

THE
KABBALAH
CENTRE

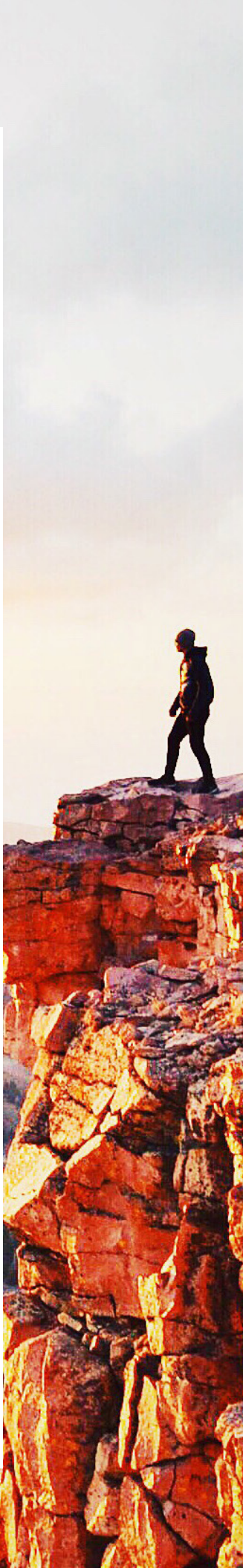


ANNUAL
REPORT
2019



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"We are all on a constant journey of our self-discovery and growth. Kabbalah gives you the wisdom from many generations to live a fulfilling life filled with love, joy, peace, and freedom!"

- Dr. Shivani, Los Angeles Centre

Letter from MICHAEL



"If you want to achieve something you have never achieved then you have to do something you have never done." – Michael Berg

Occasionally life confronts us with such overwhelming circumstances that we are left feeling hopeless. When faced with adverse conditions beyond our control, we may feel as if we are all alone.

We are not alone. Every single one of us has an entire spiritual community ready to assist us on our spiritual path. And every one of us is a valuable channel of Light for assisting others.

Individually, each one of us needs to know that the shift of our consciousness really does affect the whole world. The purpose of the wisdom of Kabbalah is to create a shift in our consciousness, which then goes on to benefit everything else. And it begins and ends with sharing.

Every single act of sharing reveals Light that elevates the entire world. And as more people put the needs of others over their own, we begin to see the change we want to see everywhere. As Rav Ashlag said, all the sources of war and destruction that are in this world could not exist once we view the other's benefit before our own.

The process of transforming the consciousness of the world does not happen in one fell swoop; rather, it is akin to creating a sand painting by adding a single grain at a time. We know it's going to take time, but pure actions of sharing, and the consciousness of those actions, will affect that shift.

At The Kabbalah Centre, we are dedicated to tipping the universal scales toward Light. Through the dissemination of proven transformative tools and a diverse, vibrant community, we are reaching more people than ever before. And your support makes it all possible.

Your support has made Kabbalah accessible to a record number of people. From Nigeria to Paraguay, the protection of the Zohar is alight in record numbers. And yet, I humbly suggest that your generosity is needed now more than ever. The COVID-19 pandemic has revealed in many a need for Light and healing.

It is human nature to look for spiritual guidance in difficult times. And we are committed to being here for the world at this crucial moment in history. Thanks to donors such as yourself, we've been able to offer the tools of Kabbalah at free and discounted rates. At a time when so much seems uncertain, it is my hope that we stand as a pillar of Light for you. We are a community of sharers, of kind people from all backgrounds, and we are here for you. Just like you've been here for us.

With blessings and love,

Michael Berg

Letter from Monica



I'd like to take a moment to share some of the wonderful adjustments we have made in light of the global pandemic. Despite COVID's many challenges, I'm pleased to share that we've taken it as an opportunity to grow in new ways and widen our accessibility. Our innovative team made immediate changes as soon as cities around the world locked down, expanding our online webinars and classes. As a result, we have broadened our reach to more diverse audiences. In fact, now that we are primarily teaching online, our teachers are reaching more students than they were before this crisis began.

When families and individuals needed meaningful ways to connect during Pesach, we were able to provide online content to enhance their connections across the world. We also held our first-ever live global Kabbalah 1, which welcomed a record number of new students—an indication that we are all seeking deeper answers and more lasting solutions during this time.

I feel so incredibly blessed to be a part of a movement that is able to bring support and transformation to anyone who seeks wisdom. The Kabbalah Centre is a more active presence in the lives of our students than ever before.

With gratitude,

Monica Berg

Honoring Co-Founder

KAREN BERG



On July 30th of 2020, Karen Berg, Spiritual Director of The Kabbalah Centre, chose to leave this world. In her lifetime, Karen had certainty that the revelation of Kabbalah would uplift the entire world, and so she worked tirelessly to bring the wisdom and tools of Kabbalah to the masses. Along with Rav Berg, her goal was to help as many people as possible live better lives. Earlier this year, Karen wrote the following message for our students, and it is with deep gratitude that we share it with you.

Oftentimes, the usual things we strive for in this world—money, position, respect—are in and of themselves nothing. In the end, the way we have a real and lasting impact is through the deeds we do that cause a positive change in the lives of others.

When we realize the magnitude of what we are—a spark of the infinite Light of the Creator—it becomes so much easier for us to share our energy with others. If we can start to connect with our inner goodness just a little more in our lives, if we can take the Divine energy that fills us and use it for the benefit of others, we can begin to experience life on an entirely different level. By connecting with this internal energy, we can be present and available for others, even if we don't feel great, and even if everything isn't as we think it should be.

