

**Amit Children, Inc.
and Affiliates**

**CONSOLIDATED
FINANCIAL
STATEMENTS
AND SUPPLEMENTARY
INFORMATION**

December 31, 2023

AMIT Children, Inc. and Affiliates
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For the Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Amit Children Inc. and Affiliates
New York, New York

Opinion

We have audited the consolidated financial statements of Amit Children Inc. and its Affiliates (a nonprofit organization), which comprise the consolidated balance sheets as of December 31, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the reports of, and additional audit procedures performed by, the other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Amit Children Inc. and Affiliates as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of two foreign affiliates, which statements reflect total assets of approximately \$97.6 million at December 31, 2023, and total revenues of approximately \$257.6 million for the year then ended. Those statements, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, were audited by other auditors in accordance with International Standards on Auditing, whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of the two affiliates, which conform those financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for such affiliates, prior to those conversion adjustments, is based solely on the reports of, and additional audit procedures to meet the relevant requirements of auditing standards generally accepted in the United States of America performed by, the other auditors.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Amit Children Inc. and Affiliates and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Amit Children Inc. and Affiliates ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Amit Children Inc. and Affiliates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Amit Children Inc. and Affiliates' ability to continue as a going concern for a reasonable period of time.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Respectfully submitted,

Roth & Company LLP

Roth & Company, LLP
Brooklyn, New York
November 13, 2024

Amit Children, Inc. and Affiliates
Consolidated Statement of Financial Position
December 31, 2023

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 23,609,911	
Short-term investments, at fair value	24,646,774	
Contributions receivable, current portion	3,694,651	
Government and other receivables	5,372,479	
Prepaid expenses and other assets	<u>59,500</u>	
TOTAL CURRENT ASSETS		\$ 57,383,315

OTHER ASSETS

Long-term investments, at fair value	10,373,308	
Contributions receivable, net	10,725,461	
Prepaid expenses and other assets, less current portion	965,184	
Fixed assets, net	39,797,286	
Right of use asset, operating leases	<u>7,283,362</u>	
TOTAL OTHER ASSETS		<u>69,144,601</u>

TOTAL ASSETS		<u><u>\$ 126,527,916</u></u>
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

Amit Children, Inc. and Affiliates
Consolidated Statement of Financial Position
December 31, 2023

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 32,664,140
Deferred revenue	12,274,662
Accrued salaries and benefits	1,796,804
Short-term lease liability	351,579
Obligations due under split-interest agreements	<u>451,044</u>

TOTAL CURRENT LIABILITIES \$ 47,538,229

LONG-TERM LIABILITIES

Long-term lease liability	7,141,138
Economic Injury Disaster Loan payable	<u>129,187</u>

TOTAL LONG-TERM LIABILITIES 7,270,325

TOTAL LIABILITIES 54,808,554

NET ASSETS

Without donor restrictions	57,050,945
With donor restrictions	<u>14,668,417</u>

TOTAL NET ASSETS 71,719,362

TOTAL LIABILITIES AND NET ASSETS \$ 126,527,916

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

Amit Children, Inc. and Affiliates
Consolidated Statement of Activities
For The Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Tuition and fees	\$ 245,961,758	\$ 657,716	\$ 246,619,474
Contributions	12,888,384	12,291,306	25,179,690
Special events (net of direct costs of \$653,410)	201,190	-	201,190
Legacies and bequests	215,766	-	215,766
Investment gain, net	1,853,116	11,391	1,864,507
Other revenue	418,240	-	418,240
Net assets released from restrictions	1,309,192	(1,309,192)	-
TOTAL REVENUES	262,847,646	11,651,221	274,498,867
OPERATING EXPENSES			
Program expenses			
Israel projects	246,130,326	-	246,130,326
Public information and education	1,590,188	-	1,590,188
AMIT Children magazine	71,814	-	71,814
TOTAL PROGRAM EXPENSES	247,792,328	-	247,792,328
Supporting services			
General and administrative expenses	9,378,961	-	9,378,961
Fundraising expenses	1,119,936	-	1,119,936
TOTAL SUPPORTING EXPENSES	10,498,897	-	10,498,897
TOTAL OPERATING EXPENSES	258,291,225	-	258,291,225
CHANGE IN NET ASSETS FROM OPERATIONS	4,556,421	11,651,221	16,207,642
OTHER INCOME (LOSS)			
Actuarial change in split-interest agreements	(49,373)	-	(49,373)
Gain on sale of property	135,340	-	135,340
Change in long-term receivable discount	-	(2,325,608)	(2,325,608)
Loss on foreign currency translation	(1,280,684)	(12,798)	(1,293,482)
TOTAL OTHER INCOME (LOSS)	(1,194,717)	(2,338,406)	(3,533,123)
CHANGE IN NET ASSETS	3,361,704	9,312,815	12,674,519
NET ASSETS - BEGINNING	53,689,241	5,355,602	59,044,843
NET ASSETS - ENDING	\$ 57,050,945	\$ 14,668,417	\$ 71,719,362

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

Amit Children, Inc. and Affiliates
Consolidated Statement of Functional Expenses
For The Year Ended December 31, 2023

