

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2017

DAVID M. BRICKMAN
CERTIFIED PUBLIC ACCOUNTANT

AMERICAN FRIENDS OF THE ISRAEL MUSEUM

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

TABLE OF CONTENTS

Independent Auditor's Report

- Exhibit I - Statement of Financial Position**
- Exhibit II - Statement of Activities and Changes in Net Assets**
- Exhibit III - Statement of Cash Flows**

Notes to Financial Statements

Supplementary Information

Independent Auditor's Report on Supplementary Information

- Exhibit IV - Schedule of Functional Expenses**
- Exhibit V - Schedule of Changes in Permanently Restricted Funds**
- Exhibit VI - Schedule of Transmissions and Related Expenses**
- Exhibit VII - Schedule of Changes in Temporarily Restricted Funds**

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INDEPENDENT AUDITOR'S REPORT

American Friends of the Israel Museum

We have audited the accompanying financial statements of American Friends of the Israel Museum, which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in 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 States of America; this includes 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 of material misstatement.

An audit involves 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.

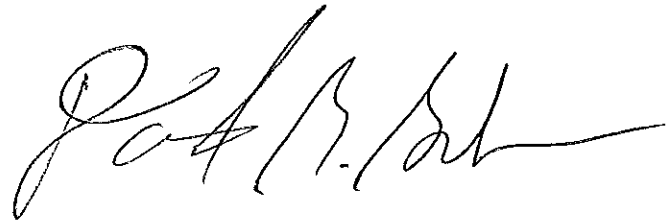
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Friends of the Israel Museum as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information:

We have previously audited American Friends of the Israel Museum's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 25, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink, appearing to read "Paul R. Bell". The signature is written in a cursive style with a long horizontal stroke at the end.

May 22, 2018

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

Exhibit I

	As of December 31, 2017			As of December 31, 2016		
	Operating	Unrestricted Works of Art	Total	Temporarily Restricted	Permanently Restricted	Total
Current assets:						
Cash and cash equivalents	\$ 5,870,640	\$ 5,870,640	\$ 5,870,640	\$ 1,917,318	\$ 6,871,987	\$ 8,789,490
Investments	4,993,171	4,993,171	4,993,171	23,425,451	83,960,723	107,649,766
Accrued receivables	196,036	196,036	196,036			164,676
Prepaid expenses	23,123	23,123	23,123			23,773
Total current assets	<u>11,082,970</u>	<u>11,082,970</u>	<u>11,082,970</u>	<u>25,342,769</u>	<u>90,832,710</u>	<u>116,595,705</u>
Works of art						
Pledge receivables - Art		\$ 65,541,948	65,541,948			92,488,852
Furniture and fixtures, net of accumulated depreciation of \$339,947 and \$295,528 in 2017 and 2016 respectively		1,875,000	1,875,000			2,175,000
Security deposit	91,788	91,788	91,788			136,207
	18,317	18,317	18,317			18,317
Total assets	<u>\$ 11,193,075</u>	<u>\$ 67,416,948</u>	<u>\$ 78,610,023</u>	<u>\$ 25,342,769</u>	<u>\$ 90,832,710</u>	<u>\$ 211,414,081</u>
LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable and accrued expenses	\$ 70,143	\$ 70,143	\$ 70,143			\$ 81,375
Total current liabilities	<u>70,143</u>	<u>70,143</u>	<u>70,143</u>			<u>81,375</u>
Deferred compensation payable	375,480	375,480	375,480			267,740
Total liabilities	<u>445,623</u>	<u>445,623</u>	<u>445,623</u>			<u>349,115</u>
Net assets	<u>10,747,452</u>	<u>\$ 67,416,948</u>	<u>78,164,400</u>	<u>\$ 25,342,769</u>	<u>\$ 90,832,710</u>	<u>211,064,966</u>
Total liabilities and net assets	<u>\$ 11,193,075</u>	<u>\$ 67,416,948</u>	<u>\$ 78,610,023</u>	<u>\$ 25,342,769</u>	<u>\$ 90,832,710</u>	<u>\$ 211,414,081</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

