Consolidated Financial Statements Together with
Report of Independent Certified Public Accountants

THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC.

December 31, 2015 and 2014

THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC.

TABLE OF CONTENTS

Grant Thornton LLP
757 Third Avenue, 9th Floor
New York, NY 10017

T 212.599.0100
F 212.370.4520
GrantThornton.com
linkd.in/GrantThorntonUS
twitter.com/GrantThorntonUS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
The American Jewish Joint Distribution Committee, Inc.

We have audited the accompanying consolidated financial statements of The American Jewish Joint Distribution Committee, Inc. ("JDC"), which comprise the consolidated statement of financial position as of December 31, 2015, and the related consolidated statements of activities, functional expenses 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 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 misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of AJJDC Real Estate Company Limited (the "Company"), a wholly-owned subsidiary, which statements reflect total assets constituting $31,968,000 of consolidated total assets as of December 31, 2015, and total revenues of $1,604,756 of consolidated total revenues for the year 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 Company, is based solely on the report of the other auditors. 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 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 JDC'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 JDC'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 audit and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The American Jewish Joint Distribution Committee, Inc., as of December 31, 2015, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on 2014 summarized comparative information

We have previously audited JDC's 2014 consolidated financial statements (not presented herein), and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated July 15, 2015. In our opinion, the accompanying summarized comparative information as of and for the year ended December 31, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant Thornton LLP

New York, New York
August 22, 2016

THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC.
Consolidated Statement of Financial Position
As of December 31, 2015, with comparative totals as of December 31, 2014

	2015						
		Temporarily Restricted					
	Unrestricted	JDC	Wohl Charitable Foundation	Total	Permanently Restricted	Total	2014 Totals
ASSETS							
Cash and cash equivalents	$ 39,578,638	$ 2,344,007	$ 19,144,133	$ 21,488,140	$ -	$ 61,066,778	$ 43,983,992
Investments - other	-	7,125,847	-	7,125,847	4,833,422	11,959,269	12,588,999
Investments (Notes 8 and 12)	135,493,759	153,857,936	138,099,708	291,957,644	30,978,378	458,429,781	491,123,456
Due from broker	3,255,482	-	-	-	-	3,255,482	8,387,773
Grants receivable	26,325,597	-	-	-	-	26,325,597	26,102,243
Contribution receivable, net (Note 11)	2,398,061	27,335,384	-	27,335,384	100,625	29,834,070	49,023,295
Other receivables and other assets							
(net of allowance for uncollectible accounts of $275,915 and $291,000)	8,817,975	1,776,326	-	1,776,326	152,767	10,747,068	10,457,102
Fixed assets, net (Note 9)	57,180,459	152,646	-	152,646	-	57,333,105	57,379,575
Total assets	$ 273,049,971	$ 192,592,146	$ 157,243,841	$ 349,835,987	$ 36,065,192	$ 658,951,150	$ 699,046,435
LIABILITIES AND NET ASSETS							
Liabilities							
Accounts payable and accrued expenses (Note 13)	$ 49,269,324	$ 3,319,208	$ 11,722,843	$ 15,042,051	$ -	$ 64,311,375	$ 86,455,828
Pension plan obligation (Notes 3 and 5)	18,904,188	-	-	-	-	18,904,188	11,985,544
Annuity obligations (Note 12)	-	1,662,208	-	1,662,208	255,869	1,918,077	1,993,691
Loans payable (Note 6)	30,327,845	-	-	-	-	30,327,845	29,925,116
Due to others	-	21,511,886	-	21,511,886	-	21,511,886	20,875,555
Total liabilities	98,501,357	26,493,302	11,722,843	38,216,145	255,869	136,973,371	151,235,734
Total net assets (Note 10)	174,548,614	166,098,844	145,520,998	311,619,842	35,809,323	521,977,779	547,810,701
Total liabilities and net assets	$ 273,049,971	$ 192,592,146	$ 157,243,841	$ 349,835,987	$ 36,065,192	$ 658,951,150	$ 699,046,435

The accompanying notes are an integral part of this statement.

THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC.

Consolidated Statement of Activities

For the year ended December 31, 2015, with comparative totals for the year ended December 31, 2014

	2015						2014
		Temporarily Restricted					
	Unrestricted	JDC	Wohl Charitable Foundation	Total	Permanently Restricted	Total	2014 Totals
REVENUES, GAINS AND OTHER SUPPORT							
Contributions (including JFNA)	$ 47,979,358	$ 82,433,465	$ -	$ 82,433,465	$ 51,241	$ 130,464,064	$ 148,063,872
Grants	124,520,531	-	-	-	-	124,520,531	156,419,041
Other income	5,799,888	667,197	-	667,197	-	6,467,085	5,590,642
Investment income (loss) (Note 8)	(4,898,389)	(1,699,180)	(566,809)	(2,265,989)	26,375	(7,138,003)	14,509,007
Actuarial gains (loss) on annuity obligations (Note 12)	-	(297,555)	-	(297,555)	(47,035)	(344,590)	(265,285)
Net assets released from restriction and reclassifications (Note 10)	101,072,045	(91,197,526)	(9,794,519)	(100,992,045)	(80,000)	-	-
Total revenues, gains and other support	274,473,433	(10,093,599)	(10,361,328)	(20,454,927)	(49,419)	253,969,087	324,317,277
EXPENSES							
Program services	239,132,519	-	-	-	-	239,132,519	297,832,841
Support services							
Management and general	23,476,094	-	-	-	-	23,476,094	19,099,771
Fund raising	10,363,798	-	-	-	-	10,363,798	10,979,623
Total support services	33,839,892	-	-	-	-	33,839,892	30,079,394
Total expenses	272,972,411	-	-	-	-	272,972,411	327,912,235
Change in net assets before other changes	1,501,022	(10,093,599)	(10,361,328)	(20,454,927)	(49,419)	(19,003,324)	(3,594,958)
OTHER CHANGES IN NET ASSETS							
Actuarial adjustment for pension plan (Note 3)	(6,829,598)	-	-	-	-	(6,829,598)	(5,609,760)
Changes in net assets	(5,328,576)	(10,093,599)	(10,361,328)	(20,454,927)	(49,419)	(25,832,922)	(9,204,718)
Net assets - beginning of year	179,877,190	176,192,443	155,882,326	332,074,769	35,858,742	547,810,701	557,015,419
Net assets - end of year	$ 174,548,614	$ 166,098,844	$ 145,520,998	$ 311,619,842	$ 35,809,323	$ 521,977,779	$ 547,810,701

The accompanying notes are an integral part of this statement.

THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC.
Consolidated Statement of Functional Expenses
For the year ended December 31, 2015, with comparative totals for the year ended December 31, 2014

	2015									
	Program Services							Supporting Services		
	Africa/Asia	Europe	Israel	Latin America	Former Soviet Union (FSU)	Multi-Regional	Total	Management and General	Fund Raising	Total
GRANTS TO SUPPORTED ORGANIZATIONS AND AFFILIATES										
Relief, welfare, and health	$ 620,539	$ 26,863,194	$ 8,082,630	$ 540,303	$ 92,343,386	$ 2,403,090	$ 130,853,142	$ -	$ -	$ 130,853,142
Empowering and training	146,279	892,347	12,574,682	33,437	-	19,588	13,666,333	-	-	13,666,333
Social development and strengthening Jewish life	327,438	4,384,954	14,625,654	486,010	6,257,088	1,338,080	27,419,224	-	-	27,419,224
Research and development	1,776	95,886	1,897,722	-	-	-	1,995,384	-	-	1,995,384
Other/multifunctional	2,024,492	238,650	12,876	-	-	4,104,008	6,380,026	-	-	6,380,026
Totals of grants to supported organizations and affiliates	3,120,524	32,475,031	37,193,564	1,059,750	98,600,474	7,864,766	180,314,109	-	-	180,314,109
OTHER EXPENSES										
Payroll, benefits, and other staff costs	617,783	3,376,681	15,101,270	595,688	12,545,189	3,756,058	35,992,669	10,708,256	6,622,967	53,323,892
Conferences, media, and public relations	16	34,852	33,334	43,018	389,083	86,161	586,464	538,044	258,042	1,382,550
Contracted services, supplies and other expenses	207,195	877,503	6,556,094	481,106	4,381,904	1,333,944	13,837,746	4,357,147	2,784,346	20,979,239
Occupancy, facilities, equipment, and repairs	11,664	186,509	887,819	-	1,591,760	253,159	2,930,911	2,238,264	95,939	5,265,114
Travel	110,557	453,741	645,069	65,244	1,335,039	1,456,100	4,065,750	676,488	602,220	5,344,458
Other expenses	20,976	79,508	538,920	14,191	750,698	577	1,404,870	1,921,638	284	3,326,792
Interest expense	-	-	-	-	-	-	-	442,131	-	442,131
Depreciation and amortization	-	-	-	-	-	-	-	2,594,126	-	2,594,126
Total expenses	$ 4,088,715	$ 37,483,825	$ 60,956,070	$ 2,258,997	$ 119,594,147	$ 14,750,765	$ 239,132,519	$ 23,476,094	$ 10,363,798	$ 272,972,411
Total expenses 2014	$ 4,288,071	$ 40,998,562	$ 97,114,200	$ 1,759,251	$ 142,258,945	$ 11,413,811	$ 297,832,840	$ 19,099,771	$ 10,979,623	$ 327,912,235

The accompanying notes are an integral part of this statement.

THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC.
Consolidated Statement of Cash Flows
For the year ended December 31, 2015, with comparative totals for the year ended December 31, 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (25,832,922)	$ (9,204,718)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,594,126	1,796,511
Impairment charges	422,417	264,143
Permanently restricted contributions	(51,241)	(4,555)
Realized and unrealized gains (loss) on investments	8,312,226	(13,686,683)
Change in discount and allowance on contributions receivable	(594,116)	(253,138)
Transfer of fixed assets to other entities	-	105,880
Noncash items	444,306	(1,917,199)
Change in assets and liabilities:		
Due from broker	5,132,291	(6,189,105)
Grants receivable	(223,354)	147,860
Contributions receivable	19,783,341	17,075,127
Other receivables and other assets	(289,965)	224,446
Accounts payable and accrued expenses	(22,144,453)	10,833,137
Pension plan obligations	6,918,644	5,222,937
Annuity obligations	(75,613)	(114,370)
Due to others	636,331	(4,001,208)
Net cash (used in) provided by operating activities	(4,967,982)	299,065
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(136,480,914)	(69,300,871)
Proceeds from sale of investments	161,492,091	93,395,516
Proceeds from sale of fixed assets	-	836,689
Purchase of fixed assets	(3,414,379)	(2,099,837)
Net cash provided by investing activities	21,596,798	22,831,497
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loans	(47,097,271)	(50,376,893)
Proceeds from loans	47,500,000	35,500,000
Proceeds from permanently restricted contributions	51,241	4,555
Net cash provided by (used in) financing activities	453,970	(14,872,338)
Net increase in cash and cash equivalents	17,082,786	8,258,224
Cash and cash equivalents, beginning of year	43,983,992	35,725,768
Cash and cash equivalents, end of year	$ 61,066,778	$ 43,983,992
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 422,131	$ 501,491

The accompanying notes are an integral part of this statement.

1. NATURE OF ORGANIZATION

The American Jewish Joint Distribution Committee, Inc. ("JDC") was established in 1914 to channel funds being raised to aid Jews in Europe and Palestine. Today, 100 years later, JDC is still serving as the overseas arm of the American Jewish community, sponsoring programs of relief, rescue and reconstruction primarily to meet Jewish needs around the globe.

JDC is supported primarily by general contributions, funds from The Jewish Federations of North America (formerly The United Jewish Communities) ("JFNA") and funds from Conference on Jewish Material Claims Against Germany.

JDC is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Consolidated Financial Statements

Consolidated in these financial statements are the following entities related through common board control and economic interest: The American Jewish Joint Distribution Committee, Inc., Joint (JDC) - Israel (CC), the Jack G. Buncher Charitable Fund for the American Jewish Joint Distribution Committee, the Swergold Family Foundation for Children in Crises, the Thalheimer Family-JDC Support Foundation, Inc., AJJDC Real Estate Company Limited, the Taub Center for Social Policy Studies in Israel, and the Maurice and Vivienne Wohl Charitable Foundation. All intercompany transactions and balances have been eliminated in the consolidation.

Use of Estimates

The preparation of financial statements in conformity with US GAAP 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.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid instruments with maturities when acquired of three months or less.

Concentrations of Credit Risk

Financial instruments that potentially subject JDC to concentrations of credit risk consist principally of cash, cash equivalents, receivables and investments. JDC maintains its cash in various bank accounts that may exceed federally insured limits at times. JDC's cash and investment accounts were placed with high credit quality financial institutions. JDC has not experienced, nor does it anticipate any losses with respect to such accounts.

Investments - Other

Certificates of deposit held for investment that are not debt securities are included in investments – other in the accompanying consolidated statement of financial position.

Investments

Investments are recorded at fair value. JDC invests in various investment securities. Investment securities, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based on the markets' fluctuations, and that such changes could materially affect the amounts reported in JDC's consolidated financial statements.

Fair Value Measurements and Disclosures

Fair value measurements and disclosures establish a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below.

Level 1 - inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that JDC has the ability to access.

Level 2 - inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Also included in Level 2 are investments measured using a net asset value ("NAV") per share, or its equivalent, that may be redeemed at that NAV at the statement of financial position date or in the near term, which is generally considered to be within 90 days.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Also included in Level 3 are investments measured using a NAV per share, or its equivalent, that cannot be redeemed at NAV at the statement of financial position date or in the near term or for which redemption at NAV is uncertain due to lock-up periods or other investment restrictions.

The following is a description of the valuation methodologies used for assets measured at fair value.

U.S. Government and Agency Obligations, Bonds, Mortgage-Backed Securities, Agency-Backed Bonds and Common Stock

Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds

Valued at the NAV of shares held at year end.

State of Israel Bonds

Valued at cost, which approximates fair value.

