

International Fellowship of Christians & Jews, Inc.

Consolidated Financial Report
December 31, 2015

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Independent Auditor's Report

To the Board of Directors
International Fellowship of Christians & Jews, Inc.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the International Fellowship of Christians & Jews, Inc. (the Fellowship) which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of HaKeren L'Yedidut (the Amutah), an Israeli nonprofit organization, whose statements reflect total assets constituting 19.0 percent and 19.6 percent, respectively, of consolidated total assets at December 31, 2015 and 2014, and total revenues constituting 25.9 percent and 21.5 percent, respectively, of consolidated total revenues for the years then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Amutah, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audits and the report of the other auditor, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the International Fellowship of Christians & Jews, Inc. as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position, results of operations and cash flows of the individual entities and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audits and the report of the other auditor, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

RSM US LLP

Chicago, Illinois
June 3, 2016

International Fellowship of Christians & Jews, Inc.

Consolidated Statements of Financial Position
December 31, 2015 and 2014

	2015	2014
Assets		
Cash	\$ 15,029,423	\$ 22,569,438
Investments	34,562,331	19,511,617
Accounts receivable	9,377	25,293
Prepaid expenses	2,542,650	2,514,491
Fixed assets, net	578,463	368,795
Deferred lease expense	5,856,976	5,629,519
Other	916,543	610,501
	<hr/>	<hr/>
Total assets	\$ 59,495,763	\$ 51,229,654
Liabilities and net assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 4,730,904	\$ 4,468,046
Charitable gift annuities payable	3,362,382	2,893,938
Deferred compensation payable	3,182,773	3,009,065
Deferred rent	581,202	623,362
Other	475,257	512,742
	<hr/>	<hr/>
Total liabilities	12,332,518	11,507,153
Net assets:		
Unrestricted	25,622,929	22,882,510
Unrestricted - Board designated	12,647,872	7,002,924
Temporarily restricted	8,395,221	9,837,067
Permanently restricted	497,223	-
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Total net assets	47,163,245	39,722,501
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Total liabilities and net assets	\$ 59,495,763	\$ 51,229,654

See notes to consolidated financial statements.

International Fellowship of Christians & Jews, Inc.

**Consolidated Statement of Activities
Year Ended December 31, 2015**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues:				
Contributions	\$ 126,148,933	\$ 8,395,310	\$ 497,223	\$ 135,041,466
Net investment income (loss)	(541,259)	89	-	(541,170)
Catalog sales	102,153	-	-	102,153
Tours, conferences and other income	1,423	-	-	1,423
Net assets released from restrictions	9,837,245	(9,837,245)	-	-
Total revenues	135,548,495	(1,441,846)	497,223	134,603,872
Program services expenses:				
Fellowship	20,190,873	-	-	20,190,873
Guardians of Israel	26,551,889	-	-	26,551,889
Isaiah 58	27,129,287	-	-	27,129,287
On Wings of Eagles	19,007,978	-	-	19,007,978
Stand for Israel	970,948	-	-	970,948
	93,850,975	-	-	93,850,975
Other expenses:				
General and administrative	13,448,517	-	-	13,448,517
Fundraising	19,972,698	-	-	19,972,698
Total expenses	127,272,190	-	-	127,272,190
Increase (decrease) in net assets before other items	8,276,305	(1,441,846)	497,223	7,331,682
Other items:				
Loss on disposal of fixed assets	(13,381)	-	-	(13,381)
Effects of foreign currency translation	122,443	-	-	122,443
Increase (decrease) in net assets	8,385,367	(1,441,846)	497,223	7,440,744
Net assets:				
Beginning of year	29,885,434	9,837,067	-	39,722,501
End of year	\$ 38,270,801	\$ 8,395,221	\$ 497,223	\$ 47,163,245

See notes to consolidated financial statements.

Consolidated Statement of Activities
Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
Revenues:			
Contributions	\$ 119,411,673	\$ 9,837,067	\$ 129,248,740
Net investment income	516,837	-	516,837
Catalog sales	110,838	-	110,838
Tours, conferences and other income	1,505	-	1,505
Other	75	-	75
Net assets released from restrictions	80,659	(80,659)	-
Total revenues	120,121,587	9,756,408	129,877,995
Program services expenses:			
Fellowship	11,483,237	-	11,483,237
Guardians of Israel	30,187,864	-	30,187,864
Isaiah 58	28,445,413	-	28,445,413
On Wings of Eagles	6,772,012	-	6,772,012
Stand for Israel	442,261	-	442,261
	77,330,787	-	77,330,787
Other expenses:			
General and administrative	11,806,348	-	11,806,348
Fundraising	16,755,568	-	16,755,568
Total expenses	105,892,703	-	105,892,703
Increase in net assets before other items	14,228,884	9,756,408	23,985,292
Other items:			
Loss on disposal of fixed assets	(75,303)	-	(75,303)
Effects of foreign currency translation	(184,875)	-	(184,875)
	(260,178)	-	(260,178)
Increase in net assets	13,968,706	9,756,408	23,725,114
Net assets:			
Beginning of year	15,916,728	80,659	15,997,387
End of year	\$ 29,885,434	\$ 9,837,067	\$ 39,722,501

See notes to consolidated financial statements.

International Fellowship of Christians & Jews, Inc.