Exhibit II

	Year Ended December 31, 2017			Year Ended December 31, 2016		
	Operating	Unrestricted Works of Art	Total	Temporarily Restricted	Permanently Restricted	Total
Support and revenue:						
Contributions revenue						
Special events - New York Gala (net of expenses of \$428,022 - 2017; \$455,238.08 - 2016)	\$ 6,259,257		\$ 6,259,257	\$ 639,062	\$ 2,584,164	\$ 9,482,483
Special events - other (net of expenses of \$619,517 - 2017; \$618,523 - 2016)	1,628,248		1,628,248			1,628,248
Patron and guardian membership	1,939,562		1,939,562			1,939,562
Investment income (net of investment expenses of \$506,985 - 2017; \$447,158 - 2016)	311,565		311,565	2,063,712	2,584,164	311,565
	125,346		125,346	2,702,774		2,189,058
	10,263,978		10,263,978			15,550,916
Unrealized appreciation (depreciation) on investments	408,648		408,648	11,390,146		11,798,794
Contributed works of art		\$ 10,426,875	10,426,875			10,426,875
Total support and revenue	10,672,626	10,426,875	21,099,501	14,092,920	2,584,164	37,776,585
Expenses and transmissions:						
Support and expenses - Israel Museum	12,681,142	37,673,779	50,354,921		845,000	51,199,921
Administration and general	395,326		395,326			395,326
Fundraising	2,906,425		2,906,425			2,906,425
Total expenses and transmissions	15,982,893	37,673,779	53,656,672		845,000	54,501,672
Change before other items	(5,310,267)	(27,246,904)	(32,557,171)	14,092,920	1,739,164	(16,725,087)
Other items:						
Net assets released from restrictions	5,757,383		5,757,383	(5,757,383)		
Fund transfer	300,000		300,000		(300,000)	
Total other items	6,057,383		6,057,383	(5,757,383)		
Change in net assets	747,116	(27,246,904)	(26,499,788)	8,335,537	1,439,164	(16,725,087)
Net assets, beginning of year	10,000,336	94,663,852	104,664,188	17,007,232	89,393,546	211,064,966
Net assets, end of year	\$ 10,747,452	\$ 67,416,948	\$ 78,164,400	\$ 25,342,769	\$ 90,832,710	\$ 211,064,966

The accompanying notes are an integral part of these financial statements.

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ (16,725,087)	\$ 6,033,259
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	44,419	40,452
Unrealized appreciation on investments	(11,798,794)	(6,146,867)
Change in operating assets and liabilities:		
(Increase) decrease in accrued receivables	(31,360)	124,711
(Increase) decrease in prepaid expenses	650	18,294
(Increase) decrease in works of art	26,946,904	(2,733,125)
(Increase) decrease in pledge receivables - Art	300,000	
(Increase) decrease in security deposit		2,541
Increase (decrease) in accounts payable and accrued expenses	(11,232)	(22,854)
Increase (decrease) in loans payable		(13,500)
Increase (decrease) in deferred compensation payable	107,740	107,740
Net cash provided (used) by operating activities	<u>(1,166,760)</u>	<u>(2,589,349)</u>
Cash flows from investing activities:		
Acquisition of investments	7,069,215	1,850,516
Capital expenditures		(155,039)
Net cash used in investing activities	<u>7,069,215</u>	<u>1,695,477</u>
Net increase (decrease) in cash and cash equivalents	5,902,455	(893,872)
Cash and cash equivalents-beginning of year	<u>8,757,490</u>	<u>9,651,362</u>
Cash and cash equivalents-end of year	<u>\$ 14,659,945</u>	<u>\$ 8,757,490</u>

The accompanying notes are an integral part of these financial statements.

