	
Capital fund from translation differences	-	(351,885)	-	(264,959)	(616,844)	
<b>Balance as of December 31, 2022</b>	<b>249,365</b>	<b>2,819,878</b>	<b>1,888,155</b>	<b>(170,947)</b>	<b>4,786,451</b>	
<u>Changes during the year</u>						
Net income for the year	1,512,298	-	-	-	1,512,298	
<u>Amounts released from restrictions:</u>						
Invested in fixed assets	(1,734,903)	1,734,903	-	-	-	
To cover depreciation expenses	306,822	(306,822)	-	-	-	
Capital fund from translation differences	-	(83,967)	-	(58,558)	(142,525)	
<b>Balance as of December 31, 2023</b>	<b>333,582</b>	<b>4,163,992</b>	<b>1,888,155</b>	<b>(229,505)</b>	<b>6,156,224</b>	

\* The association has limited donations for the building fund.

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

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 1 - General**

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

The Association's goals are: To work for women from the religious sector in every possible way. Among other things: Establishment of a shelter for battered women, the construction of shelters for women in distress, assistance to battered women, the establishment of support groups.

The Association is recognized as a "public institution" as defined in section 9(2) and section 46 of the Income Tax Ordinance until December 2026.

The association has a Proper Management Approval from the registrar of Association for the years 2024 and 2025.

In October 2023, the "Iron Swords" war broke out in Israel. Due to the war, the organization's activity has significantly decreased. As of the date of the preparation of the financial reports, it is not possible to assess the potential further implications, if any, on the organization's activities in particular and on the Israeli economy as a whole.

**Note 2 - Significant Accounting Policies**

A. The financial statements were prepared according to generally accepted accounting principles for non profit organizations and in accordance with Standard No. 40 of the Israeli Accounting Standard Board, regarding "accounting principles and financial reporting by nonprofit organizations".

B. Historical Cost Convention

The financial statements were prepared on the basis of the historical cost convention and do not include the effect of changes in the general purchasing power of the Israeli currency on the results of the activities.

C. Presentation of the financial statements:

(1) Definitions:

"Net assets" - the difference between the Company's assets and its liabilities.

"Restriction" - a restriction on the use of net assets imposed by donors or other external parties

"Net assets in respect of which there is no restriction" - that portion of the Company's net assets arising from donations, allowances or other income, the use of which has not been restricted by external parties.

(2) In accordance with the guidelines of Accounting Standard 40, all the Company's accounts are presented in the financial statements in only one comprehensive framework, classifying all fund balances under the heading "Net assets".

The balances included in the net assets group are sorted with a distinction between:

-Net assets for which there is no restriction.

-Net assets for which there is a restriction.

Net assets for which there is no restriction are presented with a distinction between:

-Net assets used for activities - not designated by non-profit institutions.

-Net assets used for activities - Designated by non-profit institutions.

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

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

-Net assets invested in fixed assets.

(3) The report on the activities and the report on the changes in net assets:

The statement of activities includes all income and expenses during the reporting period.

"Income" includes all income received and accrued in the period without any restriction on their use as well as amounts released from groups of net assets for which there is a restriction following the existence, or cancellation, of the restrictions imposed on the use of those net assets.

"Expenses" also include expenses financed from sources restricted by their giver.

The statement of changes in net assets, including in addition to the net result transmitted from the statement of activities, also all the sources obtained while restricting their use and the amounts released from restrictions. Amounts released from restrictions due to use for operations or acquisition of fixed assets that can be used are transferred as income to the statement of activities.

**D. Cash and Cash Equivalents**

The company 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.

**E. Marketable Securities**

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

**F. 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	2%
Vehicles	15%
Furniture and equipment	6%-33%
Leasehold Improvements	10%
Computers	33%

**G. 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 (2023 - \$1 = NIS 3.687; 2022 - \$1 = NIS 3.3577), 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 31.12.23 1 = NIS 3.627; 31.12.22 1=3.519.

**H. Value of money and value of volunteers**

In the association donations received in monetary value, the evaluation of the value of the money is

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

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

carried out by the management of the association according to the market value. The association received notes for food, clothing and more for women and their children, and gifts for the holidays. Also, the association has income for the value of volunteers who provided a valuable service that requires professional skill and expertise, and if they had not been accepted, the non-profit would have been forced to purchase them in return through direct employment. Valuation of volunteers is done by the association's management and is based on an acceptable rate per hour of work. The volunteers are engaged in running summer camps and diverse activity.