**Consolidated Statement of Functional Expenses
Year Ended December 31, 2015**

	Program Services					Total Programs	General and Administrative	Fundraising	Total Expenses
	Fellowship	Guardians of Israel	Isaiah 58	On Wings of Eagles	Stand for Israel				
Grants disbursed	\$ 5,882,000	\$ 6,091,500	\$ 18,335,000	\$ 2,869,803	\$ -	\$33,178,303	\$ -	\$ -	\$ 33,178,303
Program implementation	10,051	16,027,980	283	12,210,167	-	28,248,481	-	-	28,248,481
Television and radio airtime and production	711,726	1,954,778	2,932,599	1,793,945	168,369	7,561,417	197,984	4,407,035	12,166,436
Public education	2,394,777	338,322	2,878,524	162,010	155,155	5,928,788	133,986	325,709	6,388,483
Salaries and benefits	4,109,215	1,117,932	1,599,458	1,353,290	65,238	8,245,133	4,400,975	2,990,696	15,636,804
Consulting and public relations	632,927	-	-	6,600	390	639,917	1,119,114	6,985	1,766,016
Printing and postage	5,099,141	894,527	1,196,177	457,252	574,366	8,221,463	3,435,740	10,165,226	21,822,429
Catalog production and merchandise sold	10,305	-	-	-	-	10,305	-	-	10,305
Lockbox fees	67,903	-	-	-	-	67,903	1,781,618	-	1,849,521
Telemarketing	177	-	-	-	-	177	46,188	1,720,162	1,766,527
Occupancy	436,246	96,453	142,459	117,773	5,658	798,589	370,789	211,913	1,381,291
Equipment rental and maintenance	10,887	-	-	-	-	10,887	114,595	-	125,482
Office supplies and miscellaneous	262,213	-	-	-	-	262,213	859,761	42,387	1,164,361
Telephone	100,955	27,708	40,824	33,704	1,615	204,806	145,024	85,496	435,326
Travel and meetings	324,496	-	-	156	-	324,652	533,045	1,010	858,707
Accounting and legal	128,424	-	-	-	-	128,424	282,824	-	411,248
Depreciation and amortization	9,430	2,689	3,963	3,278	157	19,517	26,874	16,079	62,470
	<u>\$ 20,190,873</u>	<u>\$ 26,551,889</u>	<u>\$ 27,129,287</u>	<u>\$ 19,007,978</u>	<u>\$ 970,948</u>	<u>\$ 93,850,975</u>	<u>\$ 13,448,517</u>	<u>\$ 19,972,698</u>	<u>\$ 127,272,190</u>

See notes to consolidated financial statements.

International Fellowship of Christians & Jews, Inc.

Consolidated Statement of Functional Expenses
Year Ended December 31, 2014

	Program Services						General and Administrative	Fundraising	Total Expenses
	Fellowship	Guardians of Israel	Isaiah 58	On Wings of Eagles	Stand for Israel	Total Programs			
Grants disbursed	\$ -	\$ 5,240,025	\$ 20,751,000	\$ 1,850,000	\$ -	\$ 27,841,025	\$ -	\$ -	\$ 27,841,025
Program implementation	-	19,393,519	-	1,719,870	-	21,113,389	-	-	21,113,389
Television and radio airtime and production	489,557	3,336,534	2,929,843	1,794,474	-	8,550,408	174,767	4,129,302	12,854,477
Public education	1,516,188	33,642	2,024,607	1,154	9,569	3,585,160	89,836	230,698	3,905,694
Salaries and benefits	2,551,913	1,139,369	1,350,233	902,264	46,004	5,989,783	3,952,312	2,154,944	12,097,039
Consulting and public relations	949,921	-	-	-	-	949,921	1,128,544	80	2,078,545
Printing and postage	4,717,463	850,474	1,154,907	347,956	378,110	7,448,910	3,002,131	8,608,241	19,059,282
Catalog production and merchandise sold	16,331	-	-	-	-	16,331	-	-	16,331
Lockbox fees	52,367	-	67	-	-	52,434	1,327,741	2,555	1,382,730
Telemarketing	-	-	-	-	-	-	50,292	1,530,815	1,581,107
Occupancy	330,931	148,718	177,459	118,240	6,023	781,371	517,706	64,231	1,363,308
Equipment rental and maintenance	113,304	-	-	-	-	113,304	107,514	-	220,818
Office supplies and miscellaneous	197,878	-	-	-	207	198,085	682,262	3,709	884,056
Telephone	88,830	40,387	49,641	32,471	2,121	213,450	176,688	24,371	414,509
Travel and meetings	256,461	-	-	934	-	257,395	308,878	-	566,273
Accounting and legal	71,815	-	-	-	-	71,815	239,862	-	311,677
Depreciation and amortization	130,278	5,196	7,656	4,649	227	148,006	47,815	6,622	202,443
	<u>\$ 11,483,237</u>	<u>\$ 30,187,864</u>	<u>\$ 28,445,413</u>	<u>\$ 6,772,012</u>	<u>\$ 442,261</u>	<u>\$ 77,330,787</u>	<u>\$ 11,806,348</u>	<u>\$ 16,755,568</u>	<u>\$ 105,892,703</u>

See notes to consolidated financial statements.

International Fellowship of Christians & Jews, Inc.