**AMERICAN FRIENDS OF THE ISRAEL MUSEUM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

1. Description of Operations:

American Friends of the Israel Museum (the "Organization") is a not-for-profit organization whose purpose is to foster and encourage the development of liberal arts by obtaining works of art and archaeology for the Israel Museum and by obtaining grants, contributions and loans for, and by making grants, contributions and loans to the Israel Museum.

2. Significant Accounting Policies:

The following is a summary of significant accounting policies consistently followed by the Organization in the preparation of its financial statements:

a) Cash and Cash Equivalents:

For purposes of the statement of financial position and the statement of cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

b) Investments:

The Organization records its investments at fair value as described in Note 3.

c) Works of Art:

The Organization capitalizes its works of art. If purchased, they are capitalized at cost, and if donated, they are capitalized at their fair market value on the date of contribution.

d) Contributions:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support which increases those net asset classes.

e) Endowment Funds:

The Organization's permanently restricted net assets consist of numerous endowment funds established to help fund its projects and activities. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), enacted in New York State on September 17, 2010, as requiring the preservation of the fair market value of the original gift as of the gift date of the donor-restricted endowment funds received prior to September 17, 2010, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditures by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the value of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income and capital appreciation, which exceeds the annual distribution with acceptable levels of risk over the long term.

Endowment assets are invested in a well diversified asset mix, which includes equity and debt securities, that is intended to result in an inflation-protected rate of return that has sufficient liquidity to make the annual distribution, while growing the funds if possible. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy. The Organization has a policy of appropriating for distribution each year 5% of its endowment funds' average fair value of the prior 20 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature of the individual endowment funds, and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment

funds to grow at a rate in excess of annual distributions, which is consistent with the Organization's objective to maintain the value of the endowment assets as well as to provide additional real growth through investment return.

f) 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

g) Income Taxes:

The Organization has been granted tax-exempt status under section 501(c)(3) of the Internal Revenue Code.

h) Depreciation:

Depreciation of fixed assets is provided on the straight-line method over the useful lives of the assets.

i) Transmissions:

Transmissions represent money sent to the Israel Museum several times a year, or artwork gifted to the Israel Museum.

j) Prior-Year Summarized Comparative Information:

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

3. Fair Value of Investments:

a) Hierarchy of fair value inputs

The Organization utilizes various methods to measure the fair value of its investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- Level 1. Unadjusted quoted prices in active markets for identical securities that a company has the ability to access.
- Level 2. Observable inputs other than quoted prices included in Level 1 that are observable for securities either directly or indirectly. These inputs may include

quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayments speeds, credit risk, yield curves, default rates, and similar data.

- **Level 3.** Unobservable inputs for securities to the extent that relevant observable inputs are not available, representing the company's own assumptions about the assumptions that a market participant would use in valuing a security, and that would be based on the best information available.

b) Fair Value Measurements

The Organization's equity and debt securities and mutual funds are actively traded on a national securities exchange and are valued based on their last reported sales price as of the last business day of the year without adjustments. Accordingly, they are categorized in Level 1 of the fair value hierarchy.

The Organization's alternative investments (hedge funds) are calculated based on net asset values or capital account balances, which is the best information available. Accordingly, they are categorized in Level 3 of the fair value hierarchy.

A. Investments consist of the following:

**Financial Instruments
December 31, 2017**

<i>Categories</i>	<u><i>Level 1</i></u>	<u><i>Level 2</i></u>	<u><i>Level 3</i></u>	<u><i>Fair Value</i></u>
Equity Securities	\$ 39,743,165			\$ 39,743,165
Debt Securities	15,222,856			15,222,856
Mutual Funds	22,151,014			22,151,014
Alternative Investments			\$ 35,262,310	35,262,310
Total	<u>\$ 77,117,035</u>		<u>\$ 35,262,310</u>	<u>\$ 112,379,345</u>

