

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

FINANCIAL STATEMENTS

31 DECEMBER 2017

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

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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 , 2017 and 2016 and the related statements of operations for the years ended 31 December, 2017 and 2016. 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, 2017 and 2016 and the results of its operations for the years ended 31 December, 2017 and 2016, in conformity with generally accepted accounting principles.

Ezra kadouri & Co.
Certified Public Accountants (Israel)

Petah-Tikva, Israel,
June 17, 2018

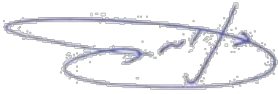
ACCESS ISRAEL (N.G.O.)

BALANCE SHEET

		<u>31 December</u>	
	<u>Note</u>	<u>2017</u>	<u>2016</u>
		<u>NIS</u>	<u>NIS</u>
<u>Current assets</u>			
Cash and bank cashier		1,858,132	1,173,102
Cheque for collection		60,320	26,580
Receivable Income		49,638	40,000
Other receivables		8,169	6,294
		<u>1,976,259</u>	<u>1,245,976</u>
<u>Fixed assets, net</u>	2	<u>380,795</u>	<u>304,224</u>
Total assets		<u>2,357,054</u>	<u>1,550,200</u>
<u>Current liabilities</u>			
Notes Payable		373,335	33,675
Suppliers		209,052	240,843
Accounts Payable	3	460,180	380,413
		<u>1,042,567</u>	<u>654,931</u>
Retirement benefit, net	4	58,171	85,221
<u>Assets, net</u>			
Used to purchase fixed assets		380,795	304,224
Net assets with temporary restrictions	5	520,001	201,269
Used for activities		355,520	304,555
Total		<u>1,256,316</u>	<u>810,048</u>
Total liabilities		<u>2,357,054</u>	<u>1,550,200</u>




Michal Rimon
Access Israel Manager



Rani Benjamini
Access Israel Treasurer

Yair Geler
Member of the Board



Avi Israel
Chairman

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>2017</u>	<u>2016</u>
		<u>NIS</u>	<u>NIS</u>
Total Revenue	6	9,697,996	9,466,099
Operating Expenses	7	7,878,001	7,619,628
Operating Income from activities		<u>1,819,995</u>	<u>1,846,471</u>
Administrative and general expenses	8	1,625,378	1,711,313
Net Income (Expense) before financial income		<u>194,617</u>	<u>135,158</u>
Financial Income (Expense) net		(67,081)	(38,057)
Net Profit (Loss) for the year		<u>127,536</u>	<u>97,101</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>		For Fixed Assets	Temporary	Permanent	
	Not marked by nonprofit institution	Designated by nonprofit institution				
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
Balance at 1st January 2015	411,982	-	338,898	854,855	-	1,605,735
Allocations				775,574		775,574
Expenses				(1,124,455)		(1,124,455)
Year net deficit	(293,384)					(293,384)
Net assets released amounts Limited - used to purchase fixed assets			40,754	(40,754)		-
Amounts transferred - used to purchase fixed assets	(51,364)		51,364			-
Amounts transferred to cover depreciation costs	86,731		(86,731)			-
Balance at 31 December 2015	153,965	-	344,285	465,220	-	963,470
Allocations				978,264		978,264
Expenses				(1,228,787)		(1,228,787)
Year net income	97,101					97,101
Net assets released amounts Limited - used to purchase fixed assets			13,428	(13,428)		-
Amounts transferred - used to purchase fixed assets	(37,456)		37,456			-
Amounts transferred to cover depreciation costs	90,946		(90,946)			-
Balance at 31 December 2016	304,556	-	304,223	201,269	-	810,048
Allocations				1,389,388		1,389,388
Expenses				(1,070,656)		(1,070,656)
Year net income	127,536					127,536
Amounts transferred - used to purchase fixed assets	(167,323)		167,323			-
Amounts transferred to cover depreciation costs	90,751		(90,751)			-
Balance at 31 December 2017	355,520	-	380,795	520,001	-	1,256,316

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>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
<u>Cash flow from current activities</u>		
Surplus Income (Expenses)	127,536	97,101
Adjustments required to present cash flows from operations and cash equivalents, Appendix A	406,084	530,248
Net cash deriving from current activities	533,620	627,349
<u>Cash flow from investment activities</u>		
Purchase of fixed assets	(167,322)	(50,884)
Net cash deriving used for investment activities	(167,322)	(50,884)
<u>Cash flow from financing activities</u>		
Temporarily restricted assets transfer	(318,732)	(250,523)
Net cash deriving used for financing activities	(318,732)	(250,523)
Increase (decrease) in cash and cash equivalents	685,030	325,942
Balance of cash and cash equivalents at beginning of year	1,173,102	847,160
Balance of cash and cash equivalents at end of year	1,858,132	1,173,102
<u>Appendix A</u>		
Income and expenses not involving cash flow:		
Depreciation and amortization	90,751	90,946
Appointed to the reserve surplus (increase) decrease	(27,050)	7,876
Changes in assets and liabilities:		
Decrease (increase) of checks for collection	(33,470)	182,542
Decrease (increase) in accounts receivable	(1,875)	44,088
Increase in suppliers and service providers	307,869	249,381
(Increase) in Receivable Income	(9,638)	-
Increase (decrease) in accounts payable	79,767	(44,585)
	406,084	530,248

