

RABBIS FOR HUMAN RIGHTS (R.A.)

FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

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AUDITORS' REPORT TO THE MEMBERS OF
RABBIS FOR HUMAN RIGHTS (R.A.)

We have audited the attached Statement of Financial Position of Rabbis for Human Rights (R.A.) (hereinafter: "the Amuta"), as at December 31, 2023 and 2022, the related Statement of Activities and Statement of Changes in Net Assets for the two years then ended. These financial statements are the responsibility of the management of the Amuta. 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 Israeli Auditors Regulations (Auditors' Mode of Performance), 1973. These 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 examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management of the Amuta, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of the Amuta, as at December 31, 2023 and 2022, the results of its operations and changes in net assets for the two years then ended, in accordance with generally accepted accounting principles in Israel (Israeli GAAP).

Jerusalem, May 8, 2024

Ziv Haft
Certified Public Accountants (Isr.)

RABBIS FOR HUMAN RIGHTS (R.A.)
STATEMENTS OF FINANCIAL POSITION (N.I.S)

	<u>Notes</u>	<u>31.12.2023</u>	<u>31.12.2022</u>
<u>ASSETS</u>			
<u>CURRENT ASSETS:</u>			
Cash and cash equivalents	3	1,024,552	633,257
Debtors and debit balances	4	69,726	39,351
		<u>1,094,278</u>	<u>672,608</u>
		<u>1,094,278</u>	<u>672,608</u>
<u>LIABILITIES AND NET ASSETS:</u>			
<u>CURRENT LIABILITIES</u>			
Creditors and credit balances	5	165,440	246,993
<u>NON CURRENT LIABILITES</u>			
Provision for cessation of employee-employer relationship, net	6	134,823	191,138
<u>NET ASSETS</u>			
Unrestricted net assets:			
Net assets used for operations		531,208	(52,543)
Restricted net assets	7	262,807	287,020
		<u>794,015</u>	<u>234,477</u>
		<u>1,094,278</u>	<u>672,608</u>

The Notes to the Financial Statements are an integral part thereof.

Date of approval of the financial statements: May 8, 2024

Chair of the
Management Committee

Management Committee
Member

RABBIS FOR HUMAN RIGHTS (R.A.)
STATEMENT OF ACTIVITIES (N.I.S)

	<u>Note</u>	<u>For the Year Ended</u>	
		<u>31.12.2023</u>	<u>31.12.2022</u>
<u>Operating Turnover:</u>			
Donations	8A	1,406,870	531,652
Amounts released from temporarily restricted net assets	7, 8A	1,744,353	1,189,428
Membership fees in Israel	8D	41,760	29,130
Income from services	8C	<u>149,870</u>	<u>587,505</u>
Total operating turnover before value of volunteers in operations		<u>3,342,853</u>	<u>2,337,715</u>
Value of volunteers in operations	8B	<u>39,417</u>	<u>153,845</u>
		3,382,270	2,491,560
Operating Costs	9	<u>2,129,967</u>	<u>1,959,494</u>
Net operating income		1,252,303	532,066
General and administrative expenses	10	459,954	453,225
Fundraising expenses	11	<u>200,113</u>	<u>196,107</u>
Net expense before financing		592,236	(117,266)
Net financing (income) expense		<u>8,485</u>	<u>(20,337)</u>
Net (deficit) income for the year		<u>583,751</u>	<u>(96,929)</u>

The Notes to the Financial Statements are an integral part thereof.

RABBIS FOR HUMAN RIGHTS (R.A.)
STATEMENTS OF CHANGES IN NET ASSETS (N.I.S)

	Unrestricted Net Assets (net loss)		
	Net Assets Used for Operations	Restricted Net Assets	Total
Balance as at January 1, 2022	44,386	53,186	97,572
Additions during the year:			
Donations		1,423,262	1,423,262
Net deficit for the year	(96,929)		(96,929)
Deductions during the year:			
Amounts transferred from their restrictions		(1,189,428)	(1,189,428)
Balance as at December 31, 2022	(52,543)	287,020	234,477
Additions during the year:			
Donations		1,720,140	1,720,140
Net income for the year	583,751		583,751
Deductions during the year:			
Amounts transferred from their restrictions		(1,744,353)	(1,744,353)
Balance as at December 31, 2023	531,208	262,807	794,015

The Notes to the Financial Statements are an integral part thereof.