	Program Services			Supporting Services			Total
	Israel Projects	Public Information and Education	AMIT Children Magazine	Total Program Services	General and Administrative	Fundraising	
Salaries and benefits	\$ 179,301,963	\$ 899,855	\$ 42,380	\$ 180,244,198	\$ 7,601,174	\$ 480,682	\$ 188,326,054
Grants	443,151	-	-	443,151	-	-	443,151
School cultural and educational materials	36,606,579	-	-	36,606,579	-	-	36,606,579
Food, clothing and medicine	18,862,875	-	-	18,862,875	53,044	-	18,915,919
Cleaning and rubbish removal	5,890	3,821	159	9,870	3,662	2,388	15,920
Computer services	53,259	43,499	1,336	98,094	30,722	20,036	148,852
Dues and subscriptions	11,061	7,176	299	18,536	6,877	4,485	29,898
Equipment rental and repairs	23,579	15,228	607	39,414	13,958	9,103	62,475
Fees and taxes	232,531	23,813	992	257,336	131,581	14,883	403,800
Insurance	473,705	8,875	370	482,950	78,423	283,930	845,303
Occupancy	866,277	153,358	6,390	1,026,025	146,968	95,849	1,268,842
Office supplies	272,176	9,724	405	282,305	25,575	6,078	313,958
Photography	5,002	-	-	5,002	-	-	5,002
Postage	42,992	16,078	581	59,651	14,580	8,789	83,020
Printing	77,826	77,826	-	155,652	2,285	-	157,937
Professional fees	564,820	19,896	829	585,545	369,458	12,435	967,438
Public relations and advertising	1,150,118	249,902	16,660	1,416,680	-	-	1,416,680
Security	642,684	7,887	329	650,900	7,738	4,930	663,568
Telephone	883,510	7,813	326	891,649	73,259	5,468	970,376
Travel and transportation	2,236,523	41,995	-	2,278,518	571,691	80,006	2,930,215
Miscellaneous	665,118	3,442	151	668,711	25,843	90,874	785,428
Total expenses, before depreciation and amortization	243,421,639	1,590,188	71,814	245,083,641	9,156,838	1,119,936	255,360,415
Depreciation and amortization	2,708,687	-	-	2,708,687	222,123	-	2,930,810
Total expenses	<u>\$ 246,130,326</u>	<u>\$ 1,590,188</u>	<u>\$ 71,814</u>	<u>\$ 247,792,328</u>	<u>\$ 9,378,961</u>	<u>\$ 1,119,936</u>	<u>\$ 258,291,225</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

Amit Children, Inc. and Affiliates
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets		\$ 12,674,519
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Loss on foreign currency translation	\$ 1,293,482	
Depreciation and amortization	2,930,810	
Gain on sale of property	(135,340)	
Actuarial change in split-interest obligation	49,373	
Change in long term receivable discount	2,325,608	
Unrealized/realized gain on investments	(1,095,379)	
Amortization of right of use asset in excess of cash lease payments	101,109	
Change in operating assets and liabilities		
Contributions receivable	(11,843,461)	
Government and other receivables	2,068,716	
Prepaid expenses and other assets	12,981	
Accounts payable	1,539,201	
Accrued expenses	293,761	
Deferred revenue	(18,620)	
Total adjustments		<u>(2,477,759)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u>10,196,760</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(14,049,803)	
Proceeds from sale of investments	1,024,772	
Additions to property and equipment	(12,373,645)	
Proceeds from sale of property and equipment	135,340	
NET CASH USED IN INVESTING ACTIVITIES		<u>(25,263,336)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on short term loan from bank	(3,255)	
Payments on long-term debt	(10,382)	
Payments of annuity obligations	(71,207)	
NET CASH USED IN FINANCING ACTIVITIES		<u>(84,844)</u>
NET DECREASE IN CASH		(15,151,420)
CASH AT BEGINNING OF YEAR		40,477,134
Effect of exchange rate changes on cash and cash equivalents		(1,715,803)
CASH AT END OF YEAR		<u><u>\$ 23,609,911</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 1 PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of AMIT Children, inc. (AMIT USA) and its affiliates, AMIT Women (AMIT Israel); Yazamut Vehadshanut Behinuh and AMIT Women, Inc. (collectively, AMIT). The Board of Directors of AMIT USA appoints the Board of Directors of AMIT Israel and has board control of AMIT Israel; AMIT Women, Inc.; and Yazamut Vehadshanut Behinuh.

All material intercompany transactions and balances have been eliminated in consolidation.

NOTE 2 NATURE OF ORGANIZATIONS

AMIT enables Israel's youth to realize their potential and strengthen Israeli society by educating and nurturing children from diverse backgrounds within a framework of academic excellence, Jewish values, and Zionist ideals. Founded in 1925, AMIT operates 107 schools, youth villages, surrogate family residences, and other programs in 33 cities, constituting Israel's only government-recognized network of religious Jewish education incorporating academic and technological studies.

AMIT USA is a 501 (c)(3) not-for-profit organization that is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (the Code). The majority of the funds raised by AMIT USA and its volunteers are used to fund projects in Israel.