Certainly, money and respect can be tools that can help us in this mission—but they cannot be our end goal, for in and of themselves, they do not last. Except for the energy we create, everything in this physical world is impermanent and transitory.

Giving is true joy; there is nothing more fulfilling to the kabbalist. I hope we all continue to truly open our hearts and give from the depth of our soul. Thank you for your generosity and continued support of The Kabbalah Centre.

May you know true joy forevermore.

Karen Berg



"I believe the work is in Global Spirituality, bringing to the fore the vision that we were never meant to be of one nation, one language, or one religion; rather, we were meant to be diverse, but united as one."

Karen Berg

Where we WORK

About Us

The Kabbalah Centre is a non-profit organization that makes Kabbalah understandable and relevant to everyday life.

Founded by Kabbalist Rav Yehuda Ashlag in 1922, the Centre now spans the globe with locations, study groups, and an extensive online presence. The Centre works to share the wisdom of Kabbalah and support global charitable initiatives that create positive change in the world.

Our Mission

The Kabbalah Centre's mission is to create a positive global change. Through the wisdom of Kabbalah, we empower humanity to transform and achieve true fulfillment.

The Kabbalah Centre was founded by Rav Yehuda Ashlag in 1922 and now spans the globe with locations in more than 40 cities. In 2019, new Kabbalah Centres opened in Lagos, Nigeria and Manila, Philippines. A flagship bookstore opened its doors in Chicago as well.



- Kabbalah Centre
- Bookstore
- K Study Group

Expanding OUR IMPACT

THE KABBALAH 1 EXPERIENCE

As the most popular introductory course to the wisdom, expanding our Kabbalah 1 courses worldwide is an important focus of the Centre's work. This past year, we launched 122 Kabbalah 1 courses around the world, with our marketing efforts expanding to several new locations in Mexico City, Panama, Costa Rica, and Colombia. We welcomed 3,021 new students to our Kabbalah 1 classes.

THE KAREN BERG SCHOLARSHIP FUND

Though there have been many kabbalists throughout the centuries, Karen Berg was the first in history to have opened the doors for Kabbalah to be studied by the masses. In a time when kabbalistic study was reserved exclusively for married Jewish men over the age of 40, Karen boldly declared that if the wisdom was beneficial to one, then it could be beneficial to all. Karen dedicated her life to making the wisdom of Kabbalah accessible to every man, woman, and child with a desire to learn. The Karen Berg Scholarship Fund continues Karen's work, ensuring this wisdom is available even to those who may not have the financial means so that they may continue their study of this wisdom and experience a deepening of their connection.

DONATIONS/SUPPORTERS OF THE WORK

By supporting the Centre with a recurring monthly donation of any amount, you can create positive transformation on both an individual and global scale. Your recurring gift to the general fund is critical in covering the operating costs for all Centres and Kabbalah Centre International, as well as providing for all chevre and staff, supporting Kabbalah 1, teacher training, and more. Your generosity and kindness can make a difference in this world.

In 2019, we raised over \$1,383,000 in donations from our Supporters of the Work. We are humbled by your generosity and ask that you continue to give from your heart as we bring more Light to more people.

\$62,700

RAISED DURING GIVING TUESDAY

319 Students Donated



4,000+

KABBALAH 1 GRADUATES

122 Kabbalah 1 Courses

44,704 Registered for a K1 Class



SCHOLARSHIPS

The Kabbalah Scholarship Fund makes the wisdom and tools of Kabbalah accessible and affordable to those in need. Your support sponsors student memberships, which provide others with the wisdom and tools to face challenges and discover their purpose. By sponsoring a student's membership, you give them access to over 100 live streamed classes and events, along with 5,000 transformational lectures, courses, and articles. It also includes free entry to any ongoing studies at any Kabbalah Centre location in the world.

\$47,940

199 Individual Scholarships

5,900+

COMMUNITY MEMBERS

66 Different Countries

2,609 Courses & Events Offered Worldwide

140 Articles published

Highlights in EXPANSION



New Platforms To Enhance Kabbalistic Studies

KABBALAHONE.COM

Our on-demand Master Class, KabbalahOne.com made its debut in 2019. KabbalahOne is available in English and Spanish, and now that we've launched KabbalahTwo.com in English, we're reaching even more people in a bigger way. These online professional courses have become the new standard for remote students.

ASTROLOGY.KABBALAH.COM

One of the most popular and powerful tools we have for individual growth and understanding is Kabbalistic Astrology. Our astrologers are unique in that they have become experts in astrology through the lens of Kabbalah. Astrology.kabbalah.com has different chart reading options and, between our 12 featured Astrologers, readings can be done in English, Spanish, Portuguese, Hebrew, French, Arabic, and Russian.

TEACHER SERVICES

In an effort to support our students of Kabbalah in an even more comprehensive way, we've launched Kabbalah Centre Teacher Services, which focuses on one-on-one personalized studies. From New York to Los Angeles, our highly-trained instructors make the more profound understandings of Kabbalah accessible and relatable to our modern lives. Teacher Services is also a fresh way of attracting new people to Kabbalah, particularly through astrological chart readings. A variety of teachers and topics are available, including:

ONEHOUSE COMMUNITY MEMBERSHIP AND REVAMPED KABBALAH.COM

We are always looking for new and exciting ways to give our students the most well-rounded and fulfilling exploration of Kabbalah in the world. In 2019, we launched Onehouse Community Membership, an all-in-one spiritual learning platform that gives members access to all digital content as well as in-person events and classes. Onehouse gives students the power to instantly connect with kabbalistic tools and wisdom from anywhere, anytime, on a daily basis.