**Financial Instruments
December 31, 2016**

<i>Categories</i>	<u><i>Level 1</i></u>	<u><i>Level 2</i></u>	<u><i>Level 3</i></u>	<u><i>Fair Value</i></u>
Equity Securities	\$ 34,355,869			\$ 34,355,869
Debt Securities	17,771,660			17,771,660
Mutual Funds	17,429,943			17,429,943
Alternative Investments			\$ 38,092,294	38,092,294
Total	<u>\$ 69,557,472</u>		<u>\$ 38,092,294</u>	<u>\$ 107,649,766</u>

B. Financial instruments categorized as Level 3 had the following development:

Financial Instruments- Level 3

	<u>2017</u>	<u>2016</u>
Beginning balance	\$ 38,092,293	\$ 37,705,798
Change in unrealized appreciation(depreciation)	4,127,157	1,903,008
Net purchases	680,732	
Net sales/distributions	<u>(7,637,871)</u>	<u>(1,516,512)</u>
Ending Balance	<u>\$ 35,262,311</u>	<u>\$ 38,092,294</u>

C. Investment income consists of the following:

	<u>2017</u>	<u>2016</u>
Interest and dividends	\$ 1,732,952	\$ 1,729,986
Realized losses	963,091	(315,901)
Investment expenses	<u>(506,985)</u>	<u>(447,158)</u>
Total	<u>\$ 2,189,058</u>	<u>\$ 966,927</u>

Investments are managed by firms selected and monitored quarterly by the Organization's Investment Committee.

4. Pension and Deferred Compensation Plans:

A. Defined Contribution Plan

The Organization maintains a tax deferred annuity plan for its employees under Section 403(b) of the Internal Revenue Code. All employees of the Organization are eligible to participate and contribute a portion of their gross salaries up to the federal limit of 25% of an employee's compensation not to exceed \$18,000 (\$24,000 if an employee is age 50 or more). In addition, the Organization made discretionary contributions to the plan of 8% of employee eligible wages plus 5.7% of employee eligible wages in excess of the Social Security wage base.

The pension expense under this plan was \$69,414 for the year ended December 31, 2017 and \$81,375 for the year ended December 31, 2016.

B. Deferred Compensation Plan

The Organization has established a Deferred Compensation Plan under Section 457(f) of the Internal Revenue Code for its former Chief Financial Officer. As of December 31, 2017, benefits accrued under the plan totaled \$375,480, with a vesting date of January 31, 2018, payable 60 days thereafter.

5. **Commitments:**

A. The Organization is obligated under a lease agreement through February, 2026. Future minimum annual rental payments under the agreement is as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2018	\$ 179,445
2019	183,243
2020	187,126
2021	200,235
2022	204,500
Thereafter	<u>640,066</u>
	<u>\$ 1,594,615</u>

In addition, the Organization is subject to real estate tax escalation clauses.

Rent expense, including escalations, amounted to \$157,210 and \$134,236 for the years ended December 31, 2017 and 2016, respectively.

B. The Organization retains a consultant to provide curatorial advisory services, assistance with fundraising efforts, educational services and other related services. Beginning January 1, 2017, the agreement obligates the Organization to pay, through December 31, 2018, \$117,208 per month plus health insurance.

The Organization has retained a member of its Board of Directors to provide consulting services paying \$16,667 on a monthly basis.

The Organization has retained its former Chief Financial Officer to provide consulting services through January 31, 2018 paying \$20,000 on a monthly basis plus health insurance.

6. **Concentration of Credit Risk:**

As of December 31, 2017, cash and cash equivalent balances and securities with financial institutions were in excess of FDIC and SIPC insured limits. As of December 31, 2017, 56% of cash and cash equivalent balances were held by one financial institution.

7. **Contributions:**

Substantially all of the contributions to the temporarily restricted and permanently restricted funds are from past and present members of the Board of Directors and their charitable trusts and foundations.

8. Restricted Assets:

Temporarily restricted net assets are available for various programs of the Organization. Permanently restricted net assets are restricted to investments in perpetuity, the income from which is expendable for programs.