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL:

- A. Rabbis for Human Rights (R.A.) (hereinafter: “the Amuta”) is a not profit organization that operates toward the achievement of public goals, by rabbis of all streams in Judaism, in order to protect human rights, including: education and advocacy to the community at large, providing advice to the community in the religious, social or legal field regarding respect for human rights.

The Amuta operates projects in human rights education.

The Amuta operates in the area of social justice, including the provision of legal aid to achieve equal opportunity and reducing economic and social disparities. The Amuta operates the Center for Rights in Hadera. The Amuta operates projects in public housing and fighting poverty. The Amuta conducts interfaith activities in panels of rabbis with Christian and Muslim clerics.

The Amuta also works to protect human rights of Palestinians whose rights have been violated, including those whose olive trees have been damaged.

- B. The Amuta’s assets and revenues are used to advance the aforementioned goals, and a significant portion of its income is not used to provide benefit to the contributing donors.
- C. The net assets of the Amuta are not available for distribution to the Amuta’s members.
- D. The Amuta was established in Israel in 1989 and began its operations during that year.
- E. The Amuta operates as a public institution, as defined in clause 2(9) of the Income Tax Act and as a not - profit organization according to the Value Added Tax law.
- F. The Amuta is associated with the Friends of Rabbis for Human Rights in the UK, USA and Canada.

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Definitions:

As pertains to these financial statements:

“the Amuta”

Rabbis for Human Rights (R.A.)

“Net Assets”

The difference between the Amuta's assets and liabilities.

RABBIS FOR HUMAN RIGHTS (R.A.)

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (cont.):

A. Definitions (cont.):

"Restrictions"

1. Restrictions imposed on the use of net assets by donors, supporters or grant providers to the Amuta.
2. A restriction that expires or is removed with the occurrence of a specific event with the passage of time, or that can be fulfilled or removed with the performance of specific activities, all of which are contingent upon the conditions imposed by donors or other outside sources which provided the funds

"Index"

The Consumer Price Index, as published by the Central Bureau of Statistics.

"Related Parties"

As defined in Accounting Standard No.41 of the Israel Accounting Standards Board.

"Fair Value"

The amount at which one can exchange an asset or settle a liability, between two willing parties, in an arm's length transaction.

"Presentation Currency"

The currency presented in the financial statements.

"Functional Currency"

The currency of the primary economic environment in which the Amuta operates.

B. First-time application of Accounting Standard No. 40, Accounting Rules and Financial Reporting By non-profit organizations

Advertising requirements

Accounting Standard No. 40, Accounting Rules and Financial Reporting by Non-Profit Organizations (hereinafter: "the Standard") was published on August 13, 2021. The Standard replaces the existing provisions in the combined wording of Statement No. 69 and Accounting Standard No. 5 and its amendments, as well as Accounting Standard No. 9.

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (cont.):

**B. First-time application of Accounting Standard No. 40, Accounting Rules and Financial Reporting
By non-profit organizations**

First and transitional instructions

The standard has been applied for annual periods beginning on January 1, 2022. The effect of the adoption of the measurement provisions in this standard at the date of first application has been reported as an adjustment of the net asset balances to the beginning of the period. Comparative information has not been restated for the measurement changes resulting from the provisions of this Standard. The presentation instructions contained in this standard have been applied retrospectively from the date of commencement of the standard.

C. Presentation of financial statements:

1. The balances included in the grouping of Net Assets are categorized as follows:

- Unrestricted Net Assets
- Temporarily Restricted Net Assets

The Unrestricted Net Assets are classified as follows:

- Net Assets used for operations
- Net Assets used Invested in Assets fixed assets

2. The Statement of Activities includes all income and expense items for the reporting period. "Income" includes all revenues received and earned during the period which are unrestricted in nature, and amounts that were released from donor restriction. "Expenses" also include those expenses which were financed from sources that were restricted by their donors.

3. The Statement of Changes in Net Assets includes, in addition to the net result transferred from the Statement of Activities, all the restricted sources received and the amounts released from restrictions. Amounts released from restrictions for activities are transferred as income to the Statement of Activities, and amounts released from restrictions for fixed assets, including fixed assets received as gifts (and whose proceeds upon sale is unrestricted) are transferred directly to the Unrestricted Net Asset balance in the Statement of Changes in Net Assets.