Alternative Investments

Estimated fair values, in the absence of readily ascertainable market values, have been determined by the investment managers and reviewed by management for reasonableness. The methods and procedures used to value these investments may include, but are not limited to: (1) performing comparisons with prices of comparable or similar securities; (2) obtaining valuation-related information from issuers; and/or (3) other analytical data relating to the investment and using other available indications of value. JDC's alternative investments are generally reported at the NAV reported by the fund managers. NAV is used as a practical expedient to estimate the fair value of JDC's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while JDC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The estimated fair values for the aforementioned securities and interests may differ from the values that would have been used had a ready market for the investments existed, and the differences could be material.

See Note 8 for the table that sets forth by level, within the fair value hierarchy, the assets at fair value as of December 31, 2015 and 2014.

Contributions Receivable, Net

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value (net of allowance for uncollectible pledges). Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using credit adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Allowance for Doubtful Accounts

Factors used to determine whether an allowance should be recorded for contributions receivable and other receivables include the age of the receivable, the creditworthiness of the donors, account activity, and a review of payments subsequent to year end.

Contributions

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are released from restriction and reported in the consolidated statement of activities as net assets released from restrictions.

Risk of Operating Outside the United States

JDC is subject to the risks of doing business outside the United States, including, among other risks, foreign currency exchange rate risks, tax laws and political or labor disturbances.

Grant Revenue

Revenue from grants is recognized to the extent that qualifying reimbursable expenses have been incurred over the terms of the respective agreements.

JDC receives a significant amount of funding from the Conference on Jewish Material Claims Against Germany. This funding is subject to audit. Management is of the opinion that disallowances, if any, would not have a significant effect on the consolidated financial position or changes in net assets of JDC.

Fixed Assets, Net

Fixed assets are stated at cost. Items costing in excess of $25,000 which have an estimated useful life of more than one year are subject to capitalization. Depreciation and amortization of fixed assets are provided on the straight-line method over their estimated useful lives. Leasehold improvements are amortized over the shorter of the estimated useful life of the asset or the lease term.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, other receivables and other assets, and accounts payable and accrued expenses approximate fair value due to the short maturity of these financial instruments.

Measure of Operations

Included in unrestricted operating net assets are resources used for the general support of JDC’s operations.

Nonoperating activities include: (1) pension related activity other than net periodic pension cost and (2) other items considered to be unusual or nonrecurring in nature.

Unrestricted Net Assets

Unrestricted net assets include funds having no restriction as to use or purpose imposed by donors. In addition, resources which are set aside for board-designated purposes are unrestricted.

Restricted Net Assets

Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets are to be maintained in perpetuity at the behest of the donor and the income generated by such funds is utilized for operating purposes except if otherwise indicated by the donor.

Reclassifications

Certain reclassifications have been made to the 2014 consolidated financial statements to conform to the current year's presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses or changes in net assets as reflected in the 2014 consolidated financial statements.

Functional Allocation of Expenses

The costs of providing services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Exchange Rates

The U.S. dollar equivalents of the local currencies were calculated either at the actual rates of exchange or at an average of the rates during the year.

Income Taxes

The income taxes topic number 740, "Income Taxes" of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("Codification") establishes criterion that an individual tax position has to meet for some or all the benefits of that position to be recognized in an entity's financial statements. This criterion will be applied to all tax positions for which the statute of limitations remains open. Only tax positions that meet the "more-likely-than-not" recognition threshold at the adoption date will be recognized or continue to be recognized. This standard has had no material impact on JDC's consolidated financial statements. The tax years ended December 31, 2012, 2013 2014 and 2015 are still open to audit for federal and state purposes. JDC has processes currently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; determine its filing and tax obligations in jurisdictions for which it has nexus; and to review other matters that may be considered tax positions. There were no material uncertain tax positions that require recognition or disclosure in the financial statements.

New Accounting Pronouncements

In May 2015, FASB issued ASU 2015-07, Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent). ASU 2015-07 exempts investments measured using the NAV practical expedient in ASC 820, Fair Value Measurement, from categorization within the fair value hierarchy and related disclosures. Instead, entities are required to separately disclose the information required under ASC 820 for assets measured using the NAV practical expedient. Entities are also required to show the carrying amount of investments measured using the NAV practical expedient as a reconciling item between the total amount of investments categorized within the fair value hierarchy and total investments measured at fair value on the face of the financial statements. The guidance requires retrospective application and is effective for fiscal years beginning after December 15, 2016. Early adoption is permitted.

JDC did not early adopt the new accounting pronouncement and do not believe it will have an effect on the disclosures in the financial statements.

Subsequent Events

JDC evaluated its December 31, 2015 consolidated financial statements for subsequent events through August 22, 2016, the date the consolidated financial statements were available to be issued. JDC is not aware of any subsequent events that would require recognition or disclosure in the accompanying consolidated financial statements.

3. RETIREMENT PLAN

JDC sponsors a noncontributory defined benefit pension plan ("Retirement Plan") covering its New York staff and overseas foreign service personnel. Prior service cost has been fully funded.

Effective December 31, 2012, the Plan has been amended to eliminate future benefit accruals for employees who have not attained age 30 by December 31, 2012. The accrued pension benefits of employees who have not attained age 30 by December 31, 2012 will remain frozen at their current level.

The following table summarizes the benefit obligation, fair value of plan assets, the Retirement Plan's funded status and other information as of December 31, 2015 and 2014:

	2015	2014
Reconciliation of projected benefit obligation:		
Projected benefit obligation, beginning of year	$ 54,178,776	$ 49,180,225
Service cost including expenses	1,656,670	1,649,207
Interest cost	2,075,487	2,116,318
Plan amendments	-	(2,497,422)
Actuarial loss (gain)	3,685,428	6,394,589
Benefits payments	(2,495,954)	(2,592,111)
Expected expenses	(99,643)	(72,030)
Projected benefit obligation, end of year	$ 59,000,764	$ 54,178,776
Change in plan assets:		
Fair value of assets, beginning of year	$ 49,340,402	$ 49,999,857
Actual return on assets	(1,172,362)	990,780
Employer contributions	1,216,117	1,041,519
Benefits payments	(2,495,954)	(2,592,111)
Actual expenses	(77,936)	(99,643)
Fair value of assets, end of year	$ 46,810,267	$ 49,340,402
Funded status	$ (12,190,497)	$ (4,838,374)
Accumulated benefit obligation	$ 55,379,651	$ 50,303,055
Net periodic pension cost:		
Service cost	$ 1,656,670	$ 1,649,207
Interest cost	2,075,487	2,116,318
Expected return on assets	(3,143,866)	(3,193,767)
Amortization of prior service (credit)/cost	(253,855)	-
Amortization of net actuarial loss	1,404,205	518,007
Net periodic pension cost	$ 1,738,641	$ 1,089,765
Other changes recognized in unrestricted net assets:		
Actuarial loss (gain)	$ 7,979,949	$ 8,625,189
Amortization of prior service (credit)/cost	253,855	-
Prior service credit	-	(2,497,422)
Amortization of net loss	(1,404,205)	(518,007)
Pension related activity other than net periodic pension cost	$ 6,829,599	$ 5,609,760

The assumptions used to determine the benefit obligation as of December 31, 2015 and 2014 follow:

	2015	2014
Weighted average assumptions:		
Discount rate	4.16 %	3.80 %
Expected return on plan assets	N/A	N/A
Rate of compensation increase	3.00 %	3.00 %