9. Subsequent Events:

Management has evaluated subsequent events through May 22, 2018, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

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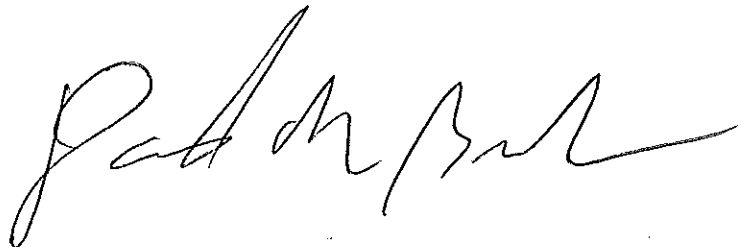
**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

American Friends of the Israel Museum

We have audited the financial statements of American Friends of the Israel Museum as of December 31, 2017 and for the year then ended, and have issued our report thereon dated May 22, 2018, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole.

The supplementary information in Exhibits IV-VII is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Information for the year ended December 31, 2016 is presented for comparative purposes only and was extracted from the financial statements presented for that year on which an unmodified opinion dated May 25, 2017 was expressed.



May 22, 2018

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
 SCHEDULE OF FUNCTIONAL EXPENSES
 YEAR ENDED DECEMBER 31, 2017
 (WITH COMPARATIVE TOTALS FOR 2016)

Exhibit IV

	Year Ended December 31, 2017		Year Ended December 31, 2016	
	Program Services		Supporting Services	
	Support and Expenses - Israel Museum	Administration and General	Fundraising	Total
Transmissions to the Israel Museum	\$ 12,681,142			\$ 12,681,142
Special transfers of works of art to the Israel Museum	\$ 37,673,779			37,673,779
Salaries		214,333	642,998	857,331
Payroll taxes and employee benefits		43,201	152,069	195,270
Payroll service fees		787	2,360	3,147
Consultant expenses			1,662,044	1,662,044
Telephone and faxes		1,558	7,403	8,961
Office supplies		1,116	3,347	4,463
Computer expenses		6,657	19,971	26,628
Rent		39,302	117,907	157,209
Audit and other professional fees		6,231	18,694	24,925
Travel and entertainment		625	33,180	33,805
Insurance		3,476	10,578	14,054
Subscriptions		1,042	3,386	4,428
Printing and stationery		1,010	3,186	4,196
Postage		1,678	5,092	6,770
Repairs and maintenance				
Credit card fees and bank charges		9,314	27,943	37,257
Depreciation		11,105	33,315	44,420
Pension contribution		17,354	52,060	69,414
Deferred compensation		26,935	80,805	107,740
California office expenses		8,526	25,577	34,103
Miscellaneous		1,076	4,510	5,586
	\$	\$ 395,326	2,906,425	\$ 53,656,672
Total expenses and transmissions	\$ 50,354,921			\$ 16,817,208

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
SCHEDULE OF CHANGES IN PERMANENTLY RESTRICTED FUNDS
YEAR ENDED DECEMBER 31, 2017