I. Statement of cash flows

A report on the cash flows was not prepared since it does not add any meaningful information beyond what is found in the financial statements.

**Note 3 - Cash and cash equivalents**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Cash in the bank - Israeli currency	185,226	94,445
Cash on hand - Israeli currency	9,755	9,681
Short-term bank deposits - foreign currency	146,123	177,125
	<b>341,104</b>	<b>281,251</b>

**Note 4 - Long - term deposit**

A part of the deposit is lien in favor of Bank Mizrahi for a mortgage that was taken from the bank during 2015.

**Note 5 - Debtors and debit balances**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Checks and credit cards	125,160	76,470
Prepaid expenses	76,026	30,380
Deposit leasing company	10,809	11,141
	<b>211,995</b>	<b>117,991</b>

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 6 - Fixed Assets, Net**

	<u>Buildings</u>	<u>Furniture and office equipment</u>	<u>Leasehold Improvements</u>	<u>Computers</u>	<u>Vehicles</u>	<u>Total</u>
<u>Cost</u>						
Balance as of January 1, 2023	4,059,650	912,694	1,337,189	9,280	69,483	6,388,296
Additions	1,479,513	222,950	2,323	-	30,117	1,734,903
Balance as of December 31, 2023	<u>5,539,163</u>	<u>1,135,644</u>	<u>1,339,512</u>	<u>9,280</u>	<u>99,600</u>	<u>8,123,199</u>
<u>Accumulated Depreciation</u>						
Balance as of January 1, 2023	2,303,637	664,076	668,832	9,280	6,560	3,652,385
Depreciation for the year	120,675	42,425	130,125	-	13,597	306,822
Balance as of December 31, 2023	<u>2,424,312</u>	<u>706,501</u>	<u>798,957</u>	<u>9,280</u>	<u>20,157</u>	<u>3,959,207</u>
<b>Fixed Assets, Net as of December 31, 2023</b>	<b><u>3,114,851</u></b>	<b><u>429,143</u></b>	<b><u>540,555</u></b>	<b><u>-</u></b>	<b><u>79,443</u></b>	<b><u>4,163,992</u></b>
<b>Fixed Assets, Net as of December 31, 2022</b>	<b><u>1,809,907</u></b>	<b><u>256,248</u></b>	<b><u>688,869</u></b>	<b><u>-</u></b>	<b><u>64,854</u></b>	<b><u>2,819,878</u></b>

\* In 2016, a building in Jerusalem was donated to the Association by a donor from the United States. The Association recognized this property in a symbolic value.

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 7 - Suppliers and service providers**

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
Open accounts	52,896	30,239
Checks payable	31,187	11,687
	<b>84,083</b>	<b>41,926</b>

**Note 8 - Creditors and credit balances**

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
Employees and related institutions	181,553	229,782
Accrued expenses	5,486	5,654
	<b>187,039</b>	<b>235,436</b>

**Note 9 - Long-term loan from banks**

	<u>Interest rate</u>	<b>As of December 31,</b>	
		<b>2023</b>	<b>2022</b>
<u>Composition:</u>			
Loan from Bank Mizrahi	3.1%	147,485	186,568
Less current maturities		(36,802)	(35,241)
		110,683	151,327
		(110,683)	(151,327)
<u>Outstanding loan balance after the balance sheet date are as follows:</u>			
Second year - 2024		38,943	77,214
Third year - 2025		41,967	43,318
Fourth year and onwards		29,773	30,795
		<b>110,683</b>	<b>151,327</b>

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 10 - Liabilities for employee severance benefits, net**

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
Reserve for severance pay	157,030	161,849
A designated deposit	(26,553)	(25,801)
	<b>130,477</b>	<b>136,048</b>

A. The liability for severance pay was calculated on the basis of the employees' last salary and their seniority, for employees who are employed by the Amuta beyond one year and who are not signed under Section 14.

B. The reserve listed in the balance sheet together with the insurance policies covers the association's obligation for retirement compensation for its employees as of the balance sheet date.

C. The allocation for retirement compensation reflects amounts deposited in a central fund for compensation, and is owned by the association. (see note 21).

**Note 11 - Restricted**

The association has limited donations for the building fund.

**Note 12 - Activities turnover**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Donations in Israel	2,216,026	849,509
Allocations from ministry of labor and welfare	1,964,241	1,889,178
Donations from abroad	708,720	504,251
Other income and participations	91,279	87,700
Donations in kind *	70,476	56,799
Volunteer value *	48,751	50,293
	<b>5,099,493</b>	<b>3,437,730</b>

\*see note 2I.