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (cont.):

C. Presentation of financial statements:

4. The Statement of Changes in Net Assets also includes transfers between unrestricted net assets used for operations and unrestricted net assets used for fixed assets, due to amounts used during the accounting period for the acquisition of fixed assets, amounts derived during the accounting period from the sale of fixed assets and amounts that were transferred during the accounting period to cover depreciation expenses.

D. Reporting basis:

1. The Amuta's assets, liabilities, income and expenses are recorded on an accrual basis.
2. Noncash contributions (volunteer's work) are included in the financial statements as income and salaries expenses.

E. Functional Currency and Reporting Currency:

1. **Functional Currency:** the currency that represents most accurately, in the best possible way, the economic effects of transactions, events and circumstances is the New Israeli Shekel. Any transaction undertaken by the Amuta that is not in its Functional Currency is defined as a transaction in a foreign currency (see note 2 E below).
2. **Reporting Currency:** The financial statements of the Amuta are presented in New Israeli Shekels.

F. Foreign Currency and Linkage:

1. Assets and liabilities in foreign currencies, or those linked to them, are stated at the representative rates of exchange at financial statement date.
2. Assets and liabilities linked to the Index have been included according to the linkage conditions applicable to each balance.
3. Income, expenses and other transactions in foreign currencies are recorded at the representative rates of exchange prevailing at the time of each transaction.
4. Linkage and exchange differences are recorded in the financial statements at the time of creation.

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (cont.):

F. Foreign Currency and Linkage:

5. Balances of net assets that have not had their donors set the basis of maintaining their real values are recorded on the same linkage basis set by the management, based on the interpretation given regarding the donors' intentions.
6. Following are the details of the Consumer Price Index and exchange rates of primary currencies:

	December 31,	
	2023	2022
The Consumer Price Index, in points	105	102
U.S. Dollar (in NIS to 1 Dollar)	3.627	3.519
Euro (in NIS to 1 Euro)	4.012	3.753
	For the Year Ended December 31,	
	2023	2022
	%	%
Rate of change in the Consumer Price Index	2.96	5.26
Rate of change in the U.S. Dollar for the year	3.07	13.15
Rate of change in the Euro for the year	6.89	6.62

G. Cash and cash equivalents:

Cash and cash equivalents include current bank account balances and deposits in banks, both available for immediate withdrawal where the period till realization when invested was not longer than three months.

H. Fixed assets:

1. Stated at cost, less accumulated depreciation.
2. The depreciation is computed on the "straight-line" basis, taking into account the estimated useful life of the assets.

I. Scholarships:

Stipends that were given are recorded as an expense at the time granted.

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (cont.):

J. Tax:

Payroll taxes, levied pursuant to the Value Added Tax and Employers' Tax laws, are included in salaries and related expenses. Other Value Added Tax paid, which is non-refundable, is included with the expense or asset for which it was paid.

K. Statement of cash flows:

The financial statements do not include a statement of cash flows, as it will not provide any significant additional knowledge beyond that which is included in these financial statements.

3. CASH AND CASH EQUIVALENTS:

	<u>31.12.2023</u>	<u>31.12.2022</u>
In NIS	981,633	305,422
In foreign currencies	42,919	327,257
	<u>1,024,552</u>	<u>633,257</u>

4. DEBTORS AND DEBIT BALANCES:

	<u>31.12.2023</u>	<u>31.12.2022</u>
Employees	17,366	18,000
Prepaid expenses	52,360	21,351
	<u>69,726</u>	<u>39,351</u>

5. CREDITORS AND CREDIT BALANCES:

	<u>31.12.2023</u>	<u>31.12.2022</u>
Checks to repay	45,939	108,052
On account of salaries and institutions due to salaries payable	-	28,526
Provision for vacation	96,101	87,015
Expenses payable	23,400	23,400
	<u>165,440</u>	<u>246,993</u>

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS (N.I.S)

6. PROVISION FOR CESSATION OF EMPLOYEE-EMPLOYER RELATIONSHIP, NET:

1. The Amuta's liability for severance pay, retirement and pensions of its employees, which was calculated on the basis of labor laws and existing employee agreements, are covered in full - partly by regular deposits and accumulated amounts in pension funds, severance funds and insurance policies, and the remainder as liabilities included in these financial statements.