Consolidated Statements of Cash Flows
Years Ended December 31, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Increase in net assets	\$ 7,440,744	\$ 23,725,114
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	62,470	202,443
Realized and unrealized loss on investments	1,129,741	12,606
Loss on disposal of fixed assets	13,381	75,303
Changes in:		
Accounts receivable	15,916	363,504
Prepaid expenses	(28,159)	(1,000,659)
Deferred lease expense and other	(533,499)	(5,629,519)
Accounts payable and accrued expenses	262,858	589,527
Charitable gift annuities payable	468,444	157,232
Deferred compensation payable	173,708	459,637
Deferred rent and other	(79,645)	156,921
Net cash provided by operating activities	8,925,959	19,112,109
Cash flows from investing activities:		
Purchase of investments	(16,891,965)	(11,657,824)
Proceeds from sale of investments	711,513	7,913,096
Purchase of fixed assets and other	(333,030)	(273,917)
Net cash used in investing activities	(16,513,482)	(4,018,645)
Effects of foreign exchange rates on cash and cash equivalents	47,508	21,235
Net change in cash and cash equivalents	(7,540,015)	15,114,699
Cash and cash equivalents:		
Beginning of year	22,569,438	7,454,739
End of year	\$ 15,029,423	\$ 22,569,438

See notes to consolidated financial statements.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

The International Fellowship of Christians & Jews, Inc. (the Fellowship) is a nonprofit organization operated exclusively for charitable, educational and religious purposes. The Fellowship funds humanitarian aid to the needy in Israel and in Jewish communities around the world, promotes prayer and advocacy on behalf of the Jewish state, and provides resources that help build bridges of understanding between Christians and Jews. Through the generosity of its donors, the Fellowship has provided hundreds of millions of dollars to help Jews from around the world escape poverty and anti-semitism by making aliyah (immigrating to Israel). Every day, The fellowship's support of soup kitchens, orphanages, homeless shelters and other programs of humanitarian aid provides much-needed relief to hundreds of thousands of impoverished and disadvantaged Jews in Israel and the former Soviet Union. Fellowship-funded bomb shelter construction and renovation projects, emergency kit distribution, and support for security for Jewish institutions around the world help protect the Jewish state and the Jewish people from the scourges of anti-semitism, terrorism and war. The Fellowship also creates and distributes teaching material that helps Christians learn about the Jewish roots of their faith and deepen their ties with Israel and her people.

These consolidated financial statements also include the accounts and activities of the following entities:

IFCJ Foundation (the Foundation) – In December 2004, the Foundation was organized under the Illinois trust provisions to serve as a supporting organization to the Fellowship.

HaKeren L'Yedidut (the Amutah) – The Amutah was established as a State of Israel Registered Amutah in July 2000 and operates as the Israeli representative of the Fellowship. The activities of the Amutah consists of direct operation of projects or recommendation to fund organizations which operate projects relating to Aliyah and absorption, poverty, welfare and security. In such cases, the Amutah acts as the "long arm" of the Fellowship by recommending projects serving the above objectives, as well as supervising and overseeing the implementation of the projects in accordance with the terms of the grant, and requesting the transfer of funds based on compliance with the terms. In order to achieve its objectives, the Amutah is substantially supported by the Fellowship. The Amutah has a separate Board of Directors from the Fellowship.

The Amutah holds 100 percent of the shares of Beit HaYedidut Ltd (the Subsidiary). The Subsidiary was established to build a worldwide headquarters housing an auditorium, activity areas and as a home representing a bridge between the donors and the State of Israel and the Jewish people.

Foundation Korea International Fellowship of Christians and Jews (IFCJ Korea) – In 2012, IFCJ Korea was established to promote fellowship between Korea and Israel. IFCJ Korea has a separate Board of Directors from the Fellowship, whose members are appointed by the Fellowship. IFCJ Korea is recognized as a charitable tax-exempt organization by the government of the Republic of South Korea.

The Fellowship and the Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). Contributions to the Fellowship and the Foundation are tax deductible under Section 170 (b)(1)(a)(6) of the Code. IFCJ Korea is a disregarded entity for federal and state tax purposes and all income and expenses from IFCJ Korea are reported in the Fellowship tax returns.

The Amutah and its subsidiary are recognized for tax purposes as a public institution in accordance with Section 9(2) of the State of Israel Income Tax Ordinance and the Value Added Tax Law.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

The Fellowship's major programs are:

- *Guardians of Israel.* Meeting the needs of Israel's poorest citizens remains a high priority for the Fellowship. Through its Guardians of Israel program, the Fellowship assists hundreds of thousands of impoverished people in Israel with basic needs as they struggle to overcome extreme economic hardship, find jobs and provide for their families. The Fellowship is actively involved in 200 Israeli cities providing food, clothing, shelter, medical care, emergency funds and other resources to those in desperate need. With more than 20 percent of Israel's total population, including one in three children, living below the poverty line, and the Israeli government unable to provide for many of its poorest citizens, this assistance is absolutely essential. Through Guardians of Israel, The Fellowship also provides for Israel's security needs.
- *Isaiah 58.* Throughout the former Soviet Union, tens of thousands of elderly Jews, orphans, and other desperately poor people struggle to survive. Survivors of both the Holocaust and years of Communist rule today still battle hunger, illness and brutal cold. In war-torn Ukraine, the problem is compounded by continuous fighting between Ukrainian forces and Russian separatists. Many innocent civilians have been displaced and have lost everything they had. Working with partner organizations and local Jewish communities, the Fellowship's Isaiah 58 program provides these suffering people with essentials like heating fuel, food, medicine, shelter and companionship, and helps improve their living conditions. Isaiah 58 also rescues orphaned and abandoned Jewish children from the streets, and provides them with homes where they receive the support and love they need to succeed.
- *On Wings of Eagles.* Assists needy Jews in making aliyah (immigrating to Israel) from all over the world – Ethiopia, the former Soviet Union and elsewhere – to escape rising anti-semitism, violent conflict and extreme poverty, and to realize the dream of living in their historic homeland. When they arrive in Israel, On Wings of Eagles provides them with klitah (resettlement) assistance in the form of temporary housing, job training and financial assistance, to help them become full, productive citizens of their new home.
- *Stand for Israel.* Through the Stand for Israel website, social media presence and daily emails, Stand for Israel keeps people informed about events affecting Israel, the Middle East and the US-Israel relationship, and trains them to become active, engaged supporters of Israel, working both spiritually and politically on behalf of the Jewish state and the Jewish people.