AMIT Israel is registered as an Amuta (a Society) under the Laws of Societies in Israel and is a "public institution" as defined in the Income Tax Ordinance and is, therefore, exempt from income tax. In addition, AMIT Israel is also recognized by the Income Tax Authority for purposes of receiving donations under Article No. 46 of the income Tax Ordinance. AMIT Israel's primary sources of revenues are government grants, tuition fees, and contributions. AMIT USA's primary source of revenue is contributions.

AMIT Children, Inc. is an American not-for-profit organization, which is incorporated in the U.S. and is also registered in Israel as a foreign corporation under the name of AMIT Women, Inc.

Yazamut Vehadshanut Behinuh is registered as an Amuta under the Laws of Societies in Israel as of June 4, 2019, in order to develop innovative and relevant methodologies for promoting Jewish and social values and promoting high school graduates from Israel and abroad.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to not-for-profit organizations. In the consolidated statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Without Donor Restrictions - This class consists of the part of net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operations of AMIT.

With Donor Restrictions - This class consists of net assets resulting from contributions and other inflows of assets whose use by AMIT is limited by donor-imposed stipulations. When such stipulations end or are fulfilled, such net assets are reclassified as net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

AMIT considers all highly liquid instruments purchased with maturities of three months or less to be cash equivalents. Cash and cash equivalents held by brokers for Long-term investment are classified as investments, The financial instruments that potentially subject AMIT to concentration of credit risk consist primarily of cash and cash equivalents. At various times, AMIT has cash deposits at financial institutions that exceed the Federal Deposit Insurance Corporation (FDIC) limit. These financial institutions have strong credit ratings; therefore, management believes the risk related to these accounts is minimal.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments, at Fair Value

Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are those inputs that market participants operating within the same marketplace as AMIT would use in pricing AMIT's asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of AMIT are traded. AMIT estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use as determined by the money managers for each investment based on best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 Valuation is based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuation is based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly.

Level 3 - Valuation is based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

Revenue Recognition

AMIT recognizes revenue for exchange transactions in accordance with ASC Topic 606, *Revenue from Contracts with Customers (ASC 606)*. Revenue is recognized when control of the promised goods or services is transferred to outside parties in an amount that reflects the consideration AMIT expects to be entitled to in exchange for those goods or services.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

The following table shows AMIT 's revenues disaggregated by service type:

Year ended December 31, 2023:

Tuition fees and government support	\$ 246,619,474
Total Revenue Subject to ASC 606	246,619,474
Contributions	25,179,690
Special events income, net	201,190
Legacies and bequests	215,766
Investment income	1,864,507
Other income	418,240
Total Revenue	\$ 274,498,867

The following table shows AMIT's revenue (after eliminations) disaggregated by geography based on services provided:

Year ended December 31, 2023:

AMIT USA	\$ 21,463,337
AMIT Israel	249,978,301
Affiliates	3,057,229
Total Revenue	\$ 274,498,867

The following table shows AMIT's accounts receivable disaggregated by service type:

Year ended December 31, 2023:

Due from Israeli government ministries and municipalities	\$ 1,673,114
Due from Local authorities	2,387,124
Other receivables	1,312,241
Total Accounts Receivable	\$ 5,372,479

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

The following table shows AMIT's accounts receivable disaggregated by geography based on services provided:

Year ended December 31, 2023:

AMIT Israel	<u>\$ 5,372,479</u>
Total Accounts Receivable	<u>\$ 5,372,479</u>

As substantially all of its performance obligations relate to established-rate agreements with a duration of less than one year, AMIT has elected to apply the optional exemption provided in ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Contributions

Contributions, including unconditional promises to give (pledges), are reported as revenues in the period received or pledged, at their net realizable value. Unconditional promises to give, which are to be received after one year, are discounted using an appropriate discount rate (credit adjusted) commensurate with the risks involved. An allowance for uncollectible contributions receivable is provided in the net asset class in which the contribution receivable resides, based on management's assessment of the aged basis of its receivables, current economic conditions, subsequent receipts, and historical information. Receivables are charged to bad debt when they are deemed to be uncollectible, based upon a periodic review of the accounts by management. AMIT writes off any amounts that are no longer considered to be recoverable, and any payments subsequently received on such receivables are recorded as income in the period received.

Contributions with purpose or time restrictions are reported as increases in net assets with donor restrictions and subsequently released when the restrictions on which they depend are met.

Conditional promises to give and intentions to give are not recognized until they become unconditional - that is, when the conditions on which they depend are substantially met.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 3 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Government Support for Tuition and Fees

Revenues from state and local governments in Israel resulting from AMIT's operations are based on the number of students enrolled and are recorded when services are performed in accordance with agreements with the governing authorities. The portion of tuition fees collected in advance is reflected as deferred income until earned, which is generally within one year. The portion of tuition and fees are recognized ratably over the academic time period to which they apply.

Contributed Services and in-Kind Contributions

For the year ended December 31, 2023, the value of contributed services meeting the requirements for recognition in the consolidated financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist AMIT, which receives more than 5,000 volunteer hours per year.