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>
31.12.2017	3.467	221.35
31.12.2016	3.845	220.68
Rate of change in the ending on		
31.12.2017	(9.8)%	0.3%
31.12.2016	(1.46)%	(0.2)%

* The index average basis 1993=100

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 2: Fixed assets, net

	Cost	Accumulated depreciation	Depreciated cost	
	31/12/2017	31/12/2017	31/12/2017	31/12/2016
Website	152,356	152,355	1	1,717
Leasehold improvements	185,661	34,317	151,344	71,699
Furniture and Equipment	304,181	140,008	164,173	144,838
Computer Equipment	562,015	496,738	65,277	85,970
	<u>1,204,213</u>	<u>823,418</u>	<u>380,795</u>	<u>304,224</u>

Note 3: Accounts Payable

	<u>31 December</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
Institutions	107,653	75,220
Employees	352,277	305,193
	<u>460,180</u>	<u>380,413</u>

Note 4: Retirement benefit, net

	<u>31 December</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
Employees' compensation reserve	978,352	945,726
Mission compensation	(920,181)	(860,505)
	<u>58,171</u>	<u>85,221</u>

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 5: Net assets with temporary restrictions

	<u>Opening Balance</u>	<u>Income</u>	<u>Expenses</u>	<u>Closing Balance</u>
Fund for conferences and fundraising	-	28,872	28,872	-
PRATT Foundation	55,802	-	50,802	5,000
Peretz Naftali Foundation	30,000	30,000	50,339	9,661
Ted Arison Family Foundation	23,071	360,573	277,183	106,461
Fund to purchase bicycles and related equipment	6,180	173,363	164,847	14,696
Bezeq Foundation	6,948	51,391	34,543	23,797
Fund for activities in the area for independent living in the Galilee	40,867	22,500	63,367	-
The Upper Galilee Regional Council Fund	-	10,000	10,000	-
Foundation for the Advancement of Accessibility Education in Schools	18,400	100,000	118,400	-
Foundation for the Advancement of Accessibility Education in School	20,000	-	20,000	-
Eyal Coatings LTD	-	67,500	67,500	-
Philip Morris Ltd. PMI Foundation (Israeli affiliate)	-	105,390	-	105,390
Salvisberg – Wessely Foundation	-	27,299	-	27,299
Migdal Insurance Foundation	-	100,000	80,599	19,401
Yad Hanadiv	-	112,500	104,204	8,296
Access Israel Website	-	150,000	-	150,000
Access Israel Conference 2018	-	50,000	-	50,000
Balance at 31/12/2017	<u>201,268</u>	<u>1,389,388</u>	<u>1,070,655</u>	<u>520,001</u>
Balance at 31/12/2016	<u>465,220</u>	<u>978,264</u>	<u>1,242,216</u>	<u>201,268</u>

1 - Fund for conferences and fundraising

In March 2017, a 11,259 NIS donation was received from OrCam Technologies Ltd. for assistance in financing participation in the Zero Project International Conference held in Vienna, Austria.

In June a donation was received via Jeremy Noam's PEF for the sum of 17,613 NIS for assistance in financing the travel to the United States by the President of the N.G.O. to an international conference in New York.

In the reported year, the full amount of the donation was utilized.

2 - PRATT Foundation

In 2011, a 253,824 NIS donation was received from the PRATT Foundation for the establishment of new picnic areas around Israel.

In 2011 the sum of 41,498 NIS was used for the establishment of a picnic area near Kiryat Shmona named after Liran Seadia z.l.

In 2012 the sum of 70,942 NIS was used for the establishment of the following picnic areas: Yehoshua Park in Tel Aviv, Kibbutz Sde Eliyahu named after Doron Truper z.l. and in Hod Hasharon.

In 2013 the sum of 4,602 NIS was used and in 2014 the sum of 40,980 NIS was used.

In 2015 the sum of 40,000 NIS was used.

In 2017 the sum of 50,802 NIS was used for the establishment of a picnic area in Park Ariel Sharon.

The balance on December 31, 2017 is 5,000 NIS.

3 - Peretz Naftali Foundation

In July 2014, a 30,000 NIS donation was received from the Peretz Naftali Foundation for educational activities of the project 'Accessible City for All' in three schools.

