

**ACCESS ISRAEL (N.G.O.)**  
**registered society no' 580341204**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2013**

**ACCESS ISRAEL (N.G.O.)**  
**registered society No' 580341204**

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עזרא כדורי ושות' | EZRA KADOURI & CO.  
רואי חשבון | Certified Public Accountants

**ACCESS ISRAEL (N.G.O.)**  
**Independent Auditor's Report**

We have audited the accompanying balance sheets of ACCESS ISRAEL (N.G.O.- Non Governmental Organization) as of 31 December, 2013 and 2012 and the related statements of operations for the years ended 31 December, 2013 and 2012. These financial statements are the responsibility of the management of the organization. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with generally accepted auditing standards, including those prescribed by the Auditors' (Mode of Performance) Regulations (Israel), 1973. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management of the Organization, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

These financial statements are in nominal values. Information about reported amounts as stated at the Israel accounting standards board, were not included in these financial statements.

In our opinion, the aforementioned financial statements present fairly the financial position of the organization as of 31 December, 2013 and 2012 and the results of its operations for the years ended 31 December, 2013 and 2012, in conformity with generally accepted accounting principles.

  
Ezra kadouri & Co.  
Certified Public Accountants (Israel)

Petah-Tikva, Israel,  
April 27, 2014

**ACCESS ISRAEL (N.G.O.)**

**BALANCE SHEET**

		<b><u>31 December</u></b>	
	<b><u>Note</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>
		<b><u>NIS</u></b>	<b><u>NIS</u></b>
<b><u>Current assets</u></b>			
Cash and bank cashier		1,538,068	1,231,864
Cheques for collection		48,472	38,330
Other receivables	2	33,065	27,167
		<u>1,619,605</u>	<u>1,297,361</u>
<b><u>Investments</u></b>			
Retirement benefit, net	3	69,094	70,509
<b><u>Fixed assets, net</u></b>			
	4	<u>169,488</u>	<u>122,860</u>
<b>Total assets</b>		<u>1,858,187</u>	<u>1,490,730</u>
<b><u>Current liabilities</u></b>			
Notes Payable		130,646	123,660
Suppliers		4,648	5,604
Accounts Payable	5	178,762	157,134
		<u>314,026</u>	<u>286,398</u>
<b><u>Assets, net</u></b>			
Used to purchase fixed assets		169,488	122,860
Net assets with temporary restrictions	6	812,401	568,834
Used for activities		562,242	512,638
Total		<u>1,544,131</u>	<u>1,204,332</u>
<b>Total liabilities</b>		<u>1,858,187</u>	<u>1,490,730</u>



Yuval Wagner  
Access Israel Chairman



Rani Benjamini  
Access Israel Treasurer

The accompanying notes are an integral part of the financial statements

**ACCESS ISRAEL (N.G.O.)**

**STATEMENT OF OPERATING ACTIVITIES**

	<b><u>Note</u></b>	<b><u>For the year ended</u></b>	
		<b><u>31 December</u></b>	
		<b><u>2013</u></b>	<b><u>2012</u></b>
		<b><u>NIS</u></b>	<b><u>NIS</u></b>
Total Revenue	7	4,928,618	3,078,207
Operating Expenses	8	3,777,830	2,640,682
<b>Operating Income from activities</b>		<b><u>1,150,788</u></b>	<b><u>437,525</u></b>
Administrative and general expenses	9	711,792	453,490
<b>Net Income before financial income</b>		<b><u>438,996</u></b>	<b><u>(15,965)</u></b>
Financial Income net		(17,264)	10,079
<b>Net Profit for the year</b>		<b><u>421,732</u></b>	<b><u>(5,886)</u></b>