Split-Interest Agreements

AMIT holds assets under split-interest agreements consisting of charitable remainder trusts and charitable gift annuities for which AMIT serves as the trustee. Such agreements provide for payments to the donors, or their stipulated beneficiaries of either income earned on related investments or specified annuity amounts. Assets held under these agreements are reported as investments held under split-interest agreements on the consolidated statement of financial position. A portion of the contributed assets is considered to be a charitable contribution for income tax purposes and has been recognized as a contribution at the date of gift. When the terms of the gift instrument have been met, the remaining amount of the gift may be used for general or specific purposes, as stipulated by the respective donor.

Under AMIT's charitable remainder trusts and charitable gift annuities programs where AMIT is the trustee, liabilities are recorded for the present value of the estimated future payments expected to be made to the donors and/or beneficiaries, as, long as they live, after which time the remaining assets, if any, are available for the unrestricted use of AMIT, unless otherwise stipulated by the donor. Upon termination of a life interest, the share of the corpus attributable to the life tenant becomes available to AMIT. Changes in the life expectancy of the donor or beneficiary, amortization of the discount, and other changes in the estimates of future payments are reported as an actuarial change in split-interest agreements on the consolidated statement of activities.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid Expenses and Other Assets

Prepaid expenses and other assets principally include receivables due from landlords, prepaid expenses, deferred costs, and other receivables. AMIT records receivables when billed based on established rates or contracts for services provided. Reserves are established based on periodic review by management. Factors used to determine whether an allowance should be recorded include the age of the receivable and a review of payments subsequent to year-end. Interest is not recorded or accrued on outstanding receivables. There was no allowance for the year ended December 31, 2023.

Fixed Assets, Net

Fixed assets, net, are stated at cost less accumulated depreciation and amortization. Items of \$1,000 or more and an estimated useful life of greater than one year are capitalized at cost. Upon retirement or other disposal of fixed assets, the realized gain or loss sustained on such transaction is reflected in other income or expenses. Depreciation and amortization of fixed assets is calculated on the straight-line basis over the estimated useful lives of the assets.

<u>Asset Category</u>	<u>Useful Life (Years)</u>
Building and building improvements	15-50
Furniture, fixtures, and equipment	5-10
Computer hardware and software	5-10
Motor vehicles	5-10
Torahs	-

Impairment of Long-Lived Assets

ASC 360, Property, Plant, and Equipment, requires AMIT to review long-lived assets, such as fixed assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. For the year ended December 31, 2023, there were no impairment charges.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 3 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Accounts Receivable and Allowance for Credit Losses

The allowance for credit losses is based on the Organization's assessment of the collectability of assets pooled together with similar risk characteristics. The Organization estimates its allowance for credit losses based on its historical collection trends, the age of outstanding receivables, existing economic conditions and reasonable forecasts. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. The Organization applied this methodology and determined there were no expected credit losses for the year ended December 31, 2023.

Leases

Right of use assets represent AMIT's right to use an underlying asset for the lease term and lease liabilities represent AMIT's obligation to make lease payments arising from the lease. Right of use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. AMIT elected to use the risk-free rate at the lease commencement date of the lease, in measuring the present value of lease payments. Lease terms, which include the period of the lease that cannot be canceled, may also include options to extend the lease when it is reasonably certain that AMIT will exercise that option. Leases with an initial term of twelve months or less are not recorded on the balance sheet, rather, AMIT recognizes short-term lease expense, on a straight-line basis over the life of these leases.

Foreign Currency Translation

Foreign currency is translated in accordance with ASC 830, Foreign Currency Matters. Under the provisions of ASC 830, the Local currency used in AMIT's foreign operations is considered to be the functional currency of these operations. Assets and liabilities denominated in New Israeli Shekels (NIS), are translated to U.S. dollars (USD) using the exchange rate in effect at the date of the consolidated statement of financial position. Revenues, expenses, gains, and losses are translated using the average exchange rate for the year. Gains or losses on foreign currency translation are recognized in the accompanying consolidated financial statements. The foreign currency exchange rate utilized within the consolidated statement of financial position at December 31, 2023 was NIS 0.2763/1.00 USD, The average exchange rate utilized to translate revenue, expenses, gains, and losses relating to the year ended December 31, 2023 was NIS 0.2712/1.00 USD.

The cumulative translation loss of foreign currency for the year ended December 31, 2023, amounted to \$1,293,482.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Bequests

Bequest income is recorded at the time AMIT has established the right to such bequest and the proceeds are measurable.

Functional Allocation of Expenses

Common costs incurred for the administration of the various programs are allocated directly to respective programs as incurred and/or utilizing predetermined allocation rates, as determined by management. These expenses include salaries and benefits, professional fees, travel and transportation, occupancy, and depreciation and amortization. These expenses are attributable to more than one function and are allocated to AMIT's programmatic functions for financial reporting purposes using square footage or time and effort allocation methodologies, as determined by management.