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 13 - Cost of activities**

		<b>Year ended December 31,</b>	
		<b>2023</b>	<b>2022</b>
Operation of Women's Shelter (B) *	15	1,161,694	1,148,540
Operation of Women's Shelter (A) *	14	1,144,611	1,152,270
Depreciation		301,829	291,556
Operation of Women's Shelter (C)	16	267,858	-
Operation and maintenance of transition apartments - Women leaving *	17	257,359	226,014
Department for legal aid for women	18	155,812	136,671
Education and explanation	19	148,555	135,008
Volunteer value*		48,751	50,293
Project "Itach"		14,405	73,300
		<b><u>3,500,874</u></b>	<b><u>3,213,652</u></b>

\*Including expenses in cash equivalent, see note 2I.

**Note 14 - Operation of Women's Shelter (A)**

		<b>Year ended December 31,</b>	
		<b>2023</b>	<b>2022</b>
Salaries and related expenses		744,804	737,270
Food and living expenses		134,822	151,416
Shelter maintenance		75,109	81,205
Social activities and workshops		58,566	63,106
Transportation and vehicle maintenance		57,564	44,073
Supporting expenses		27,545	27,765
Office expenses and computer maintenance		18,182	14,026
Participation in tuition fees		9,952	7,259
Women and children clothing		8,536	13,796
Girls service fees		5,679	8,119
Telephone and postage		3,852	4,235
		<b><u>1,144,611</u></b>	<b><u>1,152,270</u></b>

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 15 - Operation of Women's Shelter (B) \***

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Salaries and related expenses	709,733	683,994
Food and living expenses	168,572	172,813
Shelter maintenance	114,642	108,374
Transportation and vehicle maintenance	57,079	42,254
Social activities and workshops	52,274	76,370
Participation in tuition fees	18,066	14,611
Office expenses and computer maintenance	12,906	9,254
Supporting expenses	8,580	13,668
Women and children clothing	7,878	13,213
Postage and communication	6,285	5,602
Girls service fees	5,679	8,387
	<b><u>1,161,694</u></b>	<b><u>1,148,540</u></b>

**Note 16 - Operation of Women's Shelter (C)**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Salaries and related expenses	138,106	-
Food and living expenses	53,117	-
Rent	36,235	-
Shelter maintenance	21,000	-
Transportation and vehicle maintenance	6,641	-
Women and children clothing	5,605	-
Social activities and workshops	3,652	-
Supporting expenses	1,993	-
Medical	1,509	-
	<b><u>267,858</u></b>	<b><u>-</u></b>

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 17 - Operation and maintenance of transition apartments - Women leaving**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Supporting expenses	118,332	92,648
Salaries and related expenses	66,631	68,840
Rent and maintenance	51,356	36,270
Trips and activities	16,199	23,499
Postage and communication	2,549	2,892
Insurance	2,292	1,865
	<b><u>257,359</u></b>	<b><u>226,014</u></b>

**Note 18 - Department for legal aid for women**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Salaries and related expenses	143,758	122,332
Taxes and fees	3,823	3,309
Maintenance	3,771	3,662
Insurance	2,925	2,577
Postage and communication	840	677
Office expenses and computer maintenance	695	2,439
Professional literature	-	1,284
Transportation and vehicle maintenance	-	391
	<b><u>155,812</u></b>	<b><u>136,671</u></b>

**Note 19 - Education and explanation**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Salaries and related expenses	132,802	95,715
Advertising	14,675	37,385
Office expenses	1,078	1,908
	<b><u>148,555</u></b>	<b><u>135,008</u></b>

**Bat Melech (R.A.)**  
**Notes to Financial Statements**  
**(In U.S. Dollar)**

**Note 20 - General and administrative expenses**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Salaries and related expenses	208,156	280,835
Advertising and public relations	18,010	18,649
Office expenses and computer maintenance	16,623	22,506
Vehicle maintenance and movers	8,389	19,294
Professional services	7,885	20,737
Postage and communication	4,818	3,842
Fundraising	4,812	12,535
Insurance	2,630	939
Taxes and fees	378	518
Depreciation	-	277
	<b><u>271,701</u></b>	<b><u>380,132</u></b>

**Note 21 - Net financial income (expenses)**

	<b>Year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Losses from securities	124,507	(179,552)
Exchange rate differences	64,425	26,261
Income from revaluation	13,226	1,796
Interest rates and fees	(16,778)	(3,099)
	<b><u>185,380</u></b>	<b><u>(154,594)</u></b>