The accompanying notes are an integral part of the financial statements

**ACCESS ISRAEL (N.G.O.)**

**STATEMENT OF CHANGES IN ASSETS, NET**

	<b><u>Unrestricted</u></b>		<b><u>Restricted</u></b>			<b><u>TOTAL</u></b>
	<b><u>For Activities</u></b>		<b>For Fixed Assets</b>	<b>Temporary</b>	<b>Permanent</b>	
	<b>Not marked by nonprofit institution</b>	<b>Designated by nonprofit institution</b>				
	<b><u>NIS</u></b>	<b><u>NIS</u></b>	<b><u>NIS</u></b>	<b><u>NIS</u></b>	<b><u>NIS</u></b>	<b><u>NIS</u></b>
<b>Balance at 1st January 2011</b>	<b>764,618</b>	<b>-</b>	<b>126,766</b>	<b>556,438</b>	<b>-</b>	<b>1,447,822</b>
Allocations				279,815		279,815
Expenses				(517,419)		(517,419)
Year net deficit	(5,886)					(5,886)
Net assets released amounts Limited - used to purchase fixed assets	(22,910)		22,910			-
Amounts transferred to cover depreciation costs	26,816		(26,816)			-
Amounts designated by the organization	(250,000)			250,000		-
<b>Balance at 31 December 2011</b>	<b>512,638</b>	<b>-</b>	<b>122,860</b>	<b>568,834</b>	<b>-</b>	<b>1,204,332</b>
Allocations				697,709		697,709
Expenses				(779,642)		(779,642)
Year net income	421,732					421,732
Net assets released amounts Limited - used to purchase fixed assets	(82,094)		82,094			-
Amounts transferred to cover depreciation costs	49,500			(49,500)		-
Amounts transferred to used For activities	35,466		(35,466)			-
Amounts designated by the Organization	(375,000)			375,000		-
<b>Balance at 31 December 2012</b>	<b>512,638</b>	<b>-</b>	<b>122,860</b>	<b>568,834</b>	<b>-</b>	<b>1,204,332</b>
Allocations				697,709		697,709
Expenses				(779,642)		(779,642)
Year net income	421,732					421,732
Net assets released amounts Limited - used to purchase fixed assets	(82,094)		82,094			-
Amounts transferred to used For activities	49,500			(49,500)		-
Amounts transferred to cover depreciation costs	35,466		(35,466)			-
Amounts designated by the organization	(375,000)			375,000		-
<b>Balance at 31 December 2013</b>	<b>562,242</b>	<b>-</b>	<b>169,488</b>	<b>812,401</b>	<b>-</b>	<b>1,544,131</b>

The accompanying notes are an integral part of the financial statements

**ACCESS ISRAEL (N.G.O.)**

**CASH FLOW STATEMENT**

	<b><u>For the Year</u></b>	
	<b><u>Ended 31 December</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
<b><u>Cash flow from current activities</u></b>		
Surplus Income	421,732	(5,886)
Adjustments required to present cash flows from operations and cash equivalents, Appendix A	48,499	39,641
<b>Net cash deriving from current activities</b>	<b>470,231</b>	<b>33,755</b>
<b><u>Cash flow from investment activities</u></b>		
Purchase of fixed assets	(82,094)	(22,910)
<b>Net cash deriving used for investment activities</b>	<b>(82,094)</b>	<b>(22,910)</b>
<b><u>Cash flow from financing activities</u></b>		
Temporarily restricted assets transfer	(81,933)	(237,604)
<b>Net cash deriving used for financing activities</b>	<b>(81,933)</b>	<b>(237,604)</b>
Decrease in cash and cash equivalents	306,204	(226,759)
Balance of cash and cash equivalents at beginning of year	1,231,864	1,458,623
<b>Balance of cash and cash equivalents at end of year</b>	<b>1,538,068</b>	<b>1,231,864</b>
<b><u>Appendix A</u></b>		
<b>Income and expenses not involving cash flow:</b>		
Depreciation and amortization	35,466	26,816
Appointed to the reserve surplus (increase) decrease	1,415	(34,458)
<b>Changes in assets and liabilities:</b>		
(Increase) decrease of checks for collection	(10,142)	(9,660)
(Increase) decrease in accounts receivable	(5,898)	(12,799)
Increase (decrease) in suppliers and service providers	6,030	35,053
Increase in accounts payable	21,628	34,689
	<b>48,499</b>	<b>39,641</b>