Use of Estimates

In preparing consolidated financial statements in conformity with U.S. GAAP, management is required to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

AMIT USA was incorporated in the state of New York and is exempt from federal and state income taxes under Section 501(c)(3) of the Code and, therefore, has made no provision for income taxes in the accompanying consolidated financial statements. AMIT USA has been determined by the Internal Revenue Service (IRS) to not be "a private foundation" within the meaning of Section 509(a) of the Code.

Under ASC 740, *Income Taxes*, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained upon examination by a taxing authority. The implementation of ASC 740 had no impact on AMIT's consolidated financial statements. AMIT does not believe they have taken any material uncertain tax positions, and accordingly, they have not recorded any liability for unrecognized tax benefits. AMIT has filed for and received income tax exemptions in the jurisdictions where they are required to do so. Additionally, AMIT has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where required to do so. For the year ended December 31, 2023, there were no interest or penalties recorded or included in the consolidated statement of activities.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 4 INVESTMENTS, AT FAIR VALUE

AMIT's assets recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with ASC 820. See Note 3 for the discussion of AMIT's policies regarding this hierarchy. A description of the valuation techniques applied to AMIT's major categories of assets measured at fair value is as follows. There have been no changes in valuation methodologies as of December 31, 2023. As discussed further in Note 7, included in investments are amounts held under charitable remainder trusts and charitable gift annuities.

Equities and U.S. Treasury Bonds—Traded Funds - These assets are valued at the closing price reported on the active market on which the individual securities are traded. These investments are classified as Level 1.

Mutual Funds - These assets are valued on a daily basis at the close of business day. Each mutual fund's net asset value (NAV) is the value of a single share, which is actively traded on national securities exchanges. These investments are classified as Level 1.

Corporate Bonds and Foreign Government Bonds - AMIT also has investments in fixed-income securities, which include corporate bonds and foreign government bonds. The investment managers priced these investments using nationally recognized pricing services. Since fixed-income securities other than U.S. Treasury securities may not trade on a daily basis, the pricing services prepare estimates of fair value measurements for these securities using its proprietary pricing applications, which include available relevant market information, benchmark curves, benchmarking of similar securities, sector grouping, and matrix pricing. These investments are classified as Level 2.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 4 INVESTMENTS, AT FAIR VALUE (continued)

State of Israel Bonds - These assets are valued based on yields currently available on comparable securities of issuers with similar credit ratings. These investments are classified as Level 2.

AMIT's investments, by level within the fair value hierarchy, consist of the following:

December 31, 2023:

	Level I	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	\$ 15,762,181	\$ -	\$ -	\$ 15,762,181
Certificates of deposit	12,952	-	-	12,952
Corporate bonds	-	4,224,904	-	4,224,904
Government bonds:	-	-	-	-
U.S. Treasury bonds	1,076,653	-	-	1,076,653
Foreign government bonds	-	9,488,544	-	9,488,544
Common stock	848,771	-	-	848,771
Mutual funds	3,606,077	-	-	3,606,077
	<u>\$ 21,306,634</u>	<u>\$ 13,713,448</u>	<u>\$ -</u>	<u>\$ 35,020,082</u>

There were no transfers between levels for the year ended December 31, 2023.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 5 CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable, net, have been recorded at present value. Those receivables that are due in more than one year have been discounted to their present value using an average discount rate of 5% at December 31, 2023. Contributions receivables consist of the following:

Year ending December 31,

2024	\$ 3,694,651
2025	3,150,000
2026	3,150,000
2027	3,150,000
2028	2,750,000
Thereafter	<u>1,500,000</u>
	17,394,651
Less: discount to present value	<u>(2,974,539)</u>
 Contributions receivable, Net	 <u><u>\$ 14,420,112</u></u>

NOTE 6 FIXED ASSETS, NET

Fixed assets, net, are as follows:

December 31, 2023:

Land	\$ 57,942,032
Building and building improvements	29,898,089
Furniture, fixtures, and equipment	12,978,554
Computer hardware and software	8,502,920
Motor vehicles	318,320
Torahs	<u>48,000</u>
	109,687,914
Less: accumulated depreciation and amortization	<u>(69,890,629)</u>
 Fixed Assets, Net	 <u><u>\$ 39,797,286</u></u>

Depreciation and amortization expense for the year ended December 31, 2023, amounted to \$2,930,810.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 7 SPLIT-INTEREST AGREEMENTS

AMIT is the beneficiary or agent for a third-party beneficiary of a number of split-interest agreements with donors. Certain agreements provide that AMIT hold the contributed assets as trustee (e.g., pooled-income funds and charitable remainder trusts), while other agreements are part of the general assets of AMIT (e.g., charitable gift annuities). Under both forms of agreement, AMIT invests the donated assets and distributes to the donor or donor's designee income generated from those assets until such time as stated in the agreement (usually upon the death of the donor or donor's designee). AMIT will be able to utilize that part of the gift in which it has an interest upon the death of the respective life income beneficiary and will distribute to any third-party beneficiaries their respective remainder interests.