During 2015, an additional 30,000 NIS donation was received for accessibility training for youth in the education system. And the activity was carried out for the full amount received.

In August 2016, an additional 30,000 NIS donation was received for accessibility training for the youth in the education system.

In July 2017, a 30,000 NIS donation was received from the Peretz Naftali Foundation for accessibility training for youth in the education system.

In the year 2017, 50,339 NIS were used for the benefit of the project.

The balance of the fund on 31 December 2017 is 9,661 NIS.

4 - Ted Arison Family Foundation

In 2013, a 224,057 NIS donation was received from the Ted Arison Family Foundation for the purpose of the project 'A-B-C of accessibility' in 17 elementary schools and for funding a conference in cooperation with the Ministry of Education.

In July 2014, an additional sum of 211,100 NIS was received for the same purpose.

In 2013, the sum of 168,995 NIS was used.

In 2014, the sum of 141,774 NIS was used.

In 2015, the remainder of the donation of 124,398 NIS was used.

In 2016, an additional donation of 384,571 NIS was received and 361,500 NIS was used.

In 2017, an additional donation of 360,573 NIS was received and 384,571 NIS was used.

The balance of the fund on 31 December 2017 is 106,461 NIS.

5 - Fund to purchase bicycles and related equipment

In March 2016, support was received from Bituach Leumi for the sum of 86,614 NIS for the purchase of bicycles adapted to people with disabilities and related equipment. Also, an additional sum of 12,792 NIS was raised to match the same purpose.

In 2016, a purchase was made in the sum of 93,226 NIS .

In March 2017, support was received from the Bituach Leumi fund for the sum of 86,614 NIS for the continuation of the Project and an additional 43,442 NIS was raised to match the same purpose.

In 2017, 164,847 NIS was utilised for the benefit of the project.

Additional amounts need to be received in 2018 from Bituach Leumi to cover project expenses in 2018 for the sum of 43,308 NIS.

The balance of the fund on 31 December 2017 is 14,696 NIS.

6 - Bezeq Foundation

In May 2016, a donation of 50,000 NIS was received from Bezeq Company as part of the project approved of 100,000 NIS approved as part of the implementation of the first stage of the Accessibility Project in the Network, which assists the Association for Information Accessibility to make accessible videos for the deaf and people with hearing disabilities.

In 2016, the sum of 43,052 NIS was used.

In March 2017, a donation of 50,000 NIS was received for the project and 34,543 NIS was used.

The balance in the fund on 31 December 2017 is 23,797 NIS.

7 - Fund for activities in the area for independent living in the Galilee

During 2016, a number of donations from different donors were procured for 65,358 NIS, most of them from funds from the Galilee and the Golan. These donations enabled the managers of the Independent Living Center in the Galilee to perform additional activities than the activities financed by the Joint Israel Fund for Disabilities.

In 2016, the sum of 24,491 NIS was used.

In 2017, 22,500 NIS was procured from different donations and 63,367 NIS was utilized for activities.

In the report year the full amount of the donation was utilized.

8 - The Upper Galilee Regional Council Fund

In November 2017, 10,000 NIS was received designated to support transportation of the activities of the Independent Living Center in 2017.

During 2017 the full amount of the donation was utilized.

9 - Foundation for the Advancement of Accessibility Education in Schools

In October 2015, a donation of 279,303 NIS was received from Clal Insurance Company for educational activities in schools.

During 2015, 25,000 NIS were used for activities.

During 2016, a donation of 42,500 NIS was received and 278,403 NIS was used for activities.

During 2017, a donation of 100,000 NIS was received for educational activities in schools and 118,400 NIS were used.

During 2017 the full amount of the donation was utilized.

10 - Amot Investments Fund to create accessibility video clips

During 2015, a donation of the sum of 20,000 NIS was received from the Amot Investments Fund for the production of video clips on the subject of accessibility.

In the reported year the full amount of the donation was utilized.

11 - Eyal Coatings LTD. for assistance in financing of social services and continuing education

In 2017 a donation was received from Eyal Coatings LTD. Company for the sum of 67,500 NIS for the purpose of assistance in rent payments.

During 2017 the full amount of the donation was utilized.

12 - Philip Morris Ltd. PMI Foundation (Israeli affiliate)

In April 2016, a donation of 115,260 NIS was received from Philip Morris Ltd. PMI Foundation (Israeli affiliate) for the Project "Help Me to Help You" which trains local authorities in providing accessible services to people with disabilities. The project has won international awards.

In 2017 a donation for the sum of 105,390 NIS was received.

As of 31 December 2017, this contribution has not been utilised.