The assumptions used to determine the net periodic pension cost for the years ended December 31, 2015 and 2014 follow:

	2015	2014
Weighted average assumptions:		
Discount rate	3.80 %	4.40 %
Expected return on plan assets	6.75 %	6.75 %
Rate of compensation increase	3.00 %	3.00 %

Plan Assets

The following tables prioritize the inputs used to report the fair value of the Plan's investments within the fair value hierarchy as of December 31, 2015 and 2014:

	2015			
	Level 1	Level 2	Level 3	Total
Common stocks	$ 3,691,747	$ -	$ -	$ 3,691,747
Mutual funds	7,882,379	-	-	7,882,379
Mutual funds fixed income	7,617,716	-	-	7,617,716
Alternative investments:				
Equity Fund	-	1,273,397	-	1,273,397
Hedge fund	-	19,736,012	-	19,736,012
Global markets	-	1,656,046	-	1,656,046
Total alternative investments	-	22,665,455	-	22,665,455
Total investments	$ 19,191,842	$ 22,665,455	$ -	41,857,297
Cash and cash equivalents				4,949,955
Due from broker				3,015
Fair value of plan assets				$ 46,810,267

	2014			
	Level 1	Level 2	Level 3	Total
Mortgage-backed securities	$ 4,220,575	$ -	$ -	$ 4,220,575
Common stocks	7,632,761	-	-	7,632,761
Mutual funds	9,226,269	-	-	9,226,269
Alternative investments:				
Common trust fund	-	3,169,785	-	3,169,785
Hedge fund	-	19,616,707	-	19,616,707
Global markets	-	1,856,279	-	1,856,279
Total alternative investments	-	24,642,771	-	24,642,771
Total investments	$ 21,079,605	$ 24,642,771	$ -	45,722,376
Cash and cash equivalents				2,569,668
Due from broker				1,048,358
Fair value of plan assets				$ 49,340,402

JDC uses as a practical expedient for fair value a reported NAV per share or its equivalent for purposes of valuing certain alternative investments within the Plan's investment portfolio as of December 31, 2015 and 2014:

	2015		
	NAV in Funds	**Redemption Frequency**	**Redemption Notice Period**
Alternative Investments:			
Equity fund [d]	1,273,397	Monthly	30 days
Hedge fund [b]	19,736,012	Quarterly, Semiannually	60-95 days
Global markets [c]	1,656,046	Semiannually	30 days
Total	$ 22,665,455		

	2014		
	NAV in Funds	**Redemption Frequency**	**Redemption Notice Period**
Alternative Investments:			
Common trust fund [a]	$ 3,169,785	Monthly	30 days
Hedge fund [b]	19,616,707	Quarterly, Semiannually	60-95 days
Global markets [c]	1,856,279	Semiannually	30 days
Total	$ 24,642,771		

The above funds have no unfunded commitments as of December 31, 2015 and 2014.

[a] Common trust fund - This fund invests in energy, commodities, agriculture, metals and mining, debt securities, and precious metals. The purpose is to generate long-term return while managing risk through diversifications.

[b] Hedge fund - This fund invests in various diversified strategies, including private investment companies. The purpose is to generate appreciation while managing risk through diversification.

[c] Global markets - This fund invests in common stock, exchange-traded funds ("ETF"), warrants, and other private investment companies relating to various global markets. The purpose is to generate appreciation while managing risk through diversification.

[d] Equity fund - This comingled equity fund's objective is to provide long-term capital appreciation by investing primary in U.S. companies in the medium market capitalization segment. The fund identifies companies undergoing "corporate change" and generating large amounts of free cash flow.

Investment Policies

JDC's investment policies are designed to ensure adequate plan assets will be available to provide future payments of pension benefits to eligible participants. Taking into account the expected long-term rate of return on plan assets, JDC formulates its investment portfolio to comprise an optimal combination of equity and debt securities.

The expected returns on plan assets are developed in conjunction with actuaries and investment advisors, and take into account long-term expectations for future returns and investment strategy. Amounts are compared to historical averages for reasonableness.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, are expected to be paid as follows:

Year ending December 31:	
2016	$ 3,729,010
2017	4,204,078
2018	3,638,735
2019	4,011,732
2020	4,134,462
2021-2025	18,924,824

JDC expects to contribute approximately $2.38 million to its pension plan in fiscal year 2016.

Supplemental Benefit Plan

In addition to the JDC Retirement Plan, JDC provides additional benefits to 10 former employees. Of the 10 employees, 8 employees participate in JDC's Retirement Plan and receive these benefits as a supplement to their current pension payments. The remaining 2 former employees are not part of the JDC Retirement Plan and receive these payments in lieu of pension payments. The estimated liability for this supplemental benefit plan is $1,823,188 and $2,132,461 as of December 31, 2015 and 2014, respectively, and is included in pension plan obligations in the accompanying consolidated statements of financial position.

	2015	2014
Reconciliation of projected benefit obligation:		
Projected benefit obligation, beginning of year	$ 2,132,461	$ 2,320,322
Actuarial (gain) loss	(61,923)	129,490
Benefits payments	(247,351)	(317,351)
Projected benefit obligation, end of year	$ 1,823,187	$ 2,132,461
Expense		
Actuarial (gain) loss	$ (61,923)	$ 129,490
Benefits payments	(247,351)	(317,351)
Net periodic pension cost	$ (309,274)	$ (187,861)
Discount rate assumption used to determine the benefit obligation, as of December 31,	3.27%	2.96%
Discount rate assumption used to determine the net periodic pension cost as of December 31,	2.96%	3.40%

4. DEFERRED COMPENSATION

JDC offers its executive managers a non-matching deferred compensation plan. Participants can opt to defer a portion of their salary into an independently managed investment account owned by JDC. These investments are not part of JDC's pooled investment accounts. Currently, seven executive managers participate in the plan. These deferred compensation arrangements total $3,444,908 and $4,084,418 as of December 31, 2015 and 2014, respectively, and are included in investments and accounts payable and accrued expenses in the accompanying consolidated statements of financial position. As of December 31, 2015 and 2014, approximately $3,213,833 and $3,168,000, respectively, of the total represents employee contributions.

5. BENEFIT RESTORATION PLAN

The JDC Personnel and Management Committee adopted a "Benefit Restoration Plan" ("BRP") to restore certain pension benefits to specified executive managers whose benefits were reduced due to the limitation contained in the Federal Omnibus Budget Reconciliation Act of 1993 ("OBRA 93"). The BRP attempts to equalize benefits to these managers as compared to all other JDC employees covered by the Retirement Plan. Under the BRP, the covered employees are entitled to receive a supplemental benefit, paid by JDC, consisting of the difference between the retirement benefit computed pursuant to the BRP and the statutory benefit computed pursuant to the Retirement Plan. The supplemental benefit is reserved by JDC in a separate restricted fund, on a current basis, in accordance with computations made by JDC's actuary. Currently, one active executive manager and three retired executive managers participate in the BRP. The balance of the BRP is approximately $4,890,503 and $5,014,709 as of December 31, 2015 and 2014, respectively, and is included in pension plan obligations in the accompanying consolidated statement of financial position.