2. Amounts deposited in pension funds and insurance policies are recorded for the particular employee. The pension funds accept the Amuta's liability arising from employee agreements and releases the Amuta from paying any additional amounts. These liabilities are shown as the net liability in excess of the funds, in the event that they exist.

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS (N.I.S)

7. TEMPORARILY RESTRICTED NET ASSET

A. IN N.I.S:

	<u>Balance as at January 1, 2022</u>	<u>Donations</u>	<u>Amounts released from restriction</u>	<u>Balance as at December 31, 2022</u>	<u>Donations</u>	<u>Amounts released from restriction</u>	<u>Balance as at December 31, 2023</u>
Misereor	-	148,923	(59,569)	89,354	-	(89,354)	-
KIA	53,186	140,040	(56,016)	137,210	225,627	(193,617)	169,220
Fin Church Aid	-	100,760	(40,304)	60,456	124,783	(91,652)	93,587
Savran Fund	-	85,908	(85,908)	-	-	-	-
MAZON	-	154,582	(154,582)	-	215,270	(215,270)	-
The Scottish Church	-	-	-	-	21,012	(21,012)	-
New Israel Fund	-	154,474	(154,474)	-	207,513	(207,513)	-
Asia Tan	-	536,645	(536,645)	-	607,745	(607,745)	-
The Evangelical Church	-	70,648	(70,648)	-	301,996	(301,996)	-
Others	-	24,161	(24,161)	-	-	-	-
SIVMO	-	7,121	(7,121)	-	16,194	(16,194)	-
Total	<u>53,186</u>	<u>1,423,262</u>	<u>(1,189,428)</u>	<u>287,020</u>	<u>1,720,140</u>	<u>(1,744,353)</u>	<u>262,807</u>

RABBIS FOR HUMAN RIGHTS (R.A.)

NOTES TO THE FINANCIAL STATEMENTS (N.I.S)

7. TEMPORARILY RESTRICTED NET ASSETS (cont.):

B. IN USD:

	<u>Balance as at January 1, 2022</u>	<u>Donations</u>	<u>Amounts released from restriction</u>	<u>Balance as at December 31, 2022</u>	<u>Donations</u>	<u>Amounts released from restriction</u>	<u>Balance as at December 31, 2023</u>
Misereor	-	42,320	(16,928)	25,392	-	(25,392)	-
KIA	10,998	43,911	(15,918)	38,991	62,208	* (54,543)	46,656
Finn Church Aid	-	28,633	(11,453)	17,180	34,404	* (25,781)	25,803
Savran Fund	-	24,413	(24,413)	-	-	-	-
MAZON	-	43,928	(43,928)	-	59,352	(59,352)	-
The Scottish Church	-	-	-	-	5,793	(5,793)	-
New Israel Fund	-	43,897	(43,897)	-	57,213	(57,213)	-
Asia Tan	-	152,499	(152,499)	-	167,561	(167,561)	-
The Evangelical Church	-	20,076	(20,076)	-	83,263	(83,263)	-
Others	-	6,866	(6,866)	-	-	-	-
SIVMO	-	2,024	(2,024)	-	4,466	(4,466)	-
Total	<u>10,998</u>	<u>408,567</u>	<u>(338,002)</u>	<u>81,563</u>	<u>474,260</u>	<u>(483,364)</u>	<u>72,459</u>

* Includes exchange difference

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS (N.I.S)

8. OPERATING TURNOVER:

	For the Year Ended			
	31.12.2023		31.12.2022	
	USD	N.I.S	USD	N.I.S
A. Donations				
Donations in Israel:				
From others *	45,978	166,764	50,008	175,979
Funds:				
Finn Church Aid	25,269	91,652	-	-
MAZON	59,352	215,270	93,928	154,582
Church of Sweden			11,453	40,304
SIVMO	4,466	16,194	2,024	7,121
The Scottish Church	5,793	21,012		
Anne Frank Fund	-	-	6,866	24,161
Misereor	24,636	89,354	16,928	59,569
Overseas Resources	167,561	607,745	152,499	536,645
Evangelical Church	83,263	301,996	20,076	70,648
The New Israel Fund	57,213	207,513	43,897	154,474
KIA	53,382	193,617	15,918	56,016
Savran Fund	-	-	24,413	85,908
Total	480,935	1,744,353	388,010	1,189,428
Donations from Individuals Abroad:				
Canada	669	2,425	1,881	6,619
Interreligious	2,037	7,388	13,399	47,151
Individuals from UK	7,907	28,679	19,913	70,075
Individuals from Germany	2,221	8,057	283	995
Individuals from U.S.A	242,485	879,494	65,724	231,284
From others	86,591	314,063	-	-
	341,910	1,240,106	101,200	355,673
	868,823	3,151,223	539,218	1,721,080