The accompanying notes are an integral part of the financial statements

## ACCESS ISRAEL (N.G.O.)

### FINANCIAL STATEMENTS NOTES

#### Note 1: General and main accounting policies

A - Access Israel (N.G.O.), is an association registered by Associations Law. Its objectives that derived its vision are to enable people with disabilities in Israel to integrate into the society with dignity, respect, equally, safely and with maximum independency. Access Israel is registered in the IRS as non profit organization.

#### B - Significant accounting policies

The following significant accounting policies were applied on a consistent basis in preparing the Financial Statements:

1 - The Financial Statements are presented in accordance with Opinion No. 69 of the Institute of Certified Public Accountants in Israel.

#### 2 - Cash and cash equivalents

Cash equivalents refer to highly liquid investments, including, among others, short-term bank deposits with due dates not exceeding three months from the date of deposit.

#### 3 - Short-term investments

Stated at market value on balance sheet date, in accordance with the provisions of the Opinion of the Institute of Certified Public Accountants in Israel. The change in value of the investments is carried to Financial Income

#### 4 - Fixed Assets

These assets are stated at cost, less accumulated depreciation. Depreciation is computed by the straight-line method on the basis of the estimated useful life of the assets.

#### C - Effect of changes in general purchasing power of Israeli currency:

These financial statements were prepared in accordance with accepted accounting principles on the basis of cost convention, irrespective of the influence of changes in general purchasing power of Israeli currency on the financial statements.



**ACCESS ISRAEL (N.G.O.)**

**FINANCIAL STATEMENTS NOTES**

**D - Indexation and Currency:**

Foreign exchange reserves or linked to it, are included in the financial statements by currency exchange rates at balance sheet date.

Balance linked to the CPI are included, based on the last index published before the balance sheet date.

Exchange rate and linkage are charged to income with formation.

The following data is exchange rates of U.S. Dollar and consumer price index :

<u>Day</u>	<u>Representative exchange rate of U.S. Dollar – NIS</u>	<u>December index points</u>
31.12.2013	3.471	141.41
31.12.2012	3.733	138.77
Rate of change in the ending on		
31.12.2013	(7.02)%	1.91%
31.12.2012	(2.3)%	1.45%

\* The index average basis 1993=100

**Note 2: Other Receivables**

	<b><u>31 December</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
advances to suppliers	5,286	26,962
Prepaid expenses	27,779	-
Tax		205
	<b><u>33,065</u></b>	<b><u>27,167</u></b>

**Note 3: Retirement benefit, net**

	<b><u>31 December</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Mission compensation	328,598	253,136
Employees' compensation reserve	259,504	182,627
	<b><u>69,094</u></b>	<b><u>70,509</u></b>

**ACCESS ISRAEL (N.G.O.)**

**FINANCIAL STATEMENTS NOTES**

**Note 4: Fixed assets, net**

	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Depreciated cost</b>	
	<b>31/12/2013</b>	<b>31/12/2013</b>	<b>31/12/2013</b>	<b>31/12/2012</b>
Website	146,956	146,955	1	1
Furniture and Equipment	154,921	52,563	102,358	89,610
Computer Equipment	353,504	286,375	67,129	33,249
	<b>655,381</b>	<b>485,893</b>	<b>169,488</b>	<b>122,860</b>

**Note 5: Accounts Payable**

	<b>31 December</b>	
	<b>2013</b>	<b>2012</b>
	<b>NIS</b>	<b>NIS</b>
Institutions	34,497	41,220
Employees	144,265	115,914
	<b>178,762</b>	<b>157,134</b>