Onehouse Members were offered over 2,600 courses and events ranging from the standard Kabbalah 1 course and holiday and New Moon connections, to fresh classes, including healing circles and Kabbalah for Women.

Your support has also been crucial to the launch of our revamped website. Kabbalah.com is now packed with even more kabbalistic wisdom and technological features, allowing us to reach more people while providing a higher quality experience. The new site has daily new content, including lessons and inspirational articles from Michael and Monica Berg, Karen Berg, and our global roster of teachers.

PERSONAL SPIRITUAL GUIDANCE

LOVE & RELATIONSHIPS
WITH MONICA BERG

SPIRITUAL COACHING FOR EXECUTIVES

DREAM CONSULTATION

PERSONAL GUIDED
MEDITATION SESSION

CONNECTING WITH
YOUR PERSONAL ANGELS

KABBALISTIC ASTROLOGY READINGS:

Natal (Birth) Chart • Progressions and
Transits Chart • Relationship Chart
Solar Return Chart • Business Chart
Relocation Chart • Your Child's Chart

DEEP STUDY:

Zohar • Writings of the Ari • Writings of Rav
Ashlag • Ten Luminous Emanations

LIVING/WORK SPACE CLEANSING



"Studying with The Kabbalah Centre quickly helped to lift me out of whatever darkness I was facing and tap into a strength I never knew I had. I felt more empowered early on in my studies to take control over my emotions, to change what I previously believed to be unchangeable—within myself, my life, and for the world."

— Dr. Rachel G., St. Louis Centre



Humanitarian CAUSES

Kabbalah Centre Charitable Causes (KCCC) provides humanitarian aid to people in need in partnership with other non-profit organizations. In 2019, we focused our work in the African nation of **Malawi**, where we've had a presence for many years now. Last year's projects include:

BIRTHING PROJECT USA

KCCC awarded a grant to Birthing Project USA, a non-profit organization dedicated to reducing infant mortality in communities in need. By connecting underserved women and families with the resources, education, guidance, and support required for healthy births, the Birthing Project has helped thousands of families grow and thrive. To support prenatal care in the developing world, the KCCC grant will support Birthing Project's operation in Michinji, Malawi. We've supported two school terms, and 500 children aged 6-14, with a \$12,500 donation.

BUILD ON

In 2018, The Kabbalah Centre supported the construction of a school in the village of Chalaula, Malawi to alleviate travel and safety issues, as it would normally take children in this village several hours to get to a faraway school on a particularly unsafe route. The school opened in 2019 and now teaches 153 students, including 13-year-old Edward Mackford. Before BuildOn, Edward did not have a place to go to school and was behind in his education. Now, he is catching up and wants to be a teacher when he grows up.

CHARITY: WATER

At the start of 2018, The Kabbalah Centre partnered with charity: water to help fund a well in Malawi. With 20 well rehabilitations completed to date, over 12,500 more people in the region now have access to clean, safe drinking water.

TEENS CREATING PEACE

Kabbalah Centre Teachers David Grundman and Alison Serour spent a powerful afternoon back in High School hosting a Healing Circle Meditation Experience with the #TeensCreatingPeace group who invited them. We look forward to more powerful spiritual work in our communities.

Kabbalah Centre

VOLUNTEERS

Our Volunteer Program is the foundation upon which The Kabbalah Centre is built. It provides a framework for students to discover the fulfillment found in sharing and giving of themselves. Last year, our volunteers engaged in a variety of selfless acts of sharing, including:



COMMUNITY CARE

Kabbalah Centres from around the world came together to nourish our communities. Partnering with over 10 different organizations, 165 of our volunteers served 815 meals, packed 932 lunches, helped build 3 homes for the homeless, and fixed up an entire community garden.

EARTH DAY

Volunteers from around the world united for our 2nd Charitable Causes outreach day of 2019 as we gave back to Mother Earth. Partnering with over 10 different organizations, 145 of our volunteers weeded and planted 8 gardens and picked up 93 bags (over 2,000lbs) of trash.

EDUCATION

Kabbalah Centres around the world joined together to focus on education. Together, 176 of our volunteers donated 2,978 school items such as backpacks, binders, pencils, and more. Our crews then organized and distributed the school supplies to 20,180 students around the world.

THANKSGIVING

Kabbalah Centres in Miami, Austin, Chicago, St. Louis, Las Vegas, New York, and Los Angeles partnered with 7 different organizations that support homeless women, children, elderly, disabled, and families to give back during the holiday season. Over 80 volunteers across the nation donated their time and efforts to hundreds of people in need.

SUPPORT BAHAMAS – HURRICANE DORIAN

To assist in relief efforts in response to the destruction caused by Hurricane Dorian in the Bahamas, The Kabbalah Centre sent 4 pallets and 41 cases (3,372 liters) of Giving Water to the Government of the Bahamas Relief Centre in Miami-Dade County. We will continue to support the Bahamian community and are sending Light to all who have been affected by Hurricane Dorian.

CHALLAH BAKING FUNDRAISING

Centres in New York, Florida, Toronto, and more joined forces to bake and sell challah, with proceeds going to each Centre's general fund. Baking was done with loving intention, and several hundred students participated.

A BIG

THANK YOU

to all our amazing volunteer coordinators and teachers who helped make all of these amazing actions happen!