	2015	2014
Reconciliation of projected benefit obligation:		
Projected benefit obligation, beginning of year	$ 5,014,709	$ 4,442,285
Actuarial (gain) loss	124,540	819,319
Benefits payments	(248,746)	(246,895)
Projected benefit obligation, end of year	$ 4,890,503	$ 5,014,709
Expense		
Actuarial (gain) loss	$ 124,540	$ 819,319
Benefits payments	(248,746)	(246,895)
Net periodic pension cost	$ (124,206)	$ 572,424
Discount rate assumption used to determine the benefit obligation, as of December 31,	4.01%	3.68%
Discount rate assumption used to determine the net periodic pension cost as of December 31,	3.68%	4.50%

6. LOANS PAYABLE

JPMorgan Chase

JDC has a credit line agreement with JPMorgan Chase in the amount of $50,000,000. The interest rate on the line of credit is LIBOR + 0.70%. During 2015 and 2014, the interest rate ranged from 0.67% to 1.21%, and 0.63% to 0.74%, respectively. The loan is secured by JDC's investments held at JPMorgan Chase with a value at December 31, 2015 and 2014 of $65,628,780 and $73,243,145, respectively. The outstanding balance at December 31, 2015 and 2014 was $5,000,000 and $2,900,000, respectively. In March 2015, the line of credit was extended for three years to be renewed on March 20, 2018.

The terms of the loans require the maintenance of various financial and nonfinancial covenants which the bank may waive or modify at any time at their discretion. The JDC's financial covenants were waived by the bank for the period ended December 31, 2015.

Bank of America

JDC has a revolving credit line agreement with Bank of America for $50,000,000. Interest is due on the outstanding balance at a rate based upon the calculation of overnight federal funds, treasury bills, and the LIBOR rate. The interest rates on JDC's two tranches are LIBOR + 0.45% and LIBOR +0.70%. JDC also reconstructed the loan collateral to include hedge funds, whereas previously only bonds were used. In 2015, the bonds were replaced with fixed income mutual funds. In 2015, the line of credit was extended for another 2 years, to be renewed on November 30, 2017. During 2015 and 2014, the interest rate ranged from 0.57% to 1.12%, and 0.55% to 0.87%, respectively. The outstanding balance at December 31, 2015 and 2014 was $20,000,000 and $25,000,000, respectively. The loan is secured by JDC's investments held at Bank of America with a value at December 31, 2015 and 2014 of $85,224,148 and $77,729,244, respectively.

The terms of the loans require the maintenance of various financial and nonfinancial covenants which the bank may waive or modify at any time at their discretion. The JDC's financial covenants were waived by the bank for the period ended December 31, 2015.

Wells Fargo

JDC had a loan agreement with Wells Fargo for $2,500,000. the loan had an interest rate of 3.85%. Payments of principal and interest were due monthly. The loan expired on December 1, 2015. At the time of expiration, there was a final balloon payment of $1,522,214. The loan was secured by certain investments with a fair value at December 31, 2015 and 2014 of approximately $2,277,477 and $2,400,000, respectively. The loan balance as of December 31, 2015 and 2014 was $0 and $1,618,778, respectively.

TD Bank

JDC opened a $25,000,000 credit line agreement with TD Bank on October 22, 2014. The interest rate on the line of credit is LIBOR + 0.65%. During 2015, the interest rate ranged from 0.84% to 0.94%. The line is secured by JDC investments held at TD Bank with a value at December 31, 2015 of $ 34,981,679. The outstanding balance at December 31, 2015 and 2014 was $0. The line of credit is for 3 years to be renewed on October 22, 2017.

The terms of the loans require the maintenance of various financial and nonfinancial covenants which the bank may waive or modify at any time at their discretion. The JDC's financial covenants were waived by the bank for the period ended December 31, 2015.

Bank Leumi USA

JDC opened a $10,000,000 credit line agreement with Bank Leumi USA on January 6, 2014. The interest rate on the line of credit is LIBOR + 1.40%, which at December 31, 2015 was 1.90%. The line is unsecured. The loan balance as of December 31, 2015 and 2014 was $5,000,000 and $0 respectively. The line of credit was renewed on December 29, 2015 and expires on May 2, 2017.

Bank Leumi - Beit Lechem

Joint Israel of JDC had a loan agreement with Bank Leumi (Israel) for $750,000 that matured on August 29, 2014. The interest rate was equal to a rate of LIBOR + 1.375%. Bank Leumi held a lien on an associated JDC property as collateral for this loan. The outstanding balance at December 31, 2015 and 2014 was $0.

Bank Leumi - Beit Ribakoff

Joint Israel of JDC has a loan agreement with Bank Leumi (Israel) for $1,200,000. The loan matures on March 24, 2020. Payments of principal and interest are due monthly. The interest rate is Israeli prime plus 0.55%, which at December 31, 2015 and 2014 was 2.15% and 2.30%, respectively. Bank Leumi holds a lien on an associated JDC property as collateral for this loan. The balance as of December 31, 2015 and 2014 was $327,845 and $406,338, respectively. Future principal payments are as follows:

	2015
2016	$ 77,140
2017	77,140
2018	77,140
2019	77,140
2020	19,285
	$ 327,845

7. COMMITMENTS AND CONTINGENCIES

JDC is committed to a lease obligation for office space that expires December 31, 2025. Minimum future rental commitments under the terms of the lease are as follows:

2016	$ 1,723,346
2017	1,774,429
2018	1,815,457
2019	1,851,766
2020	1,888,801
Thereafter	10,677,193
	$ 19,730,992

The estimated sum of rental payments to be made over the life of this lease is being allocated on a straight-line basis over the entire lease period. Rent expense for all JDC offices worldwide for the years ended December 31, 2015 and 2014 was $2,491,323 and $2,018,429, respectively.

JDC has a matter with a potential loss that ranges from $1.4 million to $4.3 million. Management's best estimate to settle the matter is $2.3 million and $3.2 million as of December 31, 2015 and 2014, respectively. Accordingly, JDC has reserved $2.3 million and $3.2 million in 2015 and 2014, respectively, for this matter.

JDC is a party to litigation and other claims in the ordinary course of business. In the opinion of management, the ultimate resolution of these matters will not have a significant effect on the consolidated financial position or changes in net assets of JDC.

