

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

FINANCIAL STATEMENTS

31 DECEMBER 2020

ACCESS ISRAEL (N.G.O.)
registered society No' 580341204
Financial Statements, as at December 31, 2020

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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, 2020 and 2019 and the related statements of operations for the years ended 31 December, 2020 and 2019. 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.

In our opinion, the aforementioned financial statements present fairly the financial position of the organization as of 31 December, 2020 and 2019 and the results of its operations for the years ended 31 December, 2020 and 2019, in conformity with generally accepted accounting principles.


Ezra kadouri & Co.
Certified Public Accountants (Israel)

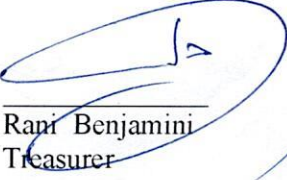
Petah-Tikva, Israel,
August 17, 2021

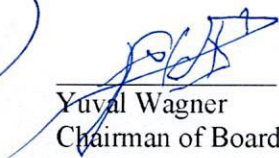
ACCESS ISRAEL (N.G.O.)

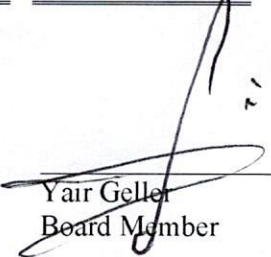
BALANCE SHEET

		<u>31 December</u>	
	<u>Note</u>	<u>2020</u>	<u>2019</u>
		<u>NIS</u>	<u>NIS</u>
<u>Current assets</u>			
Cash and bank cashier		1,789,178	1,326,787
Customers and Cheques for collection	3	72,132	68,672
Other receivables	4	74,236	4,388
		<u>1,935,546</u>	<u>1,399,847</u>
<u>Fixed assets, net</u>			
	5	<u>306,963</u>	<u>359,082</u>
Total assets		<u>2,242,509</u>	<u>1,758,929</u>
<u>Current liabilities</u>			
Suppliers and payable checks	6	121,469	172,346
Accounts Payable	7	315,451	450,131
		<u>436,920</u>	<u>622,477</u>
Retirement benefit, net	8	-	-
<u>Assets, net</u>			
Designated by nonprofit institution	9	300,000	-
Used for activities		929,469	390,149
Used to purchase fixed assets		306,963	359,082
Net assets with temporary restrictions	10	269,157	387,221
Total		<u>1,805,589</u>	<u>1,136,452</u>
Total liabilities		<u>2,242,509</u>	<u>1,758,929</u>


Michal Rimon
CEO


Rami Benjamini
Treasurer


Yuval Wagner
Chairman of Board


Yair Geller
Board Member

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>2020</u>	<u>2019</u>
		<u>NIS</u>	<u>NIS</u>
Total Revenue	11	6,933,072	9,928,237
Operating Expenses	12	5,036,668	8,329,646
Operating Income from activities		<u>1,896,404</u>	<u>1,598,591</u>
Administrative and general expenses	13	1,145,652	1,269,957
Net Income (Expense) before financial income		<u>750,752</u>	<u>(328,634)</u>
Financial Expense net		34,051	14,294
Net Income (Expense) after financial income		<u>716,701</u>	<u>314,340</u>
Other income, net	14	70,500	-
Net Profit (Loss) for the year		<u>787,201</u>	<u>314,340</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>		<u>For Fixed</u>	<u>Temporary</u>	<u>Permane</u>	
	<u>Not</u>	<u>Designate</u>				
	<u>marked by</u>	<u>d by</u>	<u>Assets</u>			
	<u>nonprofit</u>	<u>nonprofit</u>				
	<u>institution</u>	<u>institution</u>				
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
Balance at 1st January 2018	355,521	-	380,795	520,001	-	1,256,317
Allocations				2,037,792		2,037,792
Expenses				(1,158,215)		(1,158,215)
Year net deficit	(301,425)					(301,425)
Amounts transferred - used to purchase fixed assets	(127,922)		127,922			-
Amounts transferred to cover depreciation costs	91,355		(91,355)			-
Balance at 31 December 2018	17,529	-	417,362	1,399,578	-	1,834,469
Allocations				694,091		694,091
Expenses				(1,706,448)		(1,706,448)
Year net income	314,340					314,340
Amounts transferred - used to purchase fixed assets	(28,031)		28,031			-
Amounts transferred to cover depreciation costs	86,311		(86,311)			-
Balance at 31 December 2019	390,149	-	359,082	387,221	-	1,136,452
Allocations				584,449		584,449
Expenses				(702,513)		(702,513)
Year net income	787,201					787,201
Designated by nonprofit institution	(300,000)	300,000				
Amounts transferred - used to purchase fixed assets	(28,599)		28,599			-
Amounts transferred to cover depreciation costs	80,718		(80,718)			-
Balance at 31 December 2020	929,469	300,000	306,963	269,157	-	1,805,589

The accompanying notes are an integral part of the financial statements

ACCESS ISRAEL (N.G.O.)