The Rav Berg

ZOHAR PROJECT



More Zohars in The World

+51,654

9,419
Sacred Zohars

41,830
Pinchas Zohars

405
Full Sets

NORTH AMERICA

9,026

- 695 Camden, PA
- 2,800 Florida Centres
- 1,500 Austin, TX
- 1,700 Boston, MA
- 847 Baltimore, MD
- 1,484 Los Angeles Pacific Ocean Mission

SOUTH AMERICA

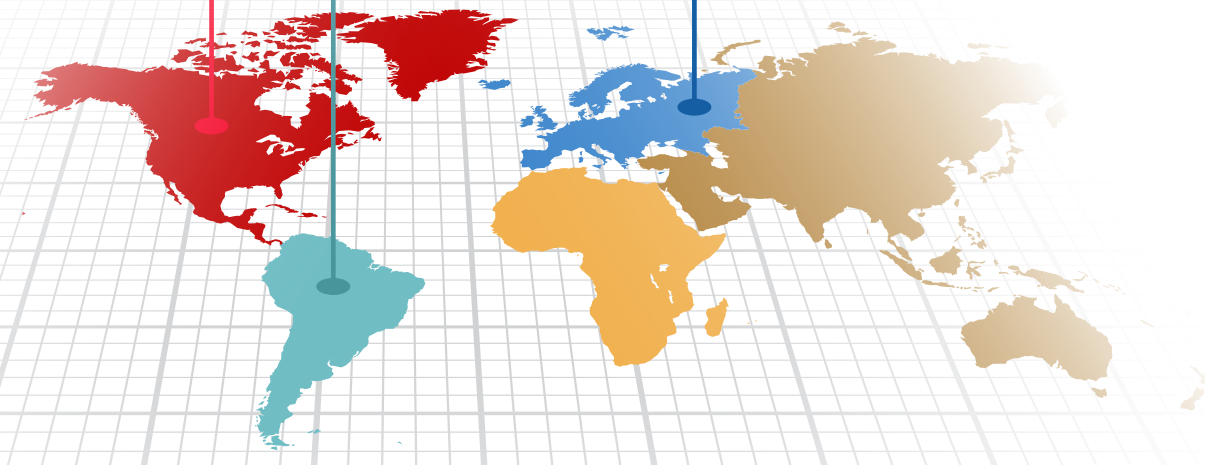
2,972

- Bolivia 1,000
- Panama 877
- Brazil 1050

EUROPE

8,500

- London
- Ireland
- Geneva
- Paris



SACRED ZOHAR PRICE REDUCTION CAMPAIGN

Your donations help us bring the Sacred Zohar price down from \$101 to \$26. Affordability increases the spread, and subsequent revealing of Light, of the Zohar. In 2019, we raised \$498,662.00 in the Sacred Zohar Price Reduction Fund, which allowed us to sell a total of 8,610 Sacred Zohars at the reduced price.

In Los Angeles, one student purchased reduced cost Zohars to share with their Kabbalah 1 class, which sparked a domino effect of giving. The receiving students then went on to buy and share Zohars in a 'pass-it-on' fashion for the rest of 2019 and have continued into this year.