The goals of Stand for Israel are to: educate the Christian community on the biblical, political and strategic importance of Israel.; strengthen the ties between Israel and the United States, particularly the evangelical Christian community; and rally and coordinate the efforts of pro-Israel Christians in the United States to give tangible expression to Christian solidarity with Israel and to be an influential pro-Israel voice in Washington, DC.

Other program expenses are classified as Fellowship program expenses.

Basis of accounting: The consolidated financial statements have been prepared using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Principles of consolidation: In accordance with the accounting guidance on reporting of related entities by not-for-profit organizations, the Fellowship's consolidated financial statements consolidate the activities of the Foundation, the Amutah and IFCJ Korea. All inter-organizational balances and transactions have been eliminated in consolidation.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Basis of presentation: The Fellowship follows the accounting guidance for financial statements of nonprofit organizations, which requires that net assets and related revenue, expenses, gains and losses be classified into three classes of net assets – unrestricted, temporarily restricted and permanently restricted – based upon the existence or absence of donor-imposed restrictions. These net asset classes are described as follows:

Unrestricted: Those resources with no legal or donor-imposed restrictions. Certain funds have been designated by the Board of Directors for program services.

Temporarily restricted: Temporarily restricted net assets arise from contributions whose use is limited by donor-imposed restrictions that either expire with the passage of time or can be fulfilled by actions of the Fellowship pursuant to those restrictions. When a donor restriction expires, or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of activities as net assets released from restriction. Restricted contributions whose restrictions are met in the year of contribution are reported as unrestricted support.

Permanently restricted: Permanently restricted net assets are those net assets regarding which a restriction exists of a permanent nature regarding use of donations.

Cash concentrations: Amounts reflected as cash and cash equivalents include amounts held in checking and money market accounts with original maturities of three months or less. The Fellowship maintains these deposits with high-quality financial institutions in amounts that are in excess of federally insured limits; however, the Fellowship does not believe it is exposed to any significant risk of loss associated with these accounts.

Investments: Investments in securities traded on a national securities exchange, or reported on the NASDAQ national market, are stated at the last reported sales price on the day of valuation. Other securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are stated at the last quoted bid price. Realized and unrealized gains and losses resulting from changes in the fair value of securities held are reflected in the consolidated statements of activities, in the year of change.

Fixed assets: All acquisitions of fixed assets are stated at cost or, if donated, at the approximate fair value at the date of donation. Fixed assets are depreciated on the straight-line method over the estimated useful lives, ranging from three to seventeen years.

Charitable gift annuities payable: The Fellowship has entered into various charitable gift annuity arrangements with its donors. Gift annuity rates are in accordance with the recommendations of the American Council on Gift Annuities (ACGA). In order to comply with state regulations, annuity contracts vary by state. The Fellowship is obligated to make payments to the annuitants for the remainder of their lives. The contributed funds for charitable gift annuities immediately become part of the general assets and liabilities of the Fellowship, subject to the Fellowship maintaining an actuarial reserve in accordance with various state laws. Upon death of the annuitants, the residuum remains the property of the Fellowship.

Deferred rent liability: Base rent under the lease for the Fellowship's administrative office is being recognized as rental expense on the straight-line basis over the lease term. The difference between rental expense recognized and rentals paid is recorded as a deferred rent liability.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Contributions: Contributions, including unconditional promises to give, are recognized as revenue in the period received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Functional allocation of expenses: Operating expenses directly identified with a functional area are charged to that area and, where such expenses affect more than one area, they are allocated based on estimates made by management.

Joint allocation of expenses: The Fellowship incurs program service, general and administrative, and fundraising expenses in conducting its mission. As provided by the applicable nonprofit accounting principles concerning fundraising activities, these joint activities have been allocated as follows as of December 31, 2015 and 2014, respectively:

	2015	2014
Program services	\$ 32,185,608	\$ 28,700,625
General and administrative costs	11,347,021	10,189,873
Fundraising expenses	19,953,870	16,746,235
	<u>\$ 63,486,499</u>	<u>\$ 55,636,733</u>

Income taxes: The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance, entities may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of an entity and various positions related to the potential sources of unrelated business taxable income.

The Fellowship files Form 990 in the U.S. federal jurisdiction and a related return in the State of Illinois. For the year ended December 31, 2015, management has reviewed the Fellowship's tax positions for the open tax years (current and prior three tax years) and concluded that there are no material uncertain tax positions. Such open tax years remain subject to examination by tax authorities.

The Foundation files Form 990-EZ in the U.S. federal jurisdiction and a related return in the State of Illinois. For the year ended December 31, 2015, management has reviewed the Foundation's tax positions for the open tax years (current and prior three tax years) and concluded that there are no material uncertain tax positions. Such open tax years remain subject to examination by tax authorities.

IFCJ Korea is a disregarded entity for federal and state tax purposes and all income and expenses from IFCJ Korea are reported in the Fellowship tax returns. For the year ended December 31, 2015, management has reviewed the IFCJ Korea's tax positions for the tax year and concluded that there are no material uncertain tax positions. Such open tax years remain subject to examination by tax authorities.

