

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

**FINANCIAL STATEMENTS**

**31 DECEMBER 2011**

**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, 2011 and 2010 and the related statements of operations for the years ended 31 December, 2011 and 2010. 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, 2011 and 2010 and the results of its operations for the years ended 31 December, 2011 and 2010, in conformity with generally accepted accounting principles.


  
Ezra kadouri & Co.  
Certified Public Accountants (Israel)


Petah-Tikva, Israel,  
April 17, 2012

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

**BALANCE SHEET**

		<b><u>31 December</u></b>	
	<b><u>Note</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
		<b><u>NIS</u></b>	<b><u>NIS</u></b>
<b><u>Current assets</u></b>			
Cash and bank cashier		1,458,623	1,668,628
Cheques for collection		28,670	13,935
Other receivables	2	14,368	205
		<u>1,501,661</u>	<u>1,682,768</u>
<b><u>Investments</u></b>			
Retirement benefit, net	3	36,051	49,985
<b><u>Fixed assets, net</u></b>			
	4	<u>126,766</u>	<u>37,466</u>
<b>Total assets</b>		<u>1,664,478</u>	<u>1,770,219</u>
<b><u>Current liabilities</u></b>			
Notes Payable		88,195	39,561
Suppliers		6,016	7,190
Accounts Payable	5	122,445	115,400
		<u>216,656</u>	<u>162,151</u>
<b><u>Assets, net</u></b>			
Used to purchase fixed assets		126,766	37,466
Net assets with temporary restrictions	6	556,438	662,457
Used for activities		764,618	908,145
Total		<u>1,447,822</u>	<u>1,608,068</u>
<b>Total liabilities</b>		<u>1,664,478</u>	<u>1,770,219</u>

  
\_\_\_\_\_  
Yuval Wagner  
Access Israel Chairman

  
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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

	<u>Note</u>	<u>For the year ended</u>	
		<u>31 December</u>	
		<u>2011</u>	<u>2010</u>
		<u>NIS</u>	<u>NIS</u>
Total Revenue	7	2,806,720	3,281,592
Operating Expenses	8	2,392,543	2,738,575
<b>Operating Income from activities</b>		<u>414,177</u>	<u>543,017</u>
Administrative and general expenses	9	498,053	417,520
<b>Net Income (loss) before financial income</b>		<u>(83,876)</u>	<u>125,497</u>
Financial Income net		29,649	14,655
<b>Net Profit (loss) for the year</b>		<u>(54,227)</u>	<u>140,152</u>

The accompanying notes are an integral part of the financial statements

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

**STATEMENT OF CHANGES IN ASSETS, NET**

	<u>Unrestricted</u>			<u>Restricted</u>		<u>TOTAL</u>
	<u>For Activities</u>			Temporary	Permanent	
	Not marked by nonprofit institution	Designated by nonprofit institution	For Fixed Assets			
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
<b>Balance at 1st January 2009</b>	<b>1,173,197</b>	-	<b>93,631</b>	<b>559,175</b>	-	<b>1,826,003</b>
Allocations				206,456		206,456
Expenses				(398,397)		(398,397)
Year net income	88,631					88,631
Amounts transferred to cover depreciation costs	37,688		(37,688)			-
Amounts designated by the organization	(100,000)			100,000		-
<b>Balance at 31 December 2009</b>	<b>1,199,516</b>	-	<b>55,943</b>	<b>467,234</b>	-	<b>1,722,693</b>
Allocations				104,541		104,541
Expenses				(359,318)		(359,318)
Year net income	140,152					140,152
Net assets released amounts Limited - used to purchase fixed assets	(8,538)		8,538			-
Amounts transferred to cover depreciation costs	27,015		(27,015)			-
Amounts designated by the organization	(450,000)			450,000		-
<b>Balance at 31 December 2010</b>	<b>908,145</b>	-	<b>37,466</b>	<b>662,457</b>	-	<b>1,608,068</b>
Allocations				1,003,382		1,003,382
Expenses				(1,109,401)		(1,109,401)
Year net deficit	(54,227)					(54,227)
Net assets released amounts Limited - used to purchase fixed assets	(113,307)		113,307			-
Amounts transferred to cover depreciation costs	24,007		(24,007)			-
<b>Balance at 31 December 2011</b>	<b>764,618</b>	-	<b>126,766</b>	<b>556,438</b>	-	<b>1,447,822</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>2011</u></b>	<b><u>2010</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
<b><u>Cash flow from current activities</u></b>		
Surplus (Deficit)	(54,227)	140,152
Adjustments required to present cash flows from operations and cash equivalents, Appendix A	63,548	(65,478)
<b>Net cash deriving from current activities</b>	9,321	74,674
<b><u>Cash flow from investment activities</u></b>		
Purchase of fixed assets	(113,307)	(8,538)
<b>Net cash deriving used for investment activities</b>	(113,307)	(8,538)
<b><u>Cash flow from financing activities</u></b>		
Temporarily restricted assets transfer	(106,019)	(254,777)
<b>Net cash deriving used for financing activities</b>	(106,019)	(254,777)
Decrease in cash and cash equivalents	(210,055)	(188,641)
Balance of cash and cash equivalents at beginning of year	1,668,628	1,857,269
<b>Balance of cash and cash equivalents at end of year</b>	<b>1,458,623</b>	<b>1,668,628</b>