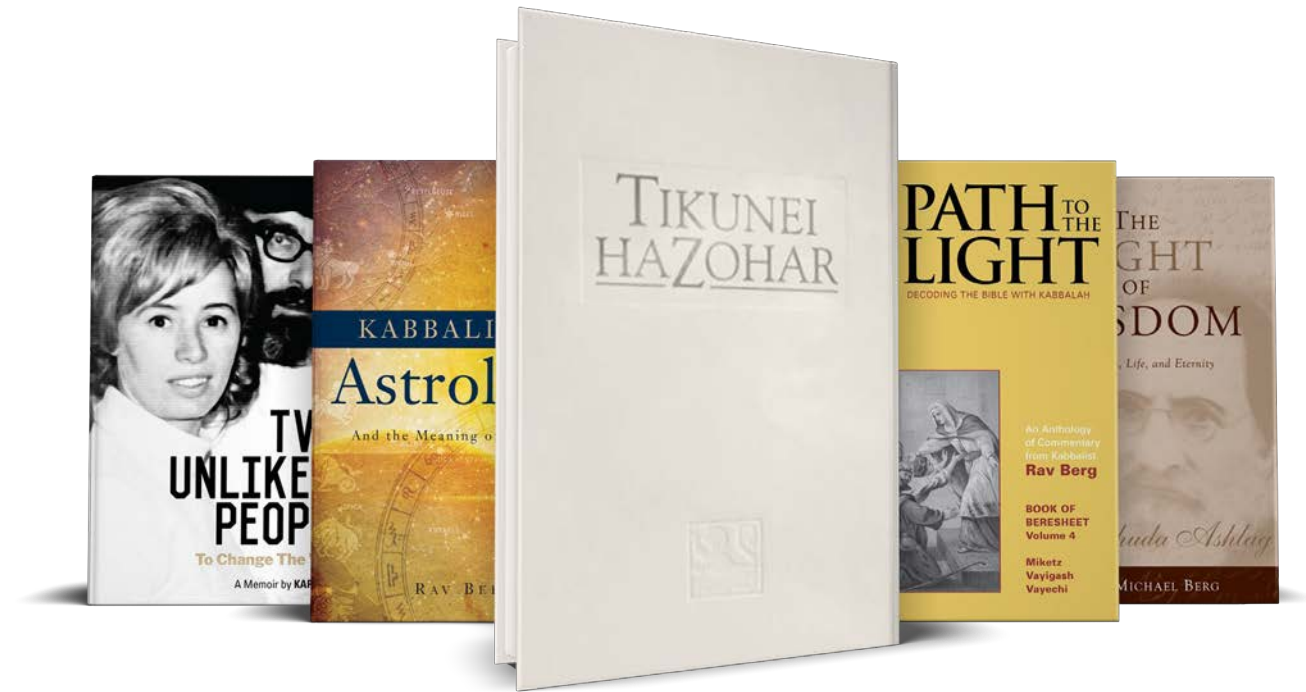
ZOHAR PROJECT TOURS AND OUTINGS

The Zohar Project is a grassroots volunteer movement dedicated to bringing the power of the Zohar to every corner of the world. In 2019, our volunteers continued to visit places in need, including hospitals, fire and police stations, and schools. Volunteers in Argentina, Mexico, and Bolivia gave Zohars to public political leaders during their important elections. Zohars were spread along the Pacific Coast to protect from natural disasters. In Paris, Zohars were shared on the anniversary of historical protests, while students in Germany placed and read from the Zohar in former WW2 concentration camps. And in Brazil, volunteers brought Zohars and taught Kabbalah 1 to inmates at the largest prison in São Paulo. All for global change.

Thank you to the 484 volunteers around the world who were part of these trips.

Kabbalah

PUBLISHING



THE RAV BERG ZOHAR PROJECT

Rav Berg dedicated his life to spreading the wisdom of Kabbalah to millions of people all over the world. Throughout his many teachings, the Rav would always remind us that while the intellectual understanding of Kabbalah is vital to our spiritual growth, there is no tool like the Zohar for facilitating personal transformation, ushering us into a world of blessings and creating global change. The Rav taught, "It's all about the Zohar." For he knew that the wisdom alone was not enough, that every person should have this generator of Light, blessings, and transformation in their home. The Rav Berg Zohar Project continues the work of manifesting the Rav's vision of a Zohar in every home, bringing the Light and the power of the Zohar to every single person in the world.

TIKUNEI ZOHAR

While the Zohar is a compilation of the wisdom and experiences revealed by Rav Shimon bar Yochai and his friends, the Tikunei haZohar focuses on the 70 kabbalistic interpretations (tikkunim) of the first word of the Torah, "Beresheet." The Tikunei haZohar is associated with feminine energy, and as such, is known to be a powerful source of energy. Thanks to the generous efforts of student Sandra Gering, we printed 1,100 copies that quickly sold out. Ms. Gering was able to place the Tikunei haZohar in the Vatican, and it has now made its way to the Morgan Library in New York and the Jewish Cultural Quarter in Amsterdam.

TWO UNLIKELY PEOPLE

Karen Berg published her memoir in 2019. Interwoven with details of her life with my father, Rav Berg, this book delves into the lives of two people committed to changing the world.

ALSO NEW IN 2019

Path to the Light Vol 3 • Path to the Light Vol 4 • Light of Wisdom Spanish

REPRINTED

Kabbalistic Astrology English • Secrets of the Zohar English
Secrets of the Bible • Prayer of the Poor Shabbat English

"My journey with Kabbalah was a life-changing blessing. The wisdom of Kabbalah is not about receiving. It is about giving and revealing the best of you. It is a journey within your soul. I wish I could make everyone feel and see the greatness of the Kabbalah wisdom and the way The Kabbalah Centre offers it with simplicity and yet deep meaning."

— Claudia B., Panama Centre

Student SUPPORT

Our Student Support department helps students chart a personal plan of study tailored to their specific needs, interests, and schedule. Teachers connect one-on-one with students from anywhere in the world to advise, listen to, and support them on their spiritual path. Last year, we held two special Student Support events:

LOS ANGELES

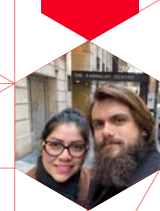
We hosted a retreat for 140 of our USA Live Learning & Study Group students. Guests enjoyed music and storytelling at Melave Malka with Karen Berg and took part in workshops with Michael and Monica Berg, as well as several teachers.

AUSTIN

We partnered with a local influencer—community leader and yogi Lizzie Aguirre—to put on a Yoga and Valentine's Day event. Over 110 people, including 50 new people, joined us from the local community for Michael and Monica's Relationship Lecture on Valentine's Day. By choosing a partner aligned with our message in Ms. Aguirre, we created great synergy and widened our reach in introducing more people to Kabbalah.



Our Students' STORIES



Michael C., Cultural Director, New York

"It's been a challenging and inspiring ten years as a student at the Kabbalah Centre because I've had to look deeply at myself and what I believe in. After studying at the Kabbalah Centre, I've become more comfortable with being openly vulnerable with other people instead of hiding things out of fear of rejection or judgment. I have a better understanding now of the difference between giving to be seen as a "nice person" or as a result of being a people-pleaser and sharing with intention. When I give now, it's not because I want people to think I'm nice. It's because my intention is to truly share with other people."

"The Kabbalah Centre has helped me understand the power within my own soul, the power I have to take control over my consciousness and how to grow closer to who I have always wanted to be—all resulting in a better and closer relationship with myself and others. I'll never forget when I learned that my people-pleasing tendency was not true giving and caring—this aha moment was the beginning of getting out of myself to truly care about someone with whom I had challenges instead of being preoccupied with what they thought of me."