Foreign currency translation: The Fellowship's functional currency and reporting currency is the United States Dollar. Monetary assets and liabilities denominated in the New Israel Shekel and South Korean Won are translated into United States dollars using the rate of exchange in effect at the end of the year, except deferred lease expense which was translated at the historical rate on the date of the transaction. All revenue and expense transactions denominated in the New Israel Shekel and South Korean Won are translated into United States dollars at the average exchange rates in effect at the transaction date. Any gain or loss resulting from foreign currency transactions will be recognized in the consolidated financial statements when incurred.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Use of estimates: The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions 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 the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Recent accounting guidance: In April 2013, the Financial Accounting Standards Board (FASB) issued guidance (effective for fiscal years beginning after June 15, 2014, or earlier if adopted) for services received from personnel of an affiliate that directly benefits the recipient not-for-profit entity and for which the affiliate does not charge the recipient. The amendments require a recipient to recognize all services received from personnel of an affiliate that directly benefits the recipient. The adoption of these standards had no material effect on the consolidated financial statements.

Recent accounting pronouncement: In May 2015, FASB issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The amendments in this update remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The Fellowship adopted the amendment in 2015, prompting its investment that is valued using the net asset value per share practical expedient to be removed from the fair value hierarchy.

Note 2. Fair Value Disclosures and Investments

The Fellowship records its investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques to maximize the use of observable inputs and minimize the use of unobservable inputs are used. Assets and liabilities recorded at fair value are categorized within the fair value hierarchy based upon the level of judgment associated with the inputs used to measure their value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1. Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Fellowship has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2. Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3. Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 2. Fair Value Disclosures and Investments (Continued)

The Fellowship assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer. For the years ended December 31, 2015 and 2014, there were no such transfers.

Investments in securities traded on a national securities exchange are stated at the last reported sales price on the day of valuation. These financial instruments are classified as Level 1 in the fair value hierarchy.

The Fellowship holds various investments. Such investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of activities.

The Fellowship's liability for charitable gift annuities is computed and measured at fair value based on changes in life expectancy and other actuarial assumptions, which include the discount rate, the annuitant's age at issuance, an estimate of the return on the invested assets, and the contractual payment obligation during the expected term of each annuity agreement.

The following table presents the Fellowship's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2015 and 2014:

	2015				Total
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Valued Using Net Asset Value ⁽¹⁾	
Assets:					
Corporate bonds	\$ 2,577,880	\$ -	\$ -	\$ -	\$ 2,577,880
Common stocks	2,658,776	-	-	-	2,658,776
Fixed-income mutual funds	4,322,362	-	-	-	4,322,362
Equity mutual funds	5,831,778	-	-	-	5,831,778
Real estate investment trusts	297,389	-	-	-	297,389
Exchange-traded index funds	5,092,181	-	-	-	5,092,181
U.S. Government bonds	1,180,725	-	-	-	1,180,725
Investments in alternative funds	248,317	-	-	1,998,980	2,247,297
	<u>22,209,408</u>	<u>-</u>	<u>-</u>	<u>1,998,980</u>	<u>24,208,388</u>
Money market funds	10,353,943	-	-	-	10,353,943
Total investments	<u>\$ 32,563,351</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,998,980</u>	<u>\$ 34,562,331</u>
Liabilities:					
Charitable gift annuities payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,362,382)</u>	<u>\$ -</u>	<u>\$ (3,362,382)</u>

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the amounts presented on the consolidated statements of financial position.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 2. Fair Value Disclosures and Investments (Continued)

	2014				Total
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Valued Using Net Asset Value ⁽¹⁾	
Assets:					
Corporate bonds	\$ 1,249,070	\$ -	\$ -	\$ -	\$ 1,249,070
Common stocks	2,223,880	-	-	-	2,223,880
Fixed-income mutual funds	1,670,367	-	-	-	1,670,367
Equity mutual funds	4,309,712	-	-	-	4,309,712
Real estate investment trusts	259,180	-	-	-	259,180
Exchange-traded index funds	4,652,151	-	-	-	4,652,151
U.S. Government bonds	918,291	-	-	-	918,291
	<u>15,282,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,282,651</u>
Money market funds	4,228,966	-	-	-	4,228,966
Total investments	<u>\$ 19,511,617</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,511,617</u>
Liabilities:					
Charitable gift annuities payable	\$ -	\$ -	\$ (2,893,938)	\$ -	\$ (2,893,938)

The Fellowship maintains a portion of its investment portfolio in a separate account as a reserve for its charitable gift annuities. This reserve totaled \$5,484,546 and \$4,937,202 at December 31, 2015 and 2014, respectively, which exceeds the projected current liability.

Net investment income consists of the following as of December 31, 2015 and 2014:

	2015	2014
Interest and dividends	\$ 588,571	\$ 529,443
Realized gain on sales of investments	138,315	276,306
Change in unrealized loss relating to assets still held at year-end	(1,268,056)	(288,912)
Net investment (loss) income	<u>\$ (541,170)</u>	<u>\$ 516,837</u>

Note 3. Fixed Assets

Fixed assets are summarized by major classification, net of accumulated depreciation and amortization, as follows:

	2015	2014
Furniture and fixtures	\$ 318,834	\$ 349,985
Leasehold improvement	275,066	50,607
Computers and related equipment	1,005,481	909,928
	<u>1,599,381</u>	<u>1,310,520</u>
Less accumulated depreciation and amortization	(1,020,918)	(941,725)
	<u>\$ 578,463</u>	<u>\$ 368,795</u>

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 4. Deferred Lease Expense

During 2014, the Subsidiary won a tender to lease land from the Israel Land Authority for a period of 49 years, with an option for an extension of a further 49 years. The land is situated in the Arnona neighborhood of Jerusalem. The Subsidiary paid \$5,629,519 to the Israel Land Authority to enter into the lease. The design and building expenditures related to this land continue to be accumulated as construction progresses and are reported as deferred lease expense on the consolidated statements of financial position. These expenditures will be amortized over their useful life as leasehold improvements upon completion of construction.