**Note 6: Net assets with temporary restrictions**

	<b>Opening Balance</b>	<b>Income</b>	<b>Expenses</b>	<b>Closing Balance</b>
Standards Institute	49,500	-	49,500	-
Legislation and Legal services	100,000	125,000	100,000	125,000
Fundraising in Israel and abroad	100,000	125,000	100,000	125,000
Promoting Accessible Technology	50,000	-	50,000	-
PRATT Foundation – accessible picnic areas	141,384	-	4,602	136,782
Peretz Naftali Foundation	20,000	-	20,000	-
Ted Arison Family Foundation	107,950	224,057	276,945	55,062
Melisron – accessible picnic areas	-	220,000	49,206	170,794
Joseph and Kristina Kassirer Foundation Trust		75,000	26,937	48,063
Philip Morris		97,500	97,500	-
The Beracha Foundation		26,700		26,700
Yad Hanadiv	-	54,452	54,452	-
Accessibility Service Center	-	125,000	-	125,000
<b>Balance at 31/12/2013</b>	<b>568,834</b>	<b>1,072,709</b>	<b>829,142</b>	<b>812,401</b>
<b>Balance at 31/12/2012</b>	<b>556,438</b>	<b>529,815</b>	<b>517,419</b>	<b>568,834</b>

## ACCESS ISRAEL (N.G.O.)

### FINANCIAL STATEMENTS NOTES

1 - Standards Institute

According to the 30 December 2008 Executive Committee Meeting Protocol, promotional allowance for the purpose of promoting accessible standards at Standards Institute accessibility issue was approved in amount of 90,000 NIS. Until the end of 2012, a sum of 40,500 NIS was used for this purpose. During 2013, the Executive Committee has decided to end the relationship with the Standards Institute since progress was too slow, and remaining funds of 49,500 NIS were released from the temporary restrictions .

2 - Legislation and Legal services

According to the 24 December 2012 Executive Committee Meeting Protocol, promotional allowance for the purpose of Legislation, Regulation and Petition to the High Court, was approved in amount of 100,000 NIS.

According to the 25 December 2013 Executive Committee Meeting Protocol, promotional allowance for the same purpose, was approved as an additional amount of 125,000 NIS.

During 2013 Legislation and Legal services were executed in the amount of 100,000 NIS. The balance on December 31, 2013 is 125,000 NIS.

3 - Fundraising in Israel and abroad

According to the 24 December 2012 Executive Committee Meeting Protocol, promotional allowance for the purpose of Fundraising in Israel and abroad, was approved in amount of 100,000 NIS.

According to the 25 December 2013 Executive Committee Meeting Protocol, promotional allowance for the same purpose, was approved as an additional amount of 125,000 NIS.

During 2013 such Fundraising activities were executed in the amount of 100,000 NIS. The balance on December 31, 2013 is 125,000 NIS.

4 - Promoting Accessible Internet and Technology

According to the 20 December 2012 Executive Committee Meeting Protocol, promotional allowance for the purpose of Promoting Accessible Internet and Technology, was approved in amount of 50,000 NIS. During 2013 such activities were executed in the full amount of 50,000 NIS.

5 - PRATT Foundation – accessible picnic areas

During 2011, 253,824 NIS donation was received from PRATT Foundation for the establishment of new picnic areas around Israel. During 2011 the sum of 41,498 NIS was used for the establishment of a picnic area near Kiryat Shmona named after Liran Seadia of blessed memory. During 2012 the sum of 70,942 NIS was used for the establishment of the following picnic areas: Yehoshua Park in Tel Aviv, Kibutz Sde Eliyahu named after Doron Truper of blessed memory and in Hod Hasharon. During 2013 the sum of 4,602 NIS was used and the balance on December 31, 2013 is 136,782 NIS.