Dr. Rachel G. Licensed professional Counselor, St. Louis

"The Kabbalah Centre helped me transform my negativity and aggression into sharing and compassion to bring peace to the world. The concept of restriction enabled me to overcome my anger and frustration with life. I improved my health, reduced my stress, my depression, and my fears. My life changed 180 degrees."



Claudia B. Pre School Teacher, Panama

"My journey with Kabbalah was a life-changing blessing. The wisdom of Kabbalah is not about receiving. It is about giving and revealing the best of you. It is a journey within your soul. I wish I could make everyone feel and see the greatness of the Kabbalah wisdom and the way The Kabbalah Centre offers it with simplicity and yet deep meaning. The knowledge we get through constant study, deep understanding, and support from a teacher who is willing to walk the path with us is priceless."

"It changed my life. I learned to love my self more and more. I was able to see results from the first time I attended the first course."



Michael, Hair Stylist, Chicago



Katyna, Business Owner, Los Angeles

Rosh Hashanah

2019

Once again, our incredibly powerful Rosh Hashanah connection was a joyous experience. Thanks to the generous donation of a single student, 2,475 individuals with a desire to connect were able to do so free of charge this year.

Thousands of students attended from as far as Lebanon and the Philippines, while over 500 more live streamed the event on Kabbalah.com. The Rosh Hashanah connection energizes our entire community, inspiring many to engage in actions that reveal Light for months.



HIGHLIGHTS FROM AROUND THE WORLD

FLORIDA

In Florida, we've engaged in a variety of Light-revealing activities. We partnered with Habitat for Humanity in Broward to build homes for families in need. And together with Wendy Glantz, an active member and lecturer at The Kabbalah Centre Florida, we held a series of three Business Intelligence networking events. These events created a space for people with a variety of professional backgrounds to not only be introduced to the Centre, but to also understand how the business world can be combined with spirituality. This series proved to be a success as we had over 165 people in attendance and continued the Business Intelligence networking events into 2020.



TORONTO

In September 2019, Kabbalah Centre Teacher Yael Avnet recorded a segment about Kabbalah on Gila Yefet, Toronto's Israeli channel with over 70,000 subscriber homes across Canada. Yael spoke about the Kabbalah Centre and gave an introduction to Kabbalah.

NEW YORK

In New York, Michael and Monica Berg hosted the New Moon of Pisces with special guest Matthew Stevenson, a longtime student who told his story of using the teachings of Kabbalah to help bring a white nationalist, Derek Black, out of white nationalism. Over 230 students and friends joined us in person, and many more watched online as Matthew shared his story of transformation. Matthew embodies the concept that each one of us has the ability to transform our world one person at a time. You can read this amazing story in the book 'Rising Out of Hatred' by Eli Saslow. We are so proud of Matthew for showing us the power of radical, transformative kindness. The New York Centre and community continue to be a vibrant source of Light for the world.



LOS ANGELES

Los Angeles hosted our first Donor Appreciation Event in November of 2019. Supporters of the Work enjoyed a Q&A session and consciousness with Karen Berg, as well as live music and dinner. I'm told the energy in the room was magnetic and empowering — a very special thanks to the evening's sponsors. Overall, the LA community has had an impactful year. LA has been the driving force behind the Sacred Zohar reduction initiative. Collectively, they've been responsible for spreading over 10,000 Zohars this year, with nearly 1,000 being donated to Kabbalah 1 classes. This year, the combination of lowering our operating costs and an increase in donations has allowed us to make improvements to our spiritual home in LA. Repainting the building, making upgrades to the patio, and building a meditation room has made the LA Centre a bit more inviting. The Los Angeles Centre has welcomed 2,834 new students over their 7 Kabbalah 1 intro classes, with an average of 158 students registered over the 4 most recent courses.



LATIN AMERICA

Michael Berg visited Paraguay for the first time to give his Reveal Your Potential lecture at the Centre in Asuncion. Over 400 people attended, many of whom were new to Kabbalah. Blessed with an energetic community, we see great things for the Paraguay Centre in the near future.



MOROCCO ENERGY TOUR

In February of 2019, we hosted a trip to Morocco. Karen and Michael Berg joined a fabulous group of teachers and students in connecting with some of history's greatest kabbalistic sages. For seven days and nights, we drew righteous energy from the resting places of tzadiks in Fez, Casablanca, Marrakesh, and many other regions. This was truly an Energy Tour to remember.