**Appendix A**

**Income and expenses not involving cash flow:**

Depreciation and amortization	24,007	27,015
Appointed to the reserve surplus (increase) decrease	13,934	(10,900)

**Changes in assets and liabilities:**

(Increase) decrease of checks for collection	(14,735)	2,245
(Increase) decrease in accounts receivable	(14,163)	5,580
Increase (decrease) in suppliers and service providers	47,460	(100,934)
Increase in accounts payable	7,045	11,516
	<b>63,548</b>	<b>(65,478)</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>
31.12.2011	3.821	216.27
31.12.2010	3.549	211.67
Rate of change in the ending on		
31.12.2011	7.66%	2.17%
31.12.2010	(6%)	2.66%

\* The index average basis 1993=100

**Note 2: Other Receivables**

	<b><u>31 December</u></b>	
	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Prepaid expenses	14,163	-
Corporate income tax	205	205
	<b><u>14,368</u></b>	<b><u>205</u></b>

**Note 3: Retirement benefit, net**

	<b><u>31 December</u></b>	
	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Mission compensation	214,868	185,368
Employees' compensation reserve	178,817	135,383
	<b><u>36,051</u></b>	<b><u>49,985</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>31/12/2011</b>	<b>31/12/2011</b>	<b>31/12/2011</b>	<b>31/12/2010</b>
Website	146,956	146,955	1	1
Furniture and Equipment	124,224	28,180	96,044	17,002
Computer Equipment	279,197	248,476	30,721	20,463
	<b>550,377</b>	<b>423,611</b>	<b>126,766</b>	<b>37,466</b>

**Note 5: Accounts Payable**

	<b>31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>NIS</b>	<b>NIS</b>
Institutions	32,617	27,463
Employees	89,828	87,937
	<b>122,445</b>	<b>115,400</b>

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

	<b>Opening Balance</b>	<b>Income</b>	<b>Expenses</b>	<b>Closing Balance</b>
Yad Hanadiv Foundation	65,276	18,000	83,276	-
Ted Arison Family Foundation	26,611	-	26,611	-
D.I.C. Loans - picnic areas	44,070	-	44,070	-
Standards Institute	76,500	-	18,000	58,500
Education and promoting awareness	200,000	-	200,000	-
Creating Educational Kits about Accessibility	25,000	-	-	25,000
Legislation and Legal services	100,000	-	-	100,000
Fundraising in Israel and abroad	75,000	-	39,782	35,218
Promoting Accessible Technology	50,000	-	-	50,000
Tel Nof- picnic & hospitality area for Families	-	516,930	516,930	-
'Gan Elisheva' play yard	-	75,000	75,000	-
PRATT foundation – accessible picnic areas	-	253,824	41,498	212,326
Philip Morris International Fund	-	73,052	59,076	13,976
Ruderman Family Foundation	-	66,576	5,158	61,418
<b>Balance at 31/12/2011</b>	<b>662,457</b>	<b>1,003,382</b>	<b>1,109,401</b>	<b>556,438</b>
<b>Balance at 31/12/2010</b>	<b>467,234</b>	<b>554,542</b>	<b>359,319</b>	<b>662,457</b>

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

### FINANCIAL STATEMENTS NOTES

1 - Yad Hanadiv Foundation

Fund is designated for accessibility studying on the internet, e-learning. The donation was received from Yad Hanadiv fund, during 2009.

In addition, during 2011, a 18,000 NIS donation was received from the donor for the same purpose. During 2011 the total sum of 83,276 NIS was used according to the donor's instructions.

2 - Ted Arison Family Foundation - Picnic areas

During 2008, a donation was received from the Ted Arison Family Foundation for the purpose of the establishment of 3 accessible picnic areas:

Apolonia picnic area – completed towards the end of 2009.

Ein Gedi picnic area – completed during 2009.

Jordan park picnic area – completed during 2010.

According to the Ted Arison Family Foundation's instructions dated 28 February 2011, the remaining funds shall be invested in an additional picnic area in Apolonia. During 2011 the sum of 26,611 NIS was used according to the donor's instructions. This picnic area was completed during 2011.

3 - D.I.C. Loans picnic areas

During 2010, a 50,000 NIS donation was received from D.I.C Loans for the purpose of the establishment of a picnic area near Kiryat Shmona named after Liran Seadia of blessed memory together with a donation from the PRATT foundation. During 2011 the sum of 50,000 NIS was used according to the donor's instructions and the picnic area was completed during 2011.

4 - 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.

During 2009 and 2011, 13,500 NIS and 18,000 NIS respectively were used for this purpose. The balance on 31 December 2011 is 58,500 NIS.

5 - Education and promoting awareness

According to the 30 December 2009 Executive Committee Meeting Protocol, promotional allowance for the purpose of education and promoting awareness for the accessibility issue was approved in amount of 100,000 NIS.