CASH FLOW STATEMENT

	<u>For the Year</u>	
	<u>Ended 31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
<u>Cash flow from current activities</u>		
Surplus Income (Expenses)	787,201	314,340
Adjustments required to present cash flows from operations and cash equivalents, Appendix A	(178,147)	(18,337)
Net cash deriving from current activities	609,054	296,003
<u>Cash flow from investment activities</u>		
Purchase of fixed assets	(28,599)	(28,031)
Net cash deriving used for investment activities	(28,599)	(28,031)
<u>Cash flow from financing activities</u>		
Temporarily restricted assets transfer	(118,064)	(1,012,357)
Net cash deriving used for financing activities	(118,064)	(1,012,357)
Increase (decrease) in cash and cash equivalents	462,391	(744,385)
Balance of cash and cash equivalents at beginning of year	1,326,787	2,071,172
Balance of cash and cash equivalents at end of year	<u>1,789,178</u>	<u>1,326,787</u>
<u>Appendix A</u>		
Income and expenses not involving cash flow:		
Depreciation and amortization	80,718	86,311
Changes in assets and liabilities:		
Decrease (increase) of checks for collection	-	(14,748)
Decrease (increase) in accounts receivable	(69,848)	2,118
Increase (decrease) in suppliers and service providers	(50,877)	(208,827)
Increase (decrease) in Receivable Income	(3,460)	166,074
Increase (decrease) in accounts payable	(134,680)	(49,265)
	<u>(178,147)</u>	<u>(18,337)</u>

The accompanying notes are an integral part of the financial statements

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 1: General

Access Israel (N.G.O.), is an organization registered by Non-for-Profit Organizations 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.

Note 2: Main accounting policies

A - Significant accounting policies

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

- 1 - As of 2020, the financial statements were presented in accordance with Accounting Standard No. 40 of the Accounting Standards Institute published in August 2020.
- 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.

B - 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

C - **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>
31.12.2020	3.215	223.34
31.12.2019	3.456	224.67

Rate of change in the ending
on

31.12.2020	-7%	-0.6%
31.12.2019	-7.8%	0.3%

* The index average basis 1993=100

D - **Fixed Assets:**

The fixed assets are shown at cost less accumulated depreciation. Depreciation is calculated according to the equal depreciation method at annual rates that are considered sufficient to depreciate the assets during their estimated useful life.

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FINANCIAL STATEMENTS NOTES

Note 3: Customers and Cheques for collection

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Customers	25,000	-
Cheques for collection	47,132	68,672
	<u>72,132</u>	<u>68,672</u>

Note 4: Other receivables

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Supplier advance	8,770	4,388
Expenses in advance	15,466	-
Receiveble Income	50,000	-
	<u>74,236</u>	<u>4,388</u>

Note 5: Fixed assets, net

	<u>Computer Equipment</u>	<u>Furniture and Equipment</u>	<u>Website</u>	<u>Leasehold improvements</u>	<u>Total</u>
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
Cost	623,425	345,177	152,356	239,209	1,360,167
Cost of opening balance	28,599	-	-	-	28,599
Additions this year	652,024	345,177	152,356	239,209	1,388,766
Accumulated depreciation	(569,144)	(199,544)	(152,356)	(80,041)	(1,001,085)
Depreciation Depreciation is accumulated	(27,499)	(29,298)	-	(23,921)	(80,718)
Additions this year	(596,643)	(228,842)	(152,356)	(103,962)	(1,081,803)
Fixed assets, net, as of December 31, 2020	<u>55,381</u>	<u>116,335</u>	<u>-</u>	<u>135,247</u>	<u>306,963</u>
Fixed assets, net, as of December 31, 2019	<u>54,281</u>	<u>145,633</u>	<u>-</u>	<u>159,168</u>	<u>359,082</u>

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FINANCIAL STATEMENTS NOTES

Note 6: Suppliers and payable checks

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Suppliers	112,699	162,456
payable checks	8,770	9,890
	<u>121,469</u>	<u>172,346</u>

Note 7: Accounts Payable

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Institutes	93,805	124,509
Employees	221,646	325,622
	<u>315,451</u>	<u>450,131</u>

Note 8: Retirement benefit, net

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Employees' compensation reserve	970,258	1,149,663
Mission compensation	(970,258)	(1,149,663)
	<u>-</u>	<u>-</u>

For most of the employees, the organization deposits severance pay to the insurance funds at a rate of 8.33% when they are signed under section 14. Employees who are not signed under section 14 are covered by a central severance pay fund. Therefore, the organization has no obligation that is not covered

Note 9: Designated by nonprofit institution

1. At the board meeting of December 29, 2020, it was decided to allocate a total of 150,000 NIS for the purpose of the 'Accessible Future' ecosystem project and the organization's international activities.
2. At the board meeting of December 29, 2020, it was decided to allocate a total of NIS 150,000 for the purpose of technological procurement, including hardware and equipment, software, licenses to promote the organization's activities.