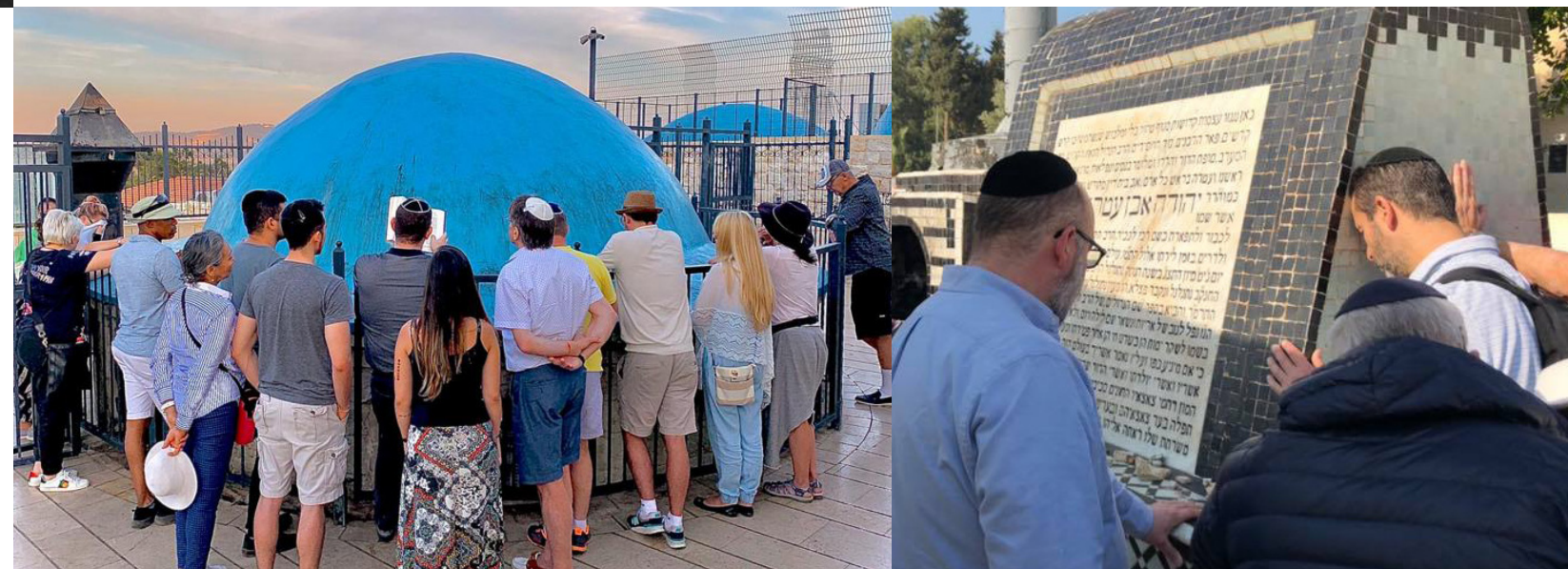
ISRAEL ENERGY TOUR

In October of 2019, we held a small Tzadikim trip to Israel led by Yehuda Avnet. Students visited sites in Jerusalem, Tevria, Northern Israel, Tzefat, and Tel Aviv, and celebrated Yom Kippur with our larger international community. We can't wait to share more exciting energy tours with you in the future.



UKRAINE ENERGY TOUR

In July of 2019, Kabbalah Centre Europe hosted an Energy Tour focused on connecting to the righteous souls of Ukraine. Eighty students from twenty-six different countries joined eight KC Europe teachers to visit the graves of the tzadikim and connect with their potent energy. The Maggid of Mezeritch, The Ba'al Shem Tov, Rav Shimshon of Ostropoli, and many others were among the sites visited on a trip filled with magical moments and great connections.



Letter from our CFO

Dear Students, Community Members, and Supporters,

Over the past twelve months, and most recently in the past nine months during an unprecedented global pandemic, The Kabbalah Centre has undergone an incredible financial transformation that has allowed us to reach financial stability and a pathway toward modest profitability for the first time in over five (5) years. This transformation is a direct result of the hard work to significantly reduce the Centre's operating expenses, reduce headcount, reduce physical spaces, and reduce contractual obligations. Equally as important, we proactively invested in our digital platform, which has allowed us to generate enormous sustainable growth through online classes and events and various other sources. Together through the generation of mixed revenue sources and with reduced expenses, we have been able to realize results in 2019 that have yielded a solid operating breakeven plus for 2020.

For the first time in the Centre's history, we engaged an independent audit firm, SAX LLP, in 2018 and again in 2019, to conduct a thorough review of the Centre's financial statements. All of this was pursued with our goal and commitment to you in mind of fostering a culture of transparency, accountability, and stewardship for the financial support and donations you entrust us with. Throughout this process, we have held ourselves to higher standards of financial reporting and review than those required of a non-profit 501(c)(3) religious sub-class designated organization, The Kabbalah Centre's filing status under the U.S. IRS tax code. Such organizations are not required under law to file annual financial updates.

It is with great privilege and pleasure that we hereby report that the independent outside audit firm issued a clean opinion of the Centre's financial statements for the year ended December 31, 2019.

The bottom-line results for 2019 reflect an overall Net Loss of \$10.9 million. If we exclude non-cash depreciation expenses of \$4.3 million, the bottom-line net loss is \$6.6 million, of which half represents an investment in our technology and digital infrastructure. This is a true turnaround from the previous year, where the net loss was significantly higher. Moreover, as of September 30, 2020, the Centre as a whole yielded an unprecedented breakeven with a slight operating profit for the first time in over six years.

Our concerted internal efforts over the past year have also yielded many improvements, both toward our collective growth goals of reaching more students as well as our goal to continually improve our stewardship of resources.

Below is an overview of the results of those efforts:

Expense Reduction: From our 2017 peak of \$60 million, we've reduced our overall annual expenses to ~\$14.4 million as of September 2020, a 76% reduction in total expenses.

These reductions were mainly accomplished through:

- Organizational staff reductions by 55% at both the global and local Centre levels
- Centralization of operational functions and implementing a cost-sharing model with our local Centres
- Consolidation of KCI office spaces and facilities

Technology: KCI significantly reduced 2019 Technology expenses through contract negotiations and reduction of services resulting in annualized savings of ~\$2.5M.

One focus this year is by offering our teachings in more languages through live-dubbing and expanded marketing.