8. INVESTMENTS

The following tables prioritize the inputs used to report the fair value of JDC's investments within the fair value hierarchy as of December 31, 2015 and 2014:

	2015			
	Level 1	**Level 2**	**Level 3**	**Total**
U.S. government and agency obligations:				
U.S. treasury bonds	$ 1,014,738	$ -	$ -	$ 1,014,738
Municipal bonds	10,023	-	-	10,023
Mortgage-backed securities	515,182	-	-	515,182
Agency-backed bonds	1,639,425	-	-	1,639,425
Common stock	64,863,375	-	-	64,863,375
Mutual funds common stock	85,373,041	-	-	85,373,041
Mutual funds fixed income	47,307,634	-	-	47,307,634
Alternative investments:				
Hedge funds	-	184,219,180	33,134,273	217,353,453
Private equity funds	-	211,516	11,389,240	11,600,756
Real estate	-	-	22,456,404	22,456,404
	200,723,418	184,430,696	66,979,917	452,134,031
State of Israel bonds (at cost)	-	-	-	295,750
Cash and cash equivalents	-	-	-	6,000,000
Total investments	$ 200,723,418	$ 184,430,696	$ 66,979,917	$ 458,429,781

	2014			
	Level 1	**Level 2**	**Level 3**	**Total**
U.S. government and agency obligations:				
U.S. treasury bonds	$ 1,056,875	$ -	$ -	$ 1,056,875
Municipal bonds	10,023	-	-	10,023
Mortgage-backed securities	16,206,716	-	-	16,206,716
Agency-backed bonds	12,648,627	-	-	12,648,627
Common stock	101,907,922	-	-	101,907,922
Mutual funds common stock	97,348,469	-	-	97,348,469
Mutual funds fixed income	14,553,778	-	-	14,553,778
Alternative investments:				
Hedge funds	-	196,287,854	14,191,236	210,479,090
Private equity funds	-	-	13,713,917	13,713,917
Real estate	-	-	22,791,539	22,791,539
	243,732,410	196,287,854	50,696,692	490,716,956
State of Israel bonds (at cost)	-	-	-	406,500
Total investments	$ 243,732,410	$ 196,287,854	$ 50,696,692	$ 491,123,456

The following tables summarize the changes in JDC's Level 3 investments for the years ended December 31, 2015 and 2014:

	2015			
	Real Estate	**Hedge Funds**	**Private Equity Funds**	**Total**
Beginning of the year	$ 22,791,539	$ 14,191,236	$ 13,713,917	$ 50,696,692
Transfer from Level 3 to Level 2	-	-	(262,171)	(262,171)
Realized and unrealized gains (losses)	2,241,458	(251,728)	2,256,532	4,246,262
Interest and dividends	178,000	-	7,957	185,957
Purchases	877,682	21,664,475	2,008,292	24,550,449
Redemptions	(3,400,141)	(2,338,232)	(6,324,456)	(12,062,829)
Investment management fees	(232,134)	(131,479)	(10,831)	(374,444)
End of the year	$ 22,456,404	$ 33,134,272	$ 11,389,240	$ 66,979,916

	2014			
	Real Estate	**Hedge Funds**	**Private Equity Funds**	**Total**
Beginning of the year	$ 24,820,583	$ 6,366,410	$ 11,408,183	$ 42,595,176
Realized and unrealized gains (losses)	1,889,653	426,248	1,776,190	4,092,091
Interest and dividends	136,914	-	9,275	146,189
Purchases	2,160,451	8,460,842	1,659,304	12,280,597
Redemptions	(5,921,605)	(1,062,264)	(1,121,039)	(8,104,908)
Investment management fees	(294,457)	-	(17,996)	(312,453)
End of the year	$ 22,791,539	$ 14,191,236	$ 13,713,917	$ 50,696,692

JDC uses the net asset value per share or its equivalent to determine the fair value of all the underlying investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following table lists investments by major category as of December 31, 2015 and 2014 which are reported at fair value using an NAV:

	2015				
	Number of Funds	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Alternative investments:					
Real estate [a]	3	$ 13,941,612	2,934,306	N/A	N/A
Hedge funds [b]	29	217,353,453	2,414,799	Monthly, Quarterly, Annually, 2 - 3 year lockup	10-90 days
Private equity funds [c]	5	11,600,756	9,734,689	N/A	N/A
Total		$ 242,895,821			

	2014				
	Number of Funds	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Alternative investments:					
Real estate [a]	3	$ 14,815,191	3,007,895	N/A	N/A
Hedge funds [b]	29	210,479,090	8,268,899	Monthly, Quarterly, Annually, 2 - 3 year lockup	22-90 days
Private equity funds [c]	9	13,713,917	2,856,506	N/A	N/A
Total		$ 239,008,198			

(a) Real estate - Shares in the investments of Apollo Real Estate Funds, LP (various real estate funds) to benefit from the various diversified strategies that Apollo Real Estate Funds, LP invests in, including real estate equity securities. The purpose is to generate appreciation while managing risk through diversification.

(b) Hedge funds - Shares in the investments of various partnerships whose portfolios include foreign and domestic debt/equity securities, long/short equity, natural resources, commodities, derivatives, and investments in other private equity funds and limited partnerships. The purpose is to generate appreciation while managing risk through diversification.

(c) Private equity funds - Shares in the investments of various partnerships whose portfolios include debt securities, equity securities, and investments in various limited liability corporations. The purpose is to generate appreciation while managing risk through diversification.

The following tables summarize the significant unobservable inputs JDC used to value one investment categorized as Level 3. The tables below are not meant to be all inclusive, but instead capture the significant unobservable inputs relevant to determination of fair value at December 31, 2015 and 2014.

2015

Assets Type	Fair Value	Valuation Technique	Unobservable Inputs	Capitalization Rate
Voting common shares	$ 8,514,792	Income approach	Capitalization rate an average of net income before taxes	11.40 %

2014

Assets Type	Fair Value	Valuation Technique	Unobservable Inputs	Capitalization Rate
Voting common shares	$ 7,976,348	Income approach	Capitalization rate an average of net income before taxes	12.40 %

Investment return consisted of the following for the years ended December 31, 2015 and 2014:

	2015	2014
Interest and dividends	$ 3,613,318	$ 3,019,220
Unrealized (losses) gains on investments	(27,347,260)	628,838
Realized gains on investments	19,035,033	13,057,845
	(4,698,909)	16,705,903
Investment fees	(2,439,094)	(2,196,896)
Total investment (loss) gain	$ (7,138,003)	$ 14,509,007

Included in due to others in the accompanying consolidated statements of financial position is $17,056,838 and $16,722,391 held on behalf of ESHEL and $4,455,048 and $4,153,164 held on behalf of other entities for a total of $21,511,886 and $20,875,555 as of December 31, 2015 and 2014, respectively.

9. FIXED ASSETS, NET

Fixed assets, net consisted of the following as of December 31, 2015 and 2014:

	2015			
Headquarters, NY	**Cost**	**Accumulated Depreciation**	**Net**	**Estimated Useful Lives**
Leasehold improvements	$ 2,546,680	$ 2,085,408	$ 461,272	10 years
Software project costs	2,049,978	397,587	1,652,391	5 years
Furniture and equipment	188,015	150,412	37,603	5 years
Total Headquarters, NY	4,784,673	2,633,407	2,151,266	
Overseas				
Argentina				
Buildings	280,500	86,210	194,290	50 years
Israel				
Land	600,000	-	600,000	
Buildings and improvements	19,178,328	5,436,049	13,742,279	50 years
Equipment	108,944	94,713	14,231	5 years
Former Soviet Union				
Buildings	50,179,228	10,515,315	39,663,913	50 years
Furniture and equipment	1,056,014	359,855	696,159	5 years
Other Overseas Fixed Assets	815,081	544,114	270,967	5 years
Total overseas	72,218,095	17,036,256	55,181,839	
Total	$ 77,002,768	$ 19,669,663	$ 57,333,105	