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 10: Net assets with temporary restrictions

	<u>Opening Balance</u>	<u>Income</u>	<u>Expenses</u>	<u>Closing Balance</u>
PRATT Foundation (1)	5,000	-	-	5,000
Peretz Naftali Foundation (2)	-	40,000	28,500	11,500
Ted Arison Family Foundation (3)	21,320	-	21,320	-
Clal Foundation (4)	18,453	200,000	18,453	200,000
Migdal Insurance Foundation (5)	13,400	50,000	40,000	23,400
"Knowing in Advance" Project (6)	-	75,000	75,000	-
Legal Center Project (7)	-	75,000	75,000	-
Silver Foundation (8)	18,157	-	-	18,157
Clal Foundation – (From Legal Settlement) (9)	310,891	-	310,891	-
Yosef and Kristina Kassirer Foundation (10)	-	75,000	63,900	11,100
Public inquiries center for people with disabilities Project (11)	-	69,449	69,449	-
	<u>387,221</u>	<u>584,449</u>	<u>702,513</u>	<u>269,157</u>

1 - PRATT Foundation

In 2011, a donation of NIS 253,824 was received from the PRATT Foundation for the establishment of new picnic areas around Israel. By December 31, 2017, a total of NIS 248,824 had been used.

In 2018 - 2020 there was no movement in the fund. The balance of the fund as of December 31, 2020 is NIS 5,000.

2 - Peretz Naftali Foundation

In 2020, a donation of NIS 40,000 was received for activities promoting accessibility and school integration, and a total of NIS 28,500 was used during the year.

The balance of the fund as of December 31, 2020 is 11,500 NIS.

3 - Ted Arison Family Foundation

In 2017, a donation was received from the Ted Arison Foundation for training in schools for students and teachers in the amount of NIS 360,573. The balance of the fund as of December 31, 2017 is NIS 106,460.

In 2018, an additional donation of NIS 361,473 was received and a total of NIS 455,433 was used.

In 2019, an additional donation of 117,109 NIS was received and a total of 108,289 NIS was used.

In 2020, the full fund balance of NIS 21,320 was used.

4 - Clal Foundation - To promote accessibility education in school

During 2018, donations totaling NIS 100,000 were received for educational activities promoting accessibility and integration in schools. In 2018, a total of NIS 50,000 was used and the balance of the fund as of December 31, 2018 is NIS 50,000.

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

In 2019, an additional donation of 100,000 NIS was received and a total of 131,547 NIS was used.

In 2020, the balance of the fund transferred from 2019 in the amount of NIS 18,453 was used and an additional NIS 200,000 was received during December for the same purpose. The balance of the fund as of December 31, 2020 is NIS 200,000.

5 - Migdal Insurance Foundation

During 2017, donations totaling NIS 100,000 were received from Migdal Insurance for educational activities in schools.

In 2017, 80,599 NIS were used for the benefit of the project. In 2018, the balance of 2017 was used in full.

In November 2018, a donation of NIS 25,000 was received for the project. In the reporting year, the donation was fully utilized.

During 2019, donations totaling NIS 25,000 were received, which were fully utilized. In addition, a donation totaling NIS 50,000 was received and as of December 31, 2019, the balance is NIS 13,400.

In 2020, a donation of NIS 50,000 was added as a second milestone for the project that began in 2019.

The balance of the fund as of December 31, 2020 is NIS 23,400.

6 - "Knowing in Advance" Project

In December 2017, a donation of 150,000 NIS was received from "Poaleim Ba Kehilah" (Poalim in the Community) for assistance in making the organization's website accessible to people with disabilities. In 2018, the donation was fully utilized.

In 2019, an additional donation of NIS 150,000 was received. In the reporting year, the donation was fully utilized.

In 2020, an additional donation of NIS 75,000 was received. In the reporting year, the donation was fully utilized.

7 - Legal Center Project

In July 2020, a donation of NIS 75,000 was received from "Poaleim Ba Kehilah" (Poalim in the Community) for the center that initiates and monitors legislation and regulations on the promotion of equal rights for people with disabilities, including responding to public complaints on accessibility issues. In 2020, the donation was fully used.

8 - Silver Foundation

In October 2018, a total of NIS 18,157 was received in cooperation with Freewheel to promote the independence of parents with disabilities

As of December 31, 2018, the donation has not yet been used.

In 2019, an additional donation of NIS 17,414 was received, this donation was fully utilized.