New Student Growth:

- **Current Students' Increased Participation:** The Membership Program proves to be vital in capturing Market Share Worldwide, as students are able to view classes and workshops online virtually, which proved to be vital during the 2020 global pandemic. Through dedication to growth and marketing techniques, we expect a total of 10,000 members by the end of 2020, generating in excess of \$4M of revenue.
- **Supporters of the Work:** Our Supporters of the Work program showed substantial growth in 2019, generating ~\$1.3M in revenue from 712 donors, compared to just \$280K in 2018.

KCI continues to achieve the goals that were set forth at the beginning of 2020. The organization expects to be slightly profitable in the remaining months of 2020 as our community continues to provide support.

Amidst all of these concerted positive efforts, there are still obstacles and challenges facing the financial health of The Kabbalah Centre. As a non-profit organization dedicated to altruistic goals of spreading spiritual teachings and, through them, improving our students' lives, we endeavor to make the teachings and services we offer as affordable as possible for anyone to be able to access them. In addition, much like higher educational institutions, we rely on a robust cast of talented teachers and Chevre and their dedication, passion, and knowledge to disseminate this wisdom and nurture the spiritual journeys of our students. This large, global staff base carries an associated cost, one in which are committed to continuing to invest in by offering competitive wages and benefit packages.

As we look ahead, our goal is to become cash-flow positive as we enter 2021. We are on track to meet this goal, based on current financial projections and further expense reduction exploration. Our priority amidst all cost-cutting measures is to ensure The Kabbalah Centre continues to fulfill our mission of spreading the wisdom of Kabbalah to all who desire to learn around the world, with as minimal impact to the offerings, services, and experience of our student base. The Kabbalah Centre has gone through many iterations and evolutions in its 50+ year history, and our operational and financial commitment to you is to ensure the organization is on solid and stable ground to enable a foundation that can allow it to evolve and grow in the decades to come and beyond.

With warmest regards,



Angelo Federico, CFO

STATEMENT OF ACTIVITIES

KCI Kabbalah Centre International
KCNY Kabbalah Centre New York
KCFL Kabbalah Centre Florida
KCUS Kabbalah Centre United States

Financial Summary

FISCAL YEAR 2019

| Revenues | KCI | KCNY | KCFL | KCUS | Eliminations | Consolidations |
|--|---------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| Contributions, includes in-kind of \$47,072 | \$6,515,725 | \$1,955,676 | \$1,448,735 | \$954,777 | - | \$10,874,913 |
| Premium and community membership | \$1,391,600 | \$202,160 | \$197,577 | \$149,033 | - | \$1,940,370 |
| Events and classes registration | \$1,900,701 | \$848,467 | \$619,226 | \$856,839 | - | \$4,225,233 |
| Less events and space rental costs | (\$1,671,555) | (\$729,668) | (\$331,854) | (\$642,286) | - | (\$3,375,363) |
| NET EVENTS AND CLASSES SALES | \$229,146 | \$118,799 | \$287,372 | \$214,553 | - | \$849,870 |
| Bookstore Sales | \$856,390 | \$246,869 | \$253,847 | \$310,242 | - | \$1,667,348 |
| Less cost of goods sold | (\$509,199) | (\$106,737) | (\$84,681) | (\$133,349) | - | (\$833,966) |
| NET BOOKSTORE SALES | \$347,191 | \$140,132 | \$169,166 | \$176,893 | - | \$833,382 |
| Social Media revenue | \$167,594 | - | - | - | (\$72,173) | \$95,421 |
| Administrative services | \$2,047,391 | - | - | - | (\$1,225,000) | \$822,391 |
| Interest and dividends income, net of fees \$12,299 | \$7,105,033 | (\$4,203) | \$661 | \$503 | - | \$7,101,994 |
| Net unrealized and realized gain (loss) on investments | \$45,140 | \$7,938 | \$13,031 | \$8,612 | - | \$74,721 |
| Net gain (loss) on sale of fixed assets | - | \$985,663 | - | - | - | \$985,663 |
| Rental income | \$74,438 | \$2,911,044 | \$38,131 | \$622,446 | (\$123,125) | \$3,522,934 |
| Miscellaneous income | \$238,068 | \$171,792 | \$4,026 | \$13,789 | - | \$427,675 |
| NET REVENUE, GAINS, AND OTHER SUPPORT | \$18,161,326 | \$6,489,001 | \$2,158,699 | \$2,140,606 | (\$1,420,298) | \$27,529,334 |

| Functional Expenses | | | | | | |
|----------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| <i>Program services</i> | | | | | | |
| Services to members | \$15,261,302 | \$8,750,212 | \$3,449,673 | \$2,674,985 | (\$1,420,298) | \$28,715,874 |
| <i>Supporting Services</i> | | | | | | |
| Management and general | \$2,943,200 | \$4,117,747 | \$1,030,422 | \$799,021 | - | \$8,890,390 |
| Fundraising | \$881,213 | - | - | - | - | \$881,213 |
| TOTAL SUPPORTING SERVICES | \$3,824,413 | \$4,117,747 | \$1,030,422 | \$799,021 | - | \$9,771,603 |
| TOTAL FUNCTIONAL EXPENSES | \$19,085,715 | \$12,867,959 | \$4,480,095 | \$3,474,006 | (\$1,420,298) | \$38,487,477 |
| CHANGE IN NET ASSETS | (\$924,389) | (\$6,378,958) | (\$2,321,396) | (\$1,333,400) | - | (\$10,958,143) |

THANK
YOU.

On behalf of The Kabbalah Centre,
we thank you for your generosity.
Your support is changing lives
around the world in meaningful and
measurable ways.

To learn more, please contact
donorcare@kabbalah.com.

giving.kabbalah.com



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