At the time of the gift, and adjusted annually, AMIT records contribution income and a liability for amounts payable to annuitants and third-party beneficiaries using an actuarial calculation based on estimated mortality rates and other assumptions that could change in the near term. The discount rates used in the calculation of obligations due to annuitants under split-interest agreements at December 31, 2023 ranged from 4% to 6%. State-mandated insurance reserves related to charitable gift annuity agreements are maintained at the required level.

The outstanding split-interest agreement for charitable gift annuities at December 31, 2023 is \$451,044.

AMIT's investments held under split-interest agreements, by level within the fair value hierarchy, consist of the following and are included within investments on the consolidated statement of financial position:

December 31, 2023:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 67,173	\$ -	\$ -	\$ 67,173
Mutual funds	10,549	-	-	10,549
Common stock, domestic (Note 4)	848,771	-	-	848,771
Total Investment Assets, in the fair value hierarchy	\$ 926,493	\$ -	\$ -	\$ 926,493

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 8 COMMITMENTS AND CONTINGENCIES

Operating Leases

AMIT USA leases two office spaces: one in Manhattan, New York under an operating lease agreement expiring August 31, 2039, and one in Boca, Florida under an operating lease agreement expiring May 31, 2025.

The assets and liabilities from operating leases are recognized at the commencement date based on the present value of remaining lease payments over the lease term using AMIT USA's secured incremental borrowing rates or implicit rates, when readily determinable. Short-term leases, which have an initial term of 12 months or less, are not recorded on the balance sheet.

AMIT USA's weighted-average remaining lease term relating to its operating leases is 15.57 years, with a weighted-average discount rate of 2.05%.

The following table presents information about the amount, timing and uncertainty of cash flows arising from AMIT USA's operating leases as of December 31, 2023.

<u>Maturity Analysis</u>	<u>Operating</u>
2024	\$ 501,327
2025	497,580
2026	492,250
2027	500,500
2028	508,750
Thereafter	<u>6,329,583</u>
Total undiscounted cash flows	8,829,990
Less: present value discount	<u>(1,337,273)</u>
Total lease liabilities	<u><u>\$ 7,492,717</u></u>

Under the terms of the leases, AMIT USA also pays property taxes and other operating expenses incurred by the landlord, which are included in the operating lease expense as shown in the table below:

Operating lease expense	\$ 588,481
Short-term lease expense	11,004
Variable lease expense	<u>39,505</u>
Total	<u><u>\$ 638,990</u></u>

Litigation

AMIT is involved in certain claims arising out of the ordinary course of business. Management is of the opinion that the ultimate outcome of these matters is not expected to have a material adverse impact on AMIT's financial position, results of operations, or liquidity.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS AND NET ASSETS
RELEASED FROM DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

December 31, 2023:

Time restrictions	\$14,115,253
Renovations and expansion in educational institutions in Israel	73,529
Endowment (Note 10)	<u>479,635</u>
	<u>\$14,668,417</u>

The following assets are donor restricted:

Contributions receivable	\$14,115,253
Investments	<u>533,164</u>
	<u>\$14,668,417</u>

Net assets with donor restrictions were released by incurring expenses satisfying the following restricted purposes:

December 31, 2023:

Lapse of time restrictions	\$ 525,000
Renovations and expansion in educational institutions in Israel	<u>784,192</u>
	<u>\$ 1,309,192</u>

NOTE 10 ENDOWMENT NET ASSET CLASSIFICATION

Endowment Funds

General

AMIT's endowment fund consists of two donor-restricted funds restricted for investment in perpetuity, the income from which, except for the net appreciation (depreciation) on the assets of AMIT Israel's fund, is available to be used for renovations and expansion in educational institutions and scholarships to students in Israel. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. All net appreciation (depreciation) on the assets of the fund held by AMIT Israel is restricted.

NOTE 10 ENDOWMENT NET ASSET CLASSIFICATION (continued)

AMIT considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the funds.
- The purposes of AMIT and the donor-restricted endowment funds.
- General economic conditions,
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation (depreciation) of investments.
- The investment policy of AMIT.
- Other resources of AMIT.

Interpretation of Relevant Law

AMIT USA is governed by the New York Prudent Management of Institutional Funds Act (NYPMIFA) spending policy, which establishes a standard maximum prudent spending limit of 7% of the average of its previous five years balance. As a result of this interpretation, AMIT USA classifies as restricted net assets (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Endowment funds held in Israel are not required to follow NYPMIFA but follow prudent-man principles.

Return Objectives, Strategies Employed, and Spending Policy

The objective of AMIT is to generate revenues to support operations while preserving the original corpus donated, in keeping with the donor's wishes. The investment policy to achieve this objective is to invest these funds in cash and cash equivalents to ensure the corpus of the fund. Interest earned in relation to the endowment funds is recorded as unrestricted upon expenditure for the program for which the endowment fund was established. Interest earned in relation to the endowment funds of AMIT whose restriction is satisfied in the year of restriction is classified as net assets without donor restrictions in the consolidated financial statements.