Note 5. Charitable Gift Annuities

During the years ended December 31, 2015 and 2014, the value of assets (primarily cash) received by the Fellowship in connection with the issuance of charitable gift annuities totaled \$975,512 and \$493,594, respectively. The Fellowship records a liability and revenue at receipt, which were as follows at December 31, 2015 and 2014:

	2015	2014
Liability portion (actuarial value of estimated future payments due to annuitant)	\$ 426,432	\$ 269,073
Gift portion (recorded as revenue)	563,806	224,521
Total assets received	<u>\$ 990,238</u>	<u>\$ 493,594</u>

The gift and liability portion of the annuities are computed annually using discount rates established by the Internal Revenue Service. The discount rates used range from 1.2 to 6.0 percent. The difference between the amount received and the computed liability, representing the gift portion, was recorded as contribution revenue.

Changes in the Fellowship's liability for charitable gift annuities (which are deemed Level 3 liabilities) were as follows at December 31, 2015 and 2014:

	2015	2014
Balance, beginning of year	\$ 2,893,938	\$ 2,736,706
Liability portion of charitable gifts received (per above)	426,432	269,073
Payments to annuitants	(318,197)	(299,988)
Actuarial increase in the value of annuities	360,209	188,147
Balance, end of year	<u>\$ 3,362,382</u>	<u>\$ 2,893,938</u>

The Fellowship's fixed payments to annuitants are in amounts ranging from 4.4 percent to 12.8 percent per year of the original annuity gifts. The actuarial adjustment, or increase, represents revaluations of future payments to annuitants based on changes in life expectancy and other actuarial assumptions.

Note 6. Restricted Net Assets

Temporarily restricted net assets at December 31, 2015 and 2014, have been restricted by donors as follows:

	2015	2014
Program restrictions:		
On Wings of Eagles	\$ 8,395,221	\$ 9,669,560
Stand For Israel	-	167,507
	<u>\$ 8,395,221</u>	<u>\$ 9,837,067</u>

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 6. Restricted Net Assets (Continued)

During 2014, the Fellowship's Board of Directors authorized the establishment of its own aliyah (immigration) and klitah (resettlement) programs under On Wings of Eagles in lieu of utilizing a third party. Certain funds restricted by donors for use under On Wings of Eagles will be used for these services in subsequent years.

During 2015 a donor-restricted endowment was established to benefit the "On Wings of Eagles" program in the amount of \$497,223. The net assets that represent this endowment are recorded as permanently restricted on the consolidated statements of financial position. In future periods the investment earnings on this endowment will be used to support this program.

During 2015, the Fellowship's Board of Directors allocated unrestricted estate gifts to fund the design and building of Beit Yedidut. As of December 31, 2015, \$4,650,187 has been reserved as board designated for that purpose.

Note 7. Leases

The Fellowship leases office space in Chicago, Illinois under an operating lease agreement which expires in March 2022. The Fellowship had an outstanding standby letter of credit at December 31, 2015 and 2014, associated with the Chicago office lease in the amount of \$125,000 and \$250,000, respectively.

Approximate future minimum lease payments (exclusive of operating expenses) at December 31, 2015, are as follows:

2017	567,000
2018	581,000
2019	595,000
2020	610,000
Thereafter	783,000
	<u>\$ 3,689,000</u>

The Fellowship was responsible for the payment of the prior lease for the Amutah. The Amutah vacated these premises in May 2014 and the lease expired in August 2015.

The Amutah entered into a new three-year lease in May 2014 for New Israeli Shekel (NIS) 53,600 per month and took additional space in the building in November 2014 for NIS 20,000 per month (aggregating approximately \$20,000 per month). In addition, the Amutah has 36-month vehicle leases.

Total rent expense related to these agreements was approximately \$680,000 and \$816,000 for the years ended December 31, 2015 and 2014, respectively.

Note 8. Employee Benefit Plans

The Fellowship sponsors a defined-contribution retirement plan (qualified under Section 403(b) of the Internal Revenue Code) which covers substantially all full-time employees. The plan is managed by TIAA-CREF. The Fellowship matches employee contributions on a dollar-for-dollar basis up to a maximum deferral of 5 percent of annual salary. The Fellowship contributed \$205,966 and \$205,415 to the plan during the years ended December 31, 2015 and 2014, respectively.

International Fellowship of Christians & Jews, Inc.

Notes to Consolidated Financial Statements

Note 8. Employee Benefit Plans (Continued)

In addition, the Fellowship sponsors a fully employer-funded defined-contribution plan (qualified under Section 401(a) of the Internal Revenue Code) which covers all employees who have completed at least 1,000 hours of creditable service and have been employed at least one year. Contributions are determined based on Section 415 limits and certain discrimination provisions. In 2015, the Fellowship paid \$303,298 to fund its contribution to the plan for the plan year ended December 31, 2014. In 2014, the Fellowship paid \$301,168 to fund its contribution to the plan for the plan year ended December 31, 2013. The Fellowship has accrued \$373,425 at December 31, 2015, for its 2015 employer contribution to be paid in 2016.