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS (N.I.S)

9. OPERATING TURNOVER (cont.):

A.	For the Year Ended			
	31.12.2023		31.12.2022	
	USD	N.I.S	USD	N.I.S
Donations	868,823	3,151,223	539,218	1,721,080
B. Value of volunteers in operations				
Volunteer activities are calculated based on the number of volunteer hours, the amount of volunteers and a valuation of the cost per volunteer hour, capped at 30 N.I.S. in 2023 (in 2022 – 28.49 N.I.S.)				
	10,868	39,417	12,423	43,718
C. Income from the provision of services				
Tours and lectures	41,321	149,870	166,952	587,505
D. Membership income				
Membership fees	11,514	41,760	8,278	29,130
Total Operating Turnover	<u>932,526</u>	<u>3,382,270</u>	<u>708,031</u>	<u>2,491,560</u>

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS (N.I.S)

9. OPERATING COSTS:

	For the year ended	
	<u>31.12.2023</u>	<u>31.12.2022</u>
A. Composition according to Project		
Education	363,223	456,671
Agricultural	-	118,419
Community	268,003	72,438
Territories and social activism	247,807	173,788
Legal expenses	-	60,011
Social justice	550,529	522,122
Interfaith activities	46,037	-
Advertising and public relations	458,660	402,200
Rights Center	1,768	-
Humanitarian Aid	154,523	-
Total operating costs before value of volunteers	<u>2,090,550</u>	<u>1,805,649</u>
Value of volunteers in operations (*)	<u>39,417</u>	<u>153,845</u>
	<u><u>2,129,967</u></u>	<u><u>1,959,494</u></u>
(*) See note 8B above.		
B. Composition according to Expenses		
Salaries and salary related expenses	1,368,612	1,406,002
Rent and municipality fees	35,424	50,252
Communication	9,996	19,770
Office expenses and printing	7,628	2,803
Travel and deliveries	14,025	17,259
Insurance	39,171	34,021
Agricultural	67,896	92,870
Humanitarian Aid	270,369	-
Sundry	239,959	182,672
Total operating costs before value of volunteers	<u>2,090,550</u>	<u>1,805,649</u>
Value of volunteers in operations (*)	<u>39,417</u>	<u>153,845</u>
Total	<u><u>2,129,967</u></u>	<u><u>1,959,494</u></u>

(*) See note 8B above.

RABBIS FOR HUMAN RIGHTS (R.A.)
NOTES TO THE FINANCIAL STATEMENTS (N.I.S)

10. GENERAL AND ADMINISTRATIVE EXPENSES:

	For the year ended	
	<u>31.12.2023</u>	<u>31.12.2022</u>
Salaries and salary related expenses	286,837	288,847
Bookkeeping and audit	83,400	83,400
Office expenses and printing	16,612	12,236
Postage, phones, communication, and travel expenses	23,918	26,092
Office rental and maintenance	43,825	34,021
Business insurance	-	8,629
Travels	444	-
Taxes and fees	4,918	-
	<u>459,954</u>	<u>453,225</u>

11. FUNDRAISING EXPENSES:

	For the year ended	
	<u>31.12.2023</u>	<u>31.12.2022</u>
Salaries and salary related expenses	176,170	193,783
Postage, phone, communication, and other expenses	23,943	2,324
	<u>200,113</u>	<u>196,107</u>

12. Significant events during the reporting period:

On October 7 2023 the Iron Swords started war started that is going on till this day. The war has wide effects on the economy in Isreal that there affects yet to be detemnd. To the date of signing the reports there has not been any effect on the financial reports of the Amuta.