Exhibit V

	Balance January 1, 2017	Contributions	Transmissions	Operating Transfer	Balance December 31, 2017
General Fund	\$ 56,979,789	\$ 1,575,631	\$ (845,000)	\$ (300,000)	\$ 57,410,420
Kolliner Prize Fund	50,000				50,000
Jesselson Judaica Fund	60,000				60,000
Bergman Visiting Artists Fund	210,000				210,000
Kaplan Book Purchase Fund	20,000				20,000
Schimmel Prize Fund	95,000				95,000
Berg Curator Fund	350,000				350,000
Rodman Youth Wing Fund	450,000				450,000
Haas Gardens Fund	375,000				375,000
Willner Endowment Fund	150,000				150,000
Warschaw Archaeology Fund	250,000				250,000
Shapiro Exhibit Fund	130,000				130,000
Fischbach Scholarship Fund	127,125				127,125
Montgomery Archaeology Fund & Genesis	139,500				139,500
Pattiz Israeli Art Fund	25,000				25,000
Harwood Flower Fund	50,471				50,471
Myden Youth Wing Fund	254,712				254,712
Skirball Judaica Fund	4,802,920				4,802,920
Weisbord Pavilion Fund	8,389,123				8,389,123
Adam Kimmel Bar Mitzvah Fund	200,000				200,000
Cummings and Kravis Building Fund	200,000				200,000
Forchheimer Ethnography Fund	1,200,000				1,200,000
Asian Art Fund	235,000				235,000
Jesselson, Littauer, Chernys Library Fund	115,775	8,533			124,308
Weiss et al. A.O.A.	1,672,543				1,672,543
Berg U.S.A. Fund	1,450,000				1,450,000
Rosen Egyptian Art Curator Fund	1,187,500				1,187,500
Krupp Shrine of the Book Fund	900,000				900,000
Madeleine Lejwa Fund	1,664,088				1,664,088
Stella Fischbach Modern Art	200,000				200,000
Abrams Library Fund	360,000				360,000
Bernard & Ella Snyder Lecture Fund	100,000				100,000
Mandel JAL Wing Fund	4,000,000	1,000,000			5,000,000
Ayala Zacks Abramov Fund	3,000,000				3,000,000
	<u>\$ 89,393,546</u>	<u>\$ 2,584,164</u>	<u>\$ (845,000)</u>	<u>\$ (300,000)</u>	<u>\$ 90,832,710</u>

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
SCHEDULE OF TRANSMISSIONS AND RELATED EXPENSES
FROM UNRESTRICTED FUND
YEAR ENDED DECEMBER 31, 2017

Exhibit VI

	Net Assets Released from Restrictions	Other Operating Transmissions	Total
Works of Art Transmission		\$ 37,673,779	\$ 37,673,779
Contemporary Art Acquisition Fund	\$ 616,960		616,960
Afim Art Acquisition	299,861		299,861
Bronfman Biblical & Archaeological Museum Library	29,700	499,650 500	499,650 30,200
Bezalel Art Museum Fund	44,000	5,677,944	5,721,944
Youth Wing		745,665	745,665
General Fund	2,878,325		2,878,325
Kolliner Prize Fund	2,550		2,550
Jesselson Judaica Fund	3,050		3,050
Kaplan Book Purchase Fund	795		795
Schimmel Prize Fund	4,850		4,850
Berg Curator Fund	24,591		24,591
Willner Fund	8,750		8,750
Rodman Youth Wing Fund	33,500		33,500
Haas Gardens Funds	23,500		23,500
Fischbach Scholarship Fund	8,500		8,500
Shapiro, Montgomery and Genesis Archaeology Fund	18,500		18,500
Pattiz Israeli Art Fund	1,775		1,775
Harwood Flower Fund	3,250		3,250
Myden Youth Wing Fund	17,000		17,000
Skirball Judaica Fund	275,000		275,000
Weisbord Pavilion Fund	480,000		480,000
Adam Kimmel Bar Mitzvah Fund	12,500		12,500
Cummings and Kravis Building Fund	15,000		15,000
Forchheimer Ethnography Fund	85,000		85,000
Asian Art Fund	15,500		15,500
Jesselson, Littauer, Chernys Library Fund	7,230		7,230
Weiss et al. A.O.A.	115,000		115,000
Berg U.S.A. Fund	111,496		111,496
Rosen Egyptian Art Curator Fund	68,000		68,000
Krupp Shrine of the Book Fund	46,500		46,500
Madeleine Lejwa Fund	100,000		100,000
Stella Fischbach Modern Art	12,500		12,500
Abrams Library Fund	23,000		23,000
Bernard & Ella Snyder Lecture Fund	6,200		6,200
Mandel JAL Wing Fund	210,000		210,000
Ayala Zachs Abramov Fund	155,000		155,000
	<u>\$ 5,757,383</u>	<u>\$ 44,597,538</u>	<u>\$ 50,354,921</u>