Under Israeli law, the Amutah is required to make severance payments to dismissed employees and to employees leaving employment in certain other circumstances. This liability for employees hired prior to January 1, 2015, is partly covered by deposits in insurance policies. The value of severance pay covered by insurance plans is not under the control and management of the Amutah and, accordingly, is not reflected in the consolidated statements of financial position. The liability that is not covered by insurance is presented in the consolidated statements of financial position as severance funds. The net estimated liability recorded by the Amutah for severance payments totaled \$109,063 and \$61,632 at December 31, 2015 and 2014, respectively. These payments are recorded as other liabilities on the consolidated statements of financial position.

The Amutah's liability for severance pay to its employees who were employed after January 1, 2015, is fully covered by current payments in the name of each employee to the insurance companies, in accordance with Israeli law.

Note 9. Deferred Compensation

In 2005, after 22 years of employment, the Fellowship's Board of Directors established a retirement plan (non-qualified deferred-compensation plan) for its president. Originally, this retirement plan was set up to vest in January 2017; however, during 2015, the President exercised his option to defer the vesting date of the pension to 2022. The Fellowship is fully funding the future liability. This plan is subject to a substantial risk of forfeiture given it is not yet vested and contains a requirement for work continuation. The President has not and will not receive payments until January 2022. Under the agreement, the President will receive annual fixed payments beginning in January 2022 for the greater of 10 years or until death. As of December 31, 2015, the Fellowship's estimate of the present value of the deferred compensation liability at the time of vesting in January 2022 is \$4,195,715, of which \$3,105,531 and \$2,923,834 has been accrued as a liability on the consolidated statements of financial position as of December 31, 2015 and 2014, respectively. The Fellowship funds the expected liability on a monthly basis into a Rabbi Trust for the benefit of the President. As of December 31, 2015, the Rabbi Trust held investments of \$3,652,767.

The Amutah has a deferred compensation agreement with a former employee. Under the agreement, the Amutah is required to make fixed monthly payments for the remainder of the former employee's life. The estimate of the present value of the deferred-compensation liability totaled \$77,242 and \$85,231 at December 31, 2015 and 2014, respectively.

Note 10. Subsequent Events

The Fellowship has evaluated subsequent events for potential recognition and/or disclosure through June 3, 2016, the date the consolidated financial statements were available to be issued.

Supplementary Information

International Fellowship of Christians & Jews, Inc.

Consolidating Statement of Financial Position
December 31, 2015

	IFCJ	Foundation	Amutah	IFCJ Korea	Eliminations	Total
Assets						
Current assets:						
Cash	\$ 13,395,840	\$ 125,915	\$ 1,119,882	\$ 387,786	\$ -	\$ 15,029,423
Investments	34,562,331	-	-	-	-	34,562,331
Accounts receivable	9,377	-	-	-	-	9,377
Grants receivable and due from Fellowship	-	-	3,218,857	-	(3,218,857)	-
Prepaid expenses	2,443,692	-	98,958	-	-	2,542,650
Fixed assets, net	161,202	-	417,261	-	-	578,463
Deferred lease expense	-	-	5,856,976	-	-	5,856,976
Other	349,930	-	566,613	-	-	916,543
Total assets	\$ 50,922,372	\$ 125,915	\$ 11,278,547	\$ 387,786	\$ (3,218,857)	\$ 59,495,763
Liabilities and Net Assets						
Liabilities:						
Accounts payable and accrued expenses	\$ 2,965,447	\$ 15	\$ 1,976,729	\$ -	\$ (211,287)	\$ 4,730,904
Grants payable to affiliate	2,815,775	-	-	-	(2,815,775)	-
Due to affiliate	191,795	-	-	-	(191,795)	-
Charitable gift annuities payable	3,362,382	-	-	-	-	3,362,382
Deferred compensation payable	3,105,531	-	77,242	-	-	3,182,773
Deferred rent	581,202	-	-	-	-	581,202
Other	-	-	475,257	-	-	475,257
Total liabilities	13,022,132	15	2,529,228	-	(3,218,857)	12,332,518
Net assets:						
Unrestricted	24,357,609	125,900	751,634	387,786	-	25,622,929
Unrestricted - Board designated	4,650,187	-	7,997,685	-	-	12,647,872
Temporarily restricted	8,395,221	-	-	-	-	8,395,221
Permanently restricted	497,223	-	-	-	-	497,223
	37,900,240	125,900	8,749,319	387,786	-	47,163,245
Total liabilities and net assets	\$ 50,922,372	\$ 125,915	\$ 11,278,547	\$ 387,786	\$ (3,218,857)	\$ 59,495,763

International Fellowship of Christians & Jews, Inc.