- 6 - Peretz Naftali Foundation  
On July 2012, 20,000 NIS donation was received from Peretz Naftali Foundation for educational activities 'accessible city for all' project in one Arabic municipality. During 2013 such activity was executed in the full amount of 20,000 NIS.
- 7 - Ted Arison Family Foundation  
On June 2012, 241,040 NIS donation was received from Ted Arison Family Foundation for the purpose of 'A-B-C of accessibility' to promote elementary schools' pupils awareness to accessibility and integration. During 2012 the sum of 133,090 NIS was used for the above purpose and the balance of 107,950 NIS was used in 2013.  
Moreover, during 2013 an additional sum of 224,057 NIS was received for the education in 19 elementary schools and for funding a conference in cooperation with the Ministry of Education.  
During 2013 the sum of 168,995 NIS was used for the above purpose during, and the balance of 55,062 NIS is expected to be used during 2014.
- 8 - Melisron Ltd– accessible picnic areas  
On March 2013, 220,000 NIS donation was received from Melisron Ltd. for the purpose of the establishment of 3 accessible picnic/ leisure areas around Israel. During 2013 the sum of 49,206 NIS was used for the above purpose and the balance of 170,794 NIS is expected to be used during 2014.
- 9 - Joseph and Kristina Kassirer Foundation Trust  
On May 2013, 75,000 NIS donation was received from Joseph and Kristina Kassirer Foundation Trust for the purpose of 'Accessible trusted allies' in 6 mid-schools.  
During 2013 the sum of 26,937 NIS was used, and the balance of 48,063 NIS is expected to be used during 2014.
- 10 - Philip Morris International Fund  
On July 2013, 97,500 NIS donation was received from Philip Morris International Fund for the purpose of "Help me to help you" – the guidance of accessible services in 11 municipalities. During 2013 such activity was executed in the full amount of 97,500 NIS.
- 11 - The Beracha Foundation  
On November 2013, 26,700 NIS donation was received from The Beracha Foundation for the purpose of 'In the middle of life' project dealing with short term assistance for people with non born disabilities. The project takes place in Eylat and the Arava area. The same amount is expected to be donated in 2014. As of December 31 2013, the sum was not yet used.

**ACCESS ISRAEL (N.G.O.)**

**FINANCIAL STATEMENTS NOTES**

**Note 7: Income from activities**

	<b><u>31 December</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Income from donations and benefit days	1,530,459	1,199,869
Consultation and accessibility distribution	1,882,711	1,210,691
Income from education and awareness promotion	509,987	566,747
Income from professional training and education	1,005,461	100,900
	<b><u>4,928,618</u></b>	<b><u>3,078,207</u></b>

During the years 2012-2013 the organization did not receive any governmental support of funds.

**Note 8: Cost of activities**

	<b><u>31 December</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Benefit days and Fundraising expenses	-----	51,113
Consultation and accessibility distribution expenses	1,842,952	*1,433,258
Education and awareness promotion expenses	649,724	761,519
Professional training expenses	723,541	61,464
Independent life in the Galilee area supported by Joint Israel	501,774	318,247
Access Israel North A.I.N	31,910	-
Access Israel Eylat and the Arava area	5,112	-
Computers and web portal depreciation	22,817	15,082
	<b><u>3,777,830</u></b>	<b><u>2,640,683</u></b>

\*Comparative figures are reclassified

**ACCESS ISRAEL (N.G.O.)**

**FINANCIAL STATEMENTS NOTES**

**Note 9: Administrative and General Expenses**

	<b><u>31 December</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Salaries and related expenses – management	357,331	184,851
Rent	22,807	19,691
Maintenance	49,171	49,627
Promoting awareness and advertising	52,791	-
Office and administrative expenses	51,903	43,386
Insurance	41,405	25,863
Mail and communication	23,129	27,449
Fundraising	-	-
Accommodation	22,089	16,230
Tolls, registration and municipal fees	43,417	39,859
Legal and professional fees	35,100	34,800
Office equipment depreciation	12,649	11,734
	<b><u>711,792</u></b>	<b><u>453,490</u></b>