13 - Salvisberg Wessely Foundation

In July 2017, a donation for the sum of 27,299 NIS was received from the Salvisberg Wessely Foundation for the project "In the Middle of Life" which deals with short term accompaniment for people with non congenital disabilities.

14 - Migdal Insurance Foundation

During 2017, a donation of 100,000 NIS was received from the Migdal Insurance Foundation for educational activities in schools.

In 2017, 80,599 NIS was used for the benefit of the project.

The balance of the fund on 31 December 2017 is 19,401 NIS.

15 - Yad Hanadiv Foundation

In December 2017 a donation for the sum of 112,500 NIS was received from Yad Hanadiv for accessibility training of organizations.

In 2017, 104,204 NIS was utilized for the benefit of the project.

The fund balance on 31 December 2017 is 8,296 NIS.

16 - Access Israel Website

In December 2017, a donation of 150,000 NIS was received from "Poalim community Foundation" for assistance in making the organization's website accessible to people with disabilities. The money will be utilized in 2018.

As of 31 December 2017 this contribution has not been utilised.

17 - Access Israel Conference 2018

In December 2017 a donation for the sum of 50,000 NIS was received from Bank Hapoalim for the 6th Access Israel Conference which will take place in April 2018.

As of 31 December 2017, this contribution has not been utilised.

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 6: Income from activities

	<u>31 December</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
Income from donations and fundraising activities	2,710,929	2,805,666
Income from accessibility consultation and surveys	3,103,754	*2,717,630
Income of the Center for Information Accessibility	518,223	*147,665
Income from education and awareness campaigns	1,294,342	1,174,113
Income from professional training, courses and seminars	2,070,748	2,621,025
	<u>9,697,996</u>	<u>9,466,099</u>

*Reclassified

Note 7: Cost of activities

	<u>31 December</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
Expenses of accessibility consultation and survey	2,891,810	*2,455,608
Expenses of the center for Information Accessibility	397,288	*400,511
Expenses of the education and awareness campaigns	1,049,303	1,015,889
Expenses of professional training, courses and seminars	2,041,008	2,253,442
Expenses of the Independent Living Center in the Galilee supported by Joint Israel	699,262	619,826
Expenses of Access Israel North A.I.N	39,400	52,395
Expenses of Access Israel Eilat and the Arava area	295,908	415,010
Expenses for "Pass it forward in sign language" project	411,436	345,283
Computers and web portal depreciation	52,586	61,664
	<u>7,878,001</u>	<u>7,619,628</u>

*Reclassified

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 8: Administrative and General Expenses

	<u>31 December</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
Salaries and related expenses – management	838,202	964,275
Rent	32,111	27,897
Maintenance	62,422	63,558
Office and administrative expenses	64,033	77,829
Insurance	22,268	53,424
Mail and communication	46,530	49,545
Fundraising	168,671	123,442
Accommodation	21,309	44,486
Tolls, registration and municipal fees	91,685	62,649
Legal and professional fees	239,982	207,860
Seminars and conferences	-	7,246
Office equipment depreciation	38,165	29,282
	<u>1,625,378</u>	<u>1,711,313</u>

Note 9: Guarantees

The association gave bank guarantees during its normal operation amount of approximately 62 thousand NIS

ACCESS ISRAEL (N.G.O.)

FINANCIAL STATEMENTS NOTES

Note 10: Donation

Below the names of its contributors, which donated to the association amount of NIS 20,000 and above in 2017:

	<u>A Contributor</u>
1	JDC Israel (Joint Israel)
2	Egged Israel Transport Cooperative Society Ltd,
3	Shufersal
4	Ted Arison Family Foundation
5	Poalim Community Foundation
6	Phillip Morris (Israel)
7	Naomi Lustig
8	Bituach Leumi - National Social Security Agency
9	Amot Investment Ltd.
10	Yad Hanadiv
11	Bezeq Ltd.
12	Family Gazit Family Holdings Ltd.
13	Elron Electronic Industries Ltd.
14	Clal Insurance Company Ltd.
15	Advocate Markman Tomasin Trustee
16	Peretz Naftali Foundation
17	Eyal Coatings Ltd.
18	Migdal Insurance and Finance Holdings Ltd.
19	Bank Hapoalim Ltd.
20	P.E.F. Israel Endowment Founds
21	Hilfe fur Blinde in Israel
22	American Embassy
23	The Margot and Ernest Hamburger Foundation
24	Arkia Israeli Airlines Ltd.
25	Salvisberg – Wessely Foundation
26	Noam Lanir
27	Nothern Birch Ltd.

Note 11: On 04/04/2017, a donation of NIS 35,876 was received from the US Embassy to bring lecturers from the United States to lectures at the Israel Accessibility Conference. In addition, in May 2018, the Embassy donated an additional NIS 37,130 for the same purpose.