	2014			
Headquarters, NY	**Cost**	**Accumulated Depreciation**	**Net**	**Estimated Useful Lives**
Leasehold improvements	$ 2,546,680	$ 1,957,627	$ 589,053	10 years
Software project costs	638,511	-	638,511	
Furniture and equipment	188,015	112,809	75,206	5 years
Total Headquarters, NY	3,373,206	2,070,436	1,302,770	
Overseas				
Argentina				
Buildings	280,500	80,600	199,900	50 years
Israel				
Land	600,000	-	600,000	
Buildings and improvements	18,994,232	5,080,049	13,914,183	50 years
Equipment	124,824	64,106	60,718	5 years
Former Soviet Union				
Buildings	50,266,340	9,444,373	40,821,967	50 years
Furniture and equipment	267,482	151,537	115,945	5 years
Other Overseas Fixed Assets	1,158,453	794,361	364,092	5 years
Total overseas	71,691,831	15,615,026	56,076,805	
Total	$ 75,065,037	$ 17,685,462	$ 57,379,575	

10. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets as of December 31, 2015 and 2014 are available for:

	2015	2014
Relief, Welfare and Health	$ 44,294,071	$ 46,645,387
Empowering and Training	5,472,844	5,824,863
Social Development and Strengthening Jewish Life	10,653,237	12,078,290
Research and Development	53,673,532	58,093,107
Rescue	1,407,698	3,936,588
International Development Programs	6,712,636	6,763,473
Next Generation and Spread JDC Mission	2,112,233	2,499,149
Awaiting Appropriation for Program	22,439,364	24,267,881
Restricted for time	5,507,526	2,557,349
Wohl Charitable Foundation and other consolidated entities	159,346,701	169,408,682
	$ 311,619,842	$ 332,074,769

During the years ended December 31, 2015 and 2014, temporarily restricted net assets were released from restrictions by incurring expenses satisfying the following restricted purposes:

	2015	2014
Relief, Welfare and Health	$ 46,014,360	$ 63,749,261
Empowering and Training	12,499,775	7,733,680
Social Development and Strengthening Jewish Life	20,385,250	21,413,159
Research and Development	8,211,643	8,414,589
International Development Programs	7,039,925	5,681,852
Other	5,863,256	3,036,885
Management and General	1,057,836	532,538
	$ 101,072,045	$ 110,561,964

Permanently restricted net assets as of December 31, 2015 and 2014 are restricted to investment in perpetuity, the income from which is expendable to support:

	2015	2014
Relief, Welfare and Health	$ 5,687,583	$ 5,766,350
Empowerment and Training	1,401,545	1,401,545
Social Development and Strengthening Jewish Life	639,990	639,990
Research and Development	6,450,000	6,399,992
Next Generation and Spread JDC Mission	400,000	400,000
Multifunctional	20,465,421	20,456,796
	35,044,539	35,064,673
Annuity trust agreements	764,784	794,069
	$ 35,809,323	$ 35,858,742

11. CONTRIBUTIONS RECEIVABLE, NET

All unconditional contributions receivable have been recorded at present value. Those receivables that are due in more than one year have been discounted to their present value using discount rates ranging from 1.86% to 4.68%. Included in the discount rate is a credit risk adjustment of 1.5% for fiscal years 2015 and 2014. As of December 31, 2015 and 2014, contributions receivable consisted of the following:

2015	
Amounts due in:	
2016	$ 27,727,017
2017	2,812,623
2018	388,067
2019	204,450
2020	100,000
	31,232,157
Less: discount to present value	(115,244)
Less: allowance for uncollectible amounts	(1,282,843)
Contributions receivable, net	$ 29,834,070

2014	
Amounts due in:	
2015	$ 44,178,126
2016	4,968,828
2017	1,348,144
2018	271,800
2019	148,600
Thereafter	100,000
	51,015,498
Less: discount to present value	(257,858)
Less: allowance for uncollectible amounts	(1,734,345)
Contributions receivable, net	$ 49,023,295

12. SPLIT-INTEREST AGREEMENTS

JDC is a beneficiary under certain split-interest agreements in which the donor has established a charitable remainder trust or charitable gift annuity. JDC invests these assets on behalf of these beneficiaries until the agreement expires and the assets are distributed. The fair value of the investments related to split-interest agreements totaled $4,938,918 and $5,345,110 at December 31, 2015 and 2014, respectively, and are included in investments on the consolidated statements of financial position. Contribution revenues for split-interest agreements are recognized at the date the agreement is established, net of the liability recorded for the present value of the future payments to be made to the respective donors and/or other beneficiaries. The present value of payments to beneficiaries is calculated using a discount rate which ranged from 5.4% to 9.8%. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the respective net asset class in the consolidated statement of activities.

At December 31, 2015 and 2014, JDC's obligations to annuitants pertaining to split-interest agreements are classified as Level 3 within the fair value hierarchy, which are reported as annuity obligations in the accompanying consolidated statements of financial position. The following table summarizes the changes in split-interest agreement liabilities for the years ended December 31, 2015 and 2014:

	2015	2014
Beginning of the year	$ 1,993,691	$ 2,108,061
New agreements	30,051	47,862
Payments to annuitants	(446,106)	(434,131)
Other	(4,149)	6,614
Change in value due to actuarial valuations	344,590	265,285
End of the year	$ 1,918,077	$ 1,993,691

13. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following as of December 31, 2015 and 2014:

	2015	2014
Accrued salaries and benefits	$ 20,209,981	$ 23,239,772
Joint Israel operating commitments	17,845,300	38,177,533
Wohl Charitable Foundation grants payable	11,722,843	12,108,410
Deferred tax liability	3,013,470	3,115,727
Deferred rent	2,690,630	2,500,635
Deferred grant revenue	3,242,247	857,320
Other	5,586,904	6,456,431
	$ 64,311,375	$ 86,455,828

14. INCOME TAXES

AJJDC Real Estate Company Limited ("AREC") is subject to tax on its profits in each jurisdiction in which it operates. JDC accounts for deferred taxes under the assets and liabilities method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The tax effect of asset purchases that are not business combinations, in which the cost of asset contributed by the shareholders differs from the tax basis of the asset, is determined by the simultaneous equations method to record the assigned value of the asset and the related deferred tax asset or liability.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized.

Calculation of Tax Provision for AREC:

	2015	2014
	US$	US$
Income tax - current year	$ 17,427	$ 12,172
Deferred tax - charge (benefit)	(102,257)	285,977
Charge (Credit) for the year	$ (84,830)	$ 298,149

The tax rate is 12.5% for the years ended December 31, 2015 and 2014.

The applicable tax rates for income tax in other jurisdictions are as follows for the years ended December 31, 2015 and 2014:

	2015	**2014**
Russia	20 %	20 %
Ukraine	18 %	18 %

The open tax years of the head office and its branches as of December 31, 2015 are as follows:

Head Office	2009-2015
Moscow Branch	2013-2015
St. Petersburg Branch	2013-2015
Ukraine Branch	2011-2015

AREC Deferred Tax Liability:

Deferred tax is calculated in full on all temporary differences under the liability method using applicable tax rates. The following table summarizes the changes in the deferred tax liability for the years ended December 31, 2015 and 2014:

Balance at January 1, 2014	$ 2,829,750
Change during the year	285,977
Balance at December 31, 2014	3,115,727
Change during the year	(102,257)
Balance at December 31, 2015	$ 3,013,470

Deferred tax liability arises on investment property of Ukrainian branch. The Ukrainian branch does not have any tax operating losses to carry forward.