Endowment Net Asset Composition by Type of Fund

The endowment net asset composition of \$479,635 consists of 46 funds primarily used to support operations. All assets included in AMIT's endowment fund are as follows:

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 10 ENDOWMENT NET ASSET CLASSIFICATION (continued)

December 31, 2023:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 479,635	\$ -	\$ -	\$ 479,635
Total Investment Assets, in the fair value hierarchy	\$ 479,635	\$ -	\$ -	\$ 479,635

Donor-restricted endowment funds consist of the following:

December 31, 2023:

	AMIT USA	AMIT Israel	Total
Renovations and expansion in educational institutions in Israel	\$ 200,000	\$ -	\$ 200,000
Scholarships for students	-	279,635	279,635
	\$ 200,000	\$279,635	\$ 479,635

Changes in endowment net assets were as follows:

December 31, 2023:

Endowment Net Assets, beginning of year	\$ 478,283
Investment gain	11,391
Loss on foreign currency translation	(10,039)
Endowment Net Assets, end of year	\$ 479,635

NOTE 11 EMPLOYEE BENEFIT PLAN

Employees of AMIT Israel participate in a defined contribution plan, for which expenses for the year ended December 31, 2023, amounted to approximately \$5,087,334.

AMIT USA has a 403(b) plan, for which there are no age or service requirements to qualify, with respect to making elective deferrals. Under the terms of the 403(b) plan, the employer shall make contributions to eligible employees at 4% of eligible compensation. For the year ended December 31, 2023, expenses related to the 403(b) plan amounted to \$86,541.

AMIT Children, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023

NOTE 12 LIQUIDITY AND AVAILABILITY OF RESOURCES

AMIT's financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

December 31, 2023:

Total current assets	\$ 57,383,315
Less: amounts unavailable for general expenditures within one year, due to:	
Prepaid expenses and other current assets	(59,500)
Time-restricted contribution receivables	(3,389,792)
Donor-restricted endowment funds	<u>(479,635)</u>
Total Financial Assets Available to Management for General Expenditures Within One Year	<u>\$ 53,454,388</u>

As part of AMIT's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, AMIT invests cash in excess of daily requirements in short-term investments. Investments, further discussed in Note 4, include certificate deposits, money market funds, U.S. Treasury bonds, common stocks, and mutual funds, all of which can be liquidated daily.

NOTE 13 CONCENTRATIONS OF CREDIT RISK

Contributions Receivables

Two donors accounted for approximately 67% and 20% respectively of AMIT's contributions receivable for the year ended December 31, 2023.

NOTE 14 SUBSEQUENT EVENTS

AMIT's management has performed subsequent events procedures through November 13, 2024, which is the date the consolidated financial statements were available to be issued, and there were no subsequent events requiring adjustment to the consolidated financial statements or disclosures as stated herein.

SUPPLEMENTARY INFORMATION

Amit Children, Inc. and Affiliates
Consolidating Statement of Financial Position
December 31, 2023

	<u>AMIT USA</u>	<u>AMIT Israel</u>	<u>Affiliates</u>	<u>Eliminations</u>	<u>Total</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 1,227,208	\$ 21,303,399	\$ 1,079,304	\$ -	\$ 23,609,911
Short-term investments, at fair value	4,591,786	20,054,988	-	-	24,646,774
Contributions receivable, current portion	3,669,230	-	25,421	-	3,694,651
Government and other receivables	-	5,415,308	-	(42,829)	5,372,479
Prepaid expenses and other assets, current portion	59,500	-	-	-	59,500
Total current assets	<u>9,547,724</u>	<u>46,773,695</u>	<u>1,104,725</u>	<u>(42,829)</u>	<u>57,383,315</u>
Long-term investments, at fair value	-	10,373,308	-	-	10,373,308
Contributions receivable, less current portion, net	10,725,461	-	-	-	10,725,461
Prepaid expenses and other assets, less current portion	-	965,184	-	-	965,184
Fixed assets, net	2,798,568	38,417,519	-	(1,418,801)	39,797,286
Right of use asset, operating leases	7,283,362	-	-	-	7,283,362
Total other assets	<u>20,807,391</u>	<u>49,756,011</u>	<u>-</u>	<u>(1,418,801)</u>	<u>69,144,601</u>
Total assets	<u>\$ 30,355,115</u>	<u>\$ 96,529,706</u>	<u>\$ 1,104,725</u>	<u>\$ (1,461,630)</u>	<u>\$ 126,527,916</u>
<u>LIABILITIES AND NET ASSETS</u>					
Liabilities					
Accounts payable and accrued expenses	\$ 1,450,269	\$ 30,016,026	\$ 1,201,437	\$ (3,592)	\$ 32,664,140
Deferred revenue	-	12,274,662	-	-	12,274,662
Accrued salaries and benefits	107,663	1,689,141	-	-	1,796,804
Short-term lease liability	351,579	-	-	-	351,579
Obligations due under split-interest agreements	451,044	-	-	-	451,044
Related party payables	-	-	39,237	(39,237)	-
Total Current Liabilities	<u>2,360,555</u>	<u>43,979,829</u>	<u>1,240,674</u>	<u>(42,829)</u>	<u>47,538,229</u>
Long-term lease liability	7,141,138	-	-	-	7,141,138
Economic Injury Disaster Loan payable	129,187	-	-	-	129,187
Total long-term liabilities	<u>7,270,325</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,270,325</u>
Total liabilities	<u>9,630,880</u>	<u>43,979,829</u>	<u>1,240,674</u>	<u>(42,829)</u>	<u>54,808,554</u>
Net assets					
Without donor restrictions	6,387,677	52,218,018	(135,949)	(1,418,801)	57,050,945
With donor restrictions	14,336,558	331,859	-	-	14,668,417
Total net assets	<u>20,724,235</u>	<u>52,549,877</u>	<u>(135,949)</u>	<u>(1,418,801)</u>	<u>71,719,362</u>
Total liabilities and net assets	<u>\$ 30,355,115</u>	<u>\$ 96,529,706</u>	<u>\$ 1,104,725</u>	<u>\$ (1,461,630)</u>	<u>\$ 126,527,916</u>