In 2020, the donor approved the use of the balance of the fund amounting to 18,157 NIS for the benefit of international webinars and the organization's projects and the fund was fully utilized.

9 - Clal Foundation – (From Legal Settlement)

In December 2018, a total of NIS 1,260,480 was received according to the settlement agreement T.A 1838/08 T.Z 31686-01-10, which was decided upon on December 20, 2018.

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

It was agreed that the total contribution in the compromise would be for the current activities of the organization according to the details sent to the donor.

As of December 31, 2018, the donation has not yet been used.

In 2019, 949,588 NIS were used for the benefit of the project.

In 2020, the donation was fully used.

10 - Yosef and Kristina Kassirer Foundation

In May 2020, a donation of NIS 75,000 was received from the Yosef and Kristina Kassirer Foundation for the benefit of the 'Equal to All' project to promote accessibility and integration in the field of education. During the year, a total of NIS 63,900 was used. The balance of the fund as of December 31, 2020 is 11,100 NIS.

11 - Public inquiries center for people with disabilities Project

In October 2018, a decision was made on a donation by the United Israel Appeal of Canada Inc fund in the amount of 100,000 Canadian dollars for a public inquiry center for people with disabilities. Out of the above total, 25% of the project was carried out in 2018 in the amount of 25,000 Canadian dollars.

In 2019, a donation of NIS 195,120 was received for the project. The donation was fully utilized in the reporting year.

In 2020, a donation of NIS 69,449 was received for the project. The donation was fully utilized in the reporting year.

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 11: Income from activities

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Income from donations and Fundraising events	1,059,786	2,018,095
Consultation and accessibility distribution	1,667,958	2,518,807
Income of the Center for Information Accessibility	1,409,343	1,329,301
Income from education and awareness promotion	939,986	1,773,944
Income from professional training	1,336,185	1,187,237
Sponsorships and grants	466,970	1,100,853
Income from donating products for sale	52,844	-
	<u>6,933,072</u>	<u>9,928,237</u>

Note 12: Cost of activities

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Consultation and accessibility distribution expenses	1,373,312	3,454,010
Center for Information Access expenses	910,009	749,587
Education and awareness promotion expenses	762,565	1,180,212
Professional training expenses	782,860	1,188,920
Independent life in the Galilee area supported by Joint Israel	206,952	581,679
The Druze branch	11,571	55,903
Access Israel North A.I.N	20,444	21,468
Access Israel Eilat and the Arava area	93,686	129,379
Pass it forward project	185,411	241,196
Computers and web portal depreciation	27,499	32,424
Sponsorships and grants	427,160	694,868
Development of international relations and resources	182,355	-
Inventory of products received for sale	52,844	-
	<u>5,036,668</u>	<u>8,329,646</u>

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FINANCIAL STATEMENTS NOTES

Note 13: Administrative and General Expenses

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Salaries and related expenses – management	529,177	544,015
Rent	49,265	51,558
Maintenance	53,035	57,907
Office and administrative expenses	51,031	65,906
Insurance	66,334	49,492
Mail and communication	52,280	38,664
Fundraising	45,559	81,192
Accommodation	10,764	59,441
Tolls, registration and municipal fees	72,505	29,680
Legal and professional fees	162,483	238,215
Office equipment depreciation	53,219	53,887
	<u>1,145,652</u>	<u>1,269,957</u>

Note 14: Other income, net

	<u>31 December</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Employment incentive grant	<u>70,500</u>	<u>-</u>

Note 15: Guarantees

The organization gave bank guarantees during its normal operation amount of approximately 55,000 NIS

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 16: Donation

Below the names of its contributors, which donated to the organization amount of NIS 100,000 in 2020:

	<u>A Contributor</u>	
1	Public through Shufersel Ltd	243,390
2	Clal Insurance Company Ltd	200,000
3	Poalim in the community	150,000

Note 17: Contribution from a foreign political entity

On 12/21/2020 a donation of NIS 16,260 was received from the US Embassy intended for promotion and participation in professional webinars and participation of lecturers from the US.

Note 18: Events after the balance sheet date

The outbreak of the corona epidemic was discovered at the end of 2019 - the beginning of 2020 in China, spread throughout the world and in Israel.

Dealing with the outbreak of the virus in Israel and in the world includes different regulatory guidelines, which are updated frequently. The spread of the virus has profound consequences for the global economy and the economy in Israel, including consequences for the business continuity of many businesses, when as of the time of preparing these financial statements it is not yet known how long it will take to continue to deal with the aforementioned consequences.

The organization prepares and responds to the aforementioned events in order to try to reduce, as much as possible, their impact on the organization and therefore, in 2020 the organization took employees on unpaid leave and events were canceled

There was also a decrease in current costs due to the reduction of activity.

It should be noted that as of the date of approval of these financial statements, there is no material impact on the activity cycle of the organization.