JDC does not recognize any deferred tax asset on the tax losses incurred because it does not expect to make any taxable income in the future.

15. ENDOWMENT FUNDS

General

JDC's permanently restricted endowments consist of individual donor-restricted endowment funds established to support activities of JDC, as well as accumulation of income from these funds. It also includes funds designated by JDC's Board of Directors to function as an endowment (quasi-endowment). As required by US GAAP, net assets associated with endowment funds, including funds designated by JDC's Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

JDC has interpreted the New York Prudent Management of Institutional Funds Act ("NYPMIFA") as requiring the preservation of the original gift, as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, JDC classifies as permanently restricted net assets (a) the original value of the 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. 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 expenditure by JDC in a manner consistent with the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of JDC and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of JDC
- The investment policies of JDC
- Where appropriate, alternatives to spending from donor-restricted endowment funds and the possible effects on JDC

Return Objectives, Strategies Employed and Spending Policy

The objective of JDC is to maintain the principal endowment funds at the historical dollar value designated by the donor. The investment policy to achieve this objective is to invest in low-risk securities. JDC has a policy of appropriating for distribution between 4.5% and 5% of its endowment fund's average fair value over the prior twelve quarters.

Permanent endowment net asset composition of $35,809,323 and $35,858,742 consists of following:

	2015	2014
Investment in perpetuity, the income from which is expendable to support activities of JDC	$ 34,916,984	$ 34,937,362
Endowments requiring a portion of income to be added to original gift	127,555	127,311
Annuity trust agreements	764,784	794,069
Total permanently restricted endowments	$ 35,809,323	$ 35,858,742

Endowment net asset composition by type of fund as of December 31, 2015 and 2014 is as follows:

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	$ -	$ 16,057,631	$ 35,809,323	$ 51,866,954
Board-designated funds	26,822,184	-	-	26,822,184
	$ 26,822,184	$ 16,057,631	$ 35,809,323	$ 78,689,138

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	$ -	$ 18,708,611	$ 35,858,742	$ 54,567,353
Board-designated funds	29,114,629	-	-	29,114,629
	$ 29,114,629	$ 18,708,611	$ 35,858,742	$ 83,681,982

The following tables summarize endowment net asset composition by type of fund as of December 31, 2015 and 2014.

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 29,114,629	$ 18,708,611	$ 35,858,742	$ 83,681,982
Investment loss	(564,686)	(622,723)	26,375	(1,161,034)
Contributions and Board designations	399,981	-	51,241	451,222
Actuarial lodd on annuity obligations	-	-	(47,035)	(47,035)
Appropriation of endowment assets for expenditure	(2,127,740)	(2,028,257)	-	(4,155,997)
Reclassification	-	-	(80,000)	(80,000)
Endowment net assets, end of year	$ 26,822,184	$ 16,057,631	$ 35,809,323	$ 78,689,138

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 16,152,938	$ 19,791,477	$ 35,851,679	$ 71,796,094
Investment gain	426,792	130,173	60,303	617,268
Contributions and Board designations	14,405,214	-	4,555	14,409,769
Actuarial gains on annuity obligations	-	-	(57,795)	(57,795)
Appropriation of endowment assets for expenditure	(1,870,315)	(1,213,039)	-	(3,083,354)
Endowment net assets, end of year	$ 29,114,629	$ 18,708,611	$ 35,858,742	$ 83,681,982

16. TRANSACTIONS WITH RELATED PARTIES:

Supported Organizations in the Former Soviet Union ("FSU")

JDC carries out its programs through various organizations in the FSU. JDC made distributions of $95,359,785 and $108,260,377 during 2015 and 2014, respectively, for various program services to these organizations. These expenditures are reflected in the consolidated statements of functional expenses.

Projects for the Public Benefit in Israel:

JDC through Joint Israel works in partnership with the Government of Israel and other third parties to support projects in Israel for the public benefit.

ASHALIM - Association for Planning and Development of Services for Children and Youth at Risk and their Families

ESHEL - The Association for the Planning and Development of Services for the Aged in Israel

TEVET - Fighting Poverty through Employment

NPTECH - Information and communication technologies for civil society organizations

ELFANAR - A company for public benefit (incorporated in 2013) dedicated to the development of employment opportunities and professionalism in the Arab Sector

A description of the transactions and their dollar amounts with the above mentioned entities for the years ended December 31, 2015 and 2014 are presented below:

	2015					
	ASHALIM	ESHEL	TEVET	NPTECH	ELFANAR	Total
Expenditures for expenses incurred by related parties net of reimbursements	$ 6,785,800	$ 7,965,591	$ 5,686,730	$ 297,703	$ 10,153,971	$ 30,889,795

	2014					
	ASHALIM	ESHEL	TEVET	NPTECH	ELFANAR	Total
Expenditures for expenses incurred by related parties net of reimbursements	$ 4,270,938	$ 10,803,352	$ 3,460,631	$ 728,379	$ 9,840,079	$ 29,103,379

Included in due to others in the accompanying consolidated statements of financial position is $17,056,838 and $16,722,391 held on behalf of ESHEL and $ $4,455,048 and $4,153,164 held on behalf of other entities for a total of $21,511,886 and $20,875,555 as of December 31, 2015 and 2014, respectively.

17. MAURICE AND VIVIENNE WOHL CHARITABLE FOUNDATION ("THE FOUNDATION")

This independent Foundation is a British West Indies charity established by a trust deed dated May 21, 1998. The objectives of the Foundation are that the income and capital of the Trust is held for the benefit of recognized charitable organizations as the Trustee(s) shall in its discretion determine to benefit the Jewish people, whether in the State of Israel or in the Diaspora, and in particular for the advancement of general and vocational education; the promotion of Jewish religion and studies; cultural programs; programs for the handicapped, retarded, and physically impaired; medical facilities, services, and medical research; rehabilitation services; programs for the aged; programs for immigrants and other social welfare programs; and general relief of poverty, indigence, and distress. To achieve this objective, it is the goal of the Foundation to make annual grants of approximately 5% of the fund value for these purposes.

With the death of both Maurice and Vivienne Wohl, JDC was designated the "Appointor" and was directed to insure that the charitable mission of the Maurice and Vivienne Wohl Charitable Foundation is carried out. It was the stated intention of Maurice and Vivienne Wohl that when fully funded the Foundation would fall under the protective umbrella of JDC. It was JDC whom they entrusted with the role of acting as the "Appointor" of the Protectors of the Foundation in their place.

The Appointor has the authority to add or remove members of the Protector Committee. The Protector Committee has the power to appoint the trustees. The trustees are responsible for the day-to-day operations of the trust and make recommendations for grants in accordance with the charitable mission of the Foundation.

The Foundation operates as a separate independent grant-making body in accordance with the terms of its mission statement as defined in the Trust Deed agreement. It is consolidated with JDC due to common board control and economic interest as required by US GAAP.

During the years ended December 31, 2015 and 2014, the Foundation gave grants totaling $18,500,000 and $1,900,000, respectively, to JDC. The 2015 grants consists of $18,000,000 in new commitments to be paid over 3 years (2016-2018), $6,000,000 million per year. The remaining $500,000 is a one-time 2015 grant. These amounts have been eliminated in consolidation.