

AMERICAN FRIENDS OF KIRYAT SANZ LANIADO HOSPITAL, INC.

(A NOT-FOR-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

JUNE 30, 2015

AMERICAN FRIENDS OF KIRYAT SANZ LANIADO HOSPITAL, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
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KAUFMAN & KAUFMAN
CERTIFIED PUBLIC ACCOUNTANTS
521 FIFTH AVENUE
NEW YORK, NY 10175

(212) 292-4401

SAMUEL KAUFMAN CPA

ZEV KAUFMAN CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of:
American Friends of Kiryat Sanz Laniado Hospital, Inc.
New York, New York

We have audited the accompanying financial statements of American Friends of Kiryat Sanz Laniado Hospital, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2015, and the related statements of activity and changes and net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the statement of financial position of American Friends of Kiryat Sanz Laniado Hospital, Inc. as of June 30, 2015, and the change in its net assets and cash flow for the year then ended in accordance with accounting principles generally accepted in the United States of America.



KAUFMAN AND KAUFMAN, CPA'S

**December 8, 2015
New York, New York**

AMERICAN FRIENDS OF KIRYAT SANZ LANIADO HOSPITAL, INC.
 (A NOT-FOR-PROFIT ORGANIZATION)
 STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015

ASSETS

CURRENT ASSETS

Cash - Checking	\$ 99,638
Cash - Interest Bearing	399,099
Investments - Securities	2,739,208
Prepaid Payroll Taxes	187
Loans Receivable	<u>14,000</u>
Total Current Assets	3,252,132

FIXED ASSETS

Furniture and Equipment	80,861
Less: Accumulated Depreciation	<u>(80,861)</u>
Total Fixed Assets	-

OTHER ASSETS

Rent Security	<u>6,734</u>
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TOTAL ASSETS

\$ 3,258,866

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accrued Expenses	\$ 8,100
Loans Payable	<u>117,284</u>
Total Current Liabilities	125,384

UNRESTRICTED NET ASSETS

3,133,482

TOTAL LIABILITIES AND NET ASSETS

\$ 3,258,866

AMERICAN FRIENDS OF KIRYAT SANZ LANIADO HOSPITAL, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2015

SUPPORT AND REVENUE

Contributions	\$ 2,306,667
Investment Income - Interest, Dividends and Annuities	173,981
Parlor Meetings and Parties	245,200
Gain on Sale of Securities	59,977
Unrealized Gain on Investments	33,124
Dinners	174,729
Total Support and Revenue	2,993,678

EXPENSES - PROGRAM SERVICE

Program Service - Payments to and on behalf of Sanz Medical Center	2,737,624
Payroll Expense	92,355
Insurance and Hospitalization	86,800
Publications and Mailings	8,557
Rent, Utilities and Telephone	53,531
Office Expenses	13,666
Equipment Rental	5,763
Bank Charges and Merchant Fees	81,035
Professional Fees	38,795
Payroll Taxes	14,892
Travel	16,618
Depreciation	7,636
Advertising and Promotion	52,012
Consulting Fees and Research	35,064
Total Expenses	3,244,348

DECREASE IN NET ASSETS (250,670)

UNRESTRICTED NET ASSETS - JULY 1, 2014 3,384,152

UNRESTRICTED NET ASSETS - JUNE 30, 2015 \$ 3,133,482

AMERICAN FRIENDS OF KIRYAT SANZ LANIADO HOSPITAL, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

OPERATING ACTIVITIES	
Decrease in Net Assets	\$ (250,670)
Adjustments to Reconcile Decrease in Net Assets To Net Cash Used By Operating Activities:	
Depreciation and Amortization	7,636
Change in Operating Assets and Liabilities	
(Increase) Decrease In:	
Prepaid Payroll Taxes	(187)
Increase (Decrease) In:	
Accrued Expenses	<u>4,100</u>
NET CASH USED BY OPERATING ACTIVITIES	(239,121)
INVESTING ACTIVITIES	
Purchase of Furniture and Equipment	(2,900)
Increase in Loans Receivable	(14,000)
Sale of Annuities	719,401
Purchase of Securities	<u>(112,819)</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>589,682</u>
NET INCREASE IN CASH	350,561
CASH - BEGINNING OF YEAR	<u>148,176</u>
CASH - END OF YEAR	<u><u>\$ 498,737</u></u>

AMERICAN FRIENDS OF KIRYAT SANZ LANIADO HOSPITAL, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – American Friends of Kiryat Sanz Laniado Hospital, Inc. is a non-profit organization, organized under Section 501(c)(3) of the Internal Revenue Code. The purpose of the Organization is to raise funds and support the Sanz Medical Center located in Netanya, Israel.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned, or in the case of government grants, when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenses are recorded when the goods are received or services rendered.

Financial Statement Presentation – The financial statements are presented in accordance with the Statement of Financial Accounting Standard No. 117, “Financial Statements of Not-For-Profit Organizations” which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. For the year ended June 30, 2015, all net assets were unrestricted.

Property and Equipment – Property and equipment are recorded at cost. Expenditures for maintenance and repairs are charged to operations as incurred. Depreciation is computed principally by the straight-line method and accelerated methods over the estimated useful lives of the respective assets.

Net Assets - Unrestricted net assets are presently available for use by the Organization at the discretion of the Board of Directors.

Income Taxes – The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3).

Estimates – The preparation of 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions - Contributions are recognized as revenues at fair value at the time the contribution or unconditional promise to give is received, net of estimated uncollectible amounts. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Advertising Costs - Costs associated with advertising are charged to expense as incurred. Advertising expenses for the year ending June 30, 2015 were \$52,012.

NOTE 2 - FIXED ASSETS

Furniture and equipment are recorded at cost. Expenditures for maintenance and repairs are charged to operations as incurred. Depreciation is computed principally by the straight line method and accelerated methods over the estimated lives of the respected assets. Depreciation expense for the year ending June 30, 2015 was \$7,636.

NOTE 3 - LOANS PAYABLE

Loans payable consists of unsecured, non interest bearing loans from unrelated third parties.