Consolidating Statement of Financial Position
December 31, 2014

	IFCJ	Foundation	Amutah	IFCJ Korea	Eliminations	Total
Assets						
Current assets:						
Cash	\$ 21,116,918	\$ 127,788	\$ 871,051	\$ 453,681	\$ -	\$ 22,569,438
Investments	19,511,617	-	-	-	-	19,511,617
Accounts receivable	25,293	-	-	-	-	25,293
Grants receivable and due from Fellowship	-	-	2,735,922	-	(2,735,922)	-
Prepaid expenses	2,469,426	-	45,065	-	-	2,514,491
Fixed assets, net	166,147	-	202,648	-	-	368,795
Deferred lease expense	-	-	5,629,519	-	-	5,629,519
Other	59,686	-	550,815	-	-	610,501
Total assets	\$ 43,349,087	\$ 127,788	\$ 10,035,020	\$ 453,681	\$ (2,735,922)	\$ 51,229,654
Liabilities and Net Assets						
Liabilities:						
Accounts payable and accrued expenses	\$ 2,642,883	\$ 1,515	\$ 1,823,648	\$ -	\$ -	\$ 4,468,046
Grants payable to affiliate	2,237,255	-	-	-	(2,237,255)	-
Due to affiliate	498,667	-	-	-	(498,667)	-
Charitable gift annuities payable	2,893,938	-	-	-	-	2,893,938
Deferred compensation payable	2,923,834	-	85,231	-	-	3,009,065
Deferred rent	623,362	-	-	-	-	623,362
Other	-	-	512,742	-	-	512,742
Total liabilities	11,819,939	1,515	2,421,621	-	(2,735,922)	11,507,153
Net assets:						
Unrestricted	21,692,081	126,273	610,475	453,681	-	22,882,510
Unrestricted - Board designated	-	-	7,002,924	-	-	7,002,924
Temporarily restricted	9,837,067	-	-	-	-	9,837,067
	31,529,148	126,273	7,613,399	453,681	-	39,722,501
Total liabilities and net assets	\$ 43,349,087	\$ 127,788	\$ 10,035,020	\$ 453,681	\$ (2,735,922)	\$ 51,229,654

International Fellowship of Christians & Jews, Inc.

Consolidating Statement of Activities
Year Ended December 31, 2015

	IFCJ	Foundation	Amutah	IFCJ Korea	Eliminations	Total
Revenues:						
Contributions	\$ 133,045,923	\$ -	\$ 34,918,140	\$ -	\$ (32,922,597)	\$ 135,041,466
Net investment loss	(541,297)	127	-	-	-	(541,170)
Catalog sales	102,153	-	-	-	-	102,153
Tours, conferences and other income	1,423	-	-	-	-	1,423
Other	-	-	-	-	-	-
Total revenues	132,608,202	127	34,918,140	-	(32,922,597)	134,603,872
Expenses:						
Fellowship	20,996,216	500	1,970,572	65,895	(2,842,310)	20,190,873
Guardians of Israel	25,545,705	-	21,263,612	-	(20,257,428)	26,551,889
Isaiah 58	27,129,287	-	751,529	-	(751,529)	27,129,287
On Wings of Eagles	18,173,739	-	7,602,980	-	(6,768,741)	19,007,978
Stand for Israel	970,948	-	32,174	-	(32,174)	970,948
	92,815,895	500	31,620,867	65,895	(30,652,182)	93,850,975
General and administrative	13,448,517	-	2,270,415	-	(2,270,415)	13,448,517
Fundraising	19,972,698	-	-	-	-	19,972,698
Total expenses	126,237,110	500	33,891,282	65,895	(32,922,597)	127,272,190
Increase (decrease) in net assets before other items	6,371,092	(373)	1,026,858	(65,895)	-	7,331,682
Other items:						
Loss on disposal of fixed assets	-	-	(13,381)	-	-	(13,381)
Effects of foreign currency translation	-	-	122,443	-	-	122,443
Transfers between affiliates	-	-	-	-	-	-
	-	-	109,062	-	-	109,062
Increase (decrease) in net assets	6,371,092	(373)	1,135,920	(65,895)	-	7,440,744
Net assets:						
Beginning of year	31,529,148	126,273	7,613,399	453,681	-	39,722,501
End of year	\$ 37,900,240	\$ 125,900	\$ 8,749,319	\$ 387,786	\$ -	\$ 47,163,245

International Fellowship of Christians & Jews, Inc.

Consolidating Statement of Activities
Year Ended December 31, 2014

	IFCJ	Foundation	Amutah	IFCJ Korea	Eliminations	Total
Revenues:						
Contributions	\$ 127,987,993	\$ -	\$ 27,694,476	\$ 475,511	\$ (26,909,240)	\$ 129,248,740
Net investment income	516,709	128	-	-	-	516,837
Catalog sales	110,838	-	-	-	-	110,838
Tours, conferences and other income	1,505	-	-	-	-	1,505
Other	75	-	195,248	-	(195,248)	75
Total revenues	128,617,120	128	27,889,724	475,511	(27,104,488)	129,877,995
Expenses:						
Fellowship	12,770,451	1,500	1,119,397	-	(2,408,111)	11,483,237
Guardians of Israel	29,833,006	-	18,803,119	-	(18,448,261)	30,187,864
Isaiah 58	28,445,413	-	2,297,564	-	(2,297,564)	28,445,413
On Wings of Eagles	6,772,012	-	1,827,671	-	(1,827,671)	6,772,012
Stand for Israel	442,261	-	20,878	-	(20,878)	442,261
	78,263,143	1,500	24,068,629	-	(25,002,485)	77,330,787
General and administrative	11,806,348	-	2,080,173	21,830	(2,102,003)	11,806,348
Fundraising	16,755,568	-	-	-	-	16,755,568
Total expenses	106,825,059	1,500	26,148,802	21,830	(27,104,488)	105,892,703
Increase (decrease) in net assets before other items	21,792,061	(1,372)	1,740,922	453,681	-	23,985,292
Other items:						
Loss on disposal of fixed assets	-	-	(75,303)	-	-	(75,303)
Effects of foreign currency translation	-	-	(184,875)	-	-	(184,875)
Transfers between affiliates	(5,629,519)	-	5,629,519	-	-	-
	(5,629,519)	-	5,369,341	-	-	(260,178)
Increase (decrease) in net	16,162,542	(1,372)	7,110,263	453,681	-	23,725,114
Net assets:						
Beginning of year	15,366,606	127,645	503,136	-	-	15,997,387
End of year	\$ 31,529,148	\$ 126,273	\$ 7,613,399	\$ 453,681	\$ -	\$ 39,722,501