AMERICAN FRIENDS OF THE ISRAEL MUSEUM
 SCHEDULE OF CHANGES IN TEMPORARILY RESTRICTED FUNDS
 YEAR ENDED DECEMBER 31, 2017

Exhibit VII

	Balance January 1, 2017	Contributions	Net Investment Income	Unrealized Appreciation On Investments	Net Assets Released From Restrictions Operating	Balance December 31, 2017
Contemporary Art Acquisition Fund	\$ 237,732	\$ 550,034			\$ 616,960	\$ 170,806
BCE Circle	90,639	2,500				93,139
Mediterranean CAAC		42,028				42,028
AFIM Art Acquisition Library	589,952	500	\$18,168		299,861	308,259
	29,200	44,000			29,700	
Bezalel Art Museum Fund					44,000	
General Fund	11,008,753		1,302,246	\$ 7,251,266	2,878,325	16,683,940
Kolliner Prize Fund	9,553		1,112	6,192	2,550	14,307
Jesselson Judaica Fund	11,874		1,334	7,430	3,050	17,588
Bergman Visiting Artists Fund	151,586		4,670	26,006		182,262
Kaplan Book Purchase Fund	11,359		445	2,476		13,485
Schimmel Prize Fund	18,944		2,113	11,764	795	27,971
Berg Curator Fund	180,555		7,784	43,343	24,591	207,091
Willner Fund	27,004		3,336	18,575	8,750	40,165
Rodman Youth Wing Fund	53,915		10,008	55,726	33,500	86,149
Haas Gardens Funds	61,011		8,340	46,438	23,500	92,289
Warschaw Archaeology Fund	276,116		5,560	30,959		312,635
Fischbach Scholarship Fund	20,821		2,827	15,743	8,500	30,891
Shapiro, Montgomery and Genesis Archaeology Fund	39,647		5,994	33,374	18,500	60,515
Pattiz Israeli Art Fund	3,251		556	3,096	1,775	5,128
Harwood Flower Fund	8,388		1,122	6,250	3,250	12,510
Myden Youth Wing Fund	42,124		5,665	31,543	17,000	62,332
Skirball Judaica Fund	966,020		106,815	594,774	275,000	1,392,609
Weisbord Pavilion Fund	1,536,615		186,570	1,038,875	480,000	2,282,060
Adam Kimmel Bar Mitzvah Fund	36,406		4,448	24,767	12,500	53,121
Cummings and Kravis Building Fund	24,256		4,448	24,767	15,000	38,471
Forchheimer Ethnography Fund	182,439		26,687	148,603	85,000	272,729
Asian Art Fund	38,227		5,226	29,101	15,500	57,054
Jesselson, Littauer, Chernys Library Fund	18,228		2,765	15,394	7,230	29,157
Weiss et al. A.O.A.	279,664		37,197	207,121	115,000	408,982
Berg U.S.A. Fund	130,201		32,247	179,562	111,496	230,514
Rosen Egyptian Art Curator Fund	260,813		26,409	147,055	68,000	366,277
Krupp Shrine of the Book Fund	88,619		20,016	111,452	46,500	173,587
Madeleine Lejwa Fund	275,751		37,009	206,074	100,000	418,834
Stella Fischbach Modern Art	31,978		4,448	24,767	12,500	48,693
Abrams Library Fund	37,663		8,006	44,581	23,000	67,250
Bernard & Ella Snyder Lecture Fund	10,753		2,224	12,384	6,200	19,161
Mandel JAL Wing Fund	173,835		111,198	619,180	210,000	694,213
Ayla Zachs Abramov Fund	43,340		66,719	371,508	155,000	326,567
	\$ 17,007,232	\$ 639,062	\$ 2,063,712	\$ 11,390,146	\$ 5,757,383	\$ 25,342,769