SEE INDEPENDENT AUDITOR'S REPORT

Amit Children, Inc. and Affiliates
Consolidating Statement of Activities
For The Year Ended December 31, 2023

	AMIT USA			AMIT Israel			Affiliates			Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total AMIT USA	Without Donor Restrictions	With Donor Restrictions	Total AMIT Israel	Without Donor Restrictions	Total			
Revenues, gains (losses) and other support											
Tuition fees and government support	\$ -	\$ -	\$ -	\$ 246,620,288	\$ 657,716	\$ 247,278,004	\$ -	\$ -	\$ (658,530)	\$ 246,619,474	
Contributions	8,217,920	12,291,306	20,509,226	5,142,663	-	5,142,663	3,105,235	3,105,235	(3,577,434)	25,179,690	
Special events income	\$ 854,600	-	-	-	-	-	-	-	-	-	
Direct costs of special events	(653,410)	-	-	-	-	-	-	-	-	-	
Special events income, net	201,190	-	201,190	-	-	-	-	-	-	201,190	
Legacies and bequests	215,766	-	215,766	-	-	-	-	-	-	215,766	
Investment gain, net	518,698	-	518,698	1,341,741	11,391	1,353,132	(7,323)	(7,323)	-	1,864,507	
Other revenue	18,457	-	18,457	592,080	-	592,080	-	-	(192,297)	418,240	
Net assets released from restrictions	572,007	(572,007)	-	737,185	(737,185)	-	-	-	-	-	
Total revenues, gains (losses) and other support	9,744,038	11,719,299	21,463,337	254,433,957	(68,078)	254,365,879	3,097,912	3,097,912	(4,428,261)	274,498,867	
Expenses											
Program services											
Israel projects	6,334,309	-	6,334,309	241,511,799	-	241,511,799	2,644,969	2,644,969	(4,360,751)	246,130,326	
Public information and education	1,590,188	-	1,590,188	-	-	-	-	-	-	1,590,188	
AMIT Children magazine	71,814	-	71,814	-	-	-	-	-	-	71,814	
Total program services	7,996,311	-	7,996,311	241,511,799	-	241,511,799	2,644,969	2,644,969	(4,360,751)	247,792,328	
Supporting services											
General and administrative expenses	978,638	-	978,638	8,354,486	-	8,354,486	238,134	238,134	(192,297)	9,378,961	
Fundraising	668,621	-	668,621	451,315	-	451,315	-	-	-	1,119,936	
Total supporting services	1,647,259	-	1,647,259	8,805,801	-	8,805,801	238,134	238,134	(192,297)	10,498,897	
Total expenses	9,643,570	-	9,643,570	250,317,600	-	250,317,600	2,883,103	2,883,103	(4,553,048)	258,291,225	
Change in net assets before other income (loss)	100,468	11,719,299	11,819,767	4,116,357	(68,078)	4,048,279	214,809	214,809	124,787.00	16,207,642	
Other income (loss)											
Actuarial change in split-interest agreements	(49,373)	-	(49,373)	-	-	-	-	-	-	(49,373)	
Gain on sale of property	-	-	-	135,340	-	135,340	-	-	-	135,340	
Change in long term receivable discount	-	(2,325,608)	(2,325,608)	-	-	-	-	-	-	(2,325,608)	
Gain (loss) on foreign currency translation	-	-	-	(1,294,906)	(12,798)	(1,307,704)	14,222	14,222	-	(1,293,482)	
Total other income (loss)	(49,373)	(2,325,608)	(2,374,981)	(1,159,566)	(12,798)	(1,172,364)	14,222	14,222	-	(3,533,123)	
Change in net assets	51,095	9,393,691	9,444,786	2,956,791	(80,876)	2,875,915	229,031	229,031	124,787	12,674,519	
Net assets - beginning of year	6,336,582	4,942,867	11,279,449	49,261,227	412,735	49,673,962	(364,980)	(364,980)	(1,543,588)	59,044,843	
Net assets - end of year	\$ 6,387,677	\$ 14,336,558	\$ 20,724,235	\$ 52,218,018	\$ 331,859	\$ 52,549,877	\$ (135,949)	\$ (135,949)	\$ (1,418,801)	\$ 71,719,362	

SEE INDEPENDENT AUDITOR'S REPORT