According to the 20 December 2010 Executive Committee Meeting Protocol, promotional allowance for the same purpose was additionally approved in amount of 200,000 NIS.

During 2010 and 2011 100,000 NIS and 200,000 NIS respectively were executed and for this purpose.

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

### FINANCIAL STATEMENTS NOTES

- 6 - Creating education kits about accessibility  
According to the 20 December 2010 Executive Committee Meeting Protocol, promotional allowance for the purpose of funding a film/show production to increasing public awareness on accessibility issues was approved in amount of 25,000 NIS.  
According to the 28 December 2011 Executive Committee Meeting Protocol, the committee decided to allow the use of this allowance also for the use of creating education kits about accessibility.  
During 2011 such education kits activities were not executed yet and the balance on 31 December 2011 is 25,000 NIS.
- 7 - Legislation and Legal services  
According to the 20 December 2010 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.  
During 2011 Access Israel was very active in this matter but didn't use this reserve.  
The balance on 31 December 2011 is 100,000 NIS.
- 8 - Fundraising in Israel and abroad  
According to the 20 December 2010 Executive Committee Meeting Protocol, promotional allowance for the purpose of Fundraising in Israel and abroad, was approved in amount of 75,000 NIS.  
During 2011 such Fundraising activities were executed in the amount of 39,782 NIS and the balance on 31 December 2011 is 35,218 NIS.
- 9 - Promoting Accessible Internet and Technology  
According to the 20 December 2010 Executive Committee Meeting Protocol, promotional allowance for the purpose of Promoting Accessible Internet and Technology, was approved in amount of 50,000 NIS.  
During 2011 Access Israel was very active in this matter but didn't use this reserve.  
The balance on 31 December 2011 is 50,000 NIS.
- 10 - Tel Nof- Families' picnic and Hospitality area  
During May 2011, a 516,930 NIS donation was received from private donors through the Israel New Fund for the purpose of the establishment of a new family's hospitality area at Tel Nof air force base. This unique family's hospitality area was completed during 2011.
- 11 - 'Gan Elisheva' play yard  
During May 2011, a 75,000 NIS donation was received from Machtshim Agan Ltd. for the purpose of the establishment of 'Gan Elisheva' play yard in the city of Ashdod. 'Gan Elishva' project was completed during 2011.
- 12 - 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.  
The balance on 31 December 2011 is 212,326 NIS.

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

**FINANCIAL STATEMENTS NOTES**

13 - **Philip Morris International Fund**

On December 2011, 73,052 NIS donation was received from Philip Morris International Fund for the purpose of "Help me to help you" – the guidance of accessible services in municipalities. During 2011 such activity was executed in the full amount of 59,076 NIS, and the balance on 31 December 2011 is 13,976 NIS.

14 - **Ruderman Family Foundation**

During June 2011, a 66,576 NIS donation was received from the Ruderman Family Foundation for promoting pupils and schools' staff awareness through training about Accessibility.

During 2011 the sum of 5,158 NIS was used for the above mentioned activity and the balance on 31 December 2011 is 61,418 NIS.

**Note 7: Income from activities**

	<b><u>31 December</u></b>	
	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Income from donations and benefit days	1,227,047	1,764,127
Consultation and accessibility distribution	1,236,894	1,419,151
Income from education and awareness promotion	342,779	98,314
	<b><u>2,806,720</u></b>	<b><u>3,281,592</u></b>

During the years 2010-2011 the organization did not receive any governmental support of funds.

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

**FINANCIAL STATEMENTS NOTES**

**Note 8: Cost of activities**

	<b><u>31 December</u></b>	
	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Salaries and related- review, entering data and coordination	137,592	112,721
Salaries and related- accessibility		
Consultation	416,721	324,712
Accessibility studying	4,239	53,152
Web site maintenance	7,769	6,949
Collection of contents and information	245,224	189,009
Subcontractors and accessibility consultants expenses	498,476	1,095,543
Benefit days expenses	-	47,756
Projects expenses	253,871	434,920
Education expenses	370,651	170,991
Technologic Accessibility expenses	43,901	
Business Forum	141,150	98,415
Independence Life Space with 'JDC Israel' participation	257,807	182,670
Depreciation – computers and website	15,142	21,737
	<b><u>2,392,543</u></b>	<b><u>2,738,575</u></b>

**Note 9: Administrative and General Expenses**

	<b><u>31 December</u></b>	
	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b><u>NIS</u></b>	<b><u>NIS</u></b>
Salaries and related expenses – management	149,877	93,030
Rent	51,492	21,383
Maintenance	40,588	72,464
Office and administrative expenses	32,431	14,623
Insurance	18,630	19,233
Mail and communication	37,801	48,401
Promoting awareness and advertising	45,000	56,121
Accommodation	15,680	10,745
Tolls, registration and municipal fees	55,349	41,284
Legal and professional fees	42,340	34,958
Office equipment depreciation	8,865	5,278
	<b><u>498,053</u></b>	<b><u>417,520</u></b>