

# "BIZCHUT"

The Israel Human Right Center for people with Disabilities, an Amuta.

## Financial Statements 2007

<u>Contents</u>	<u>Page</u>
Report by the Auditing Accountant to the Association (Amuta)	
Directors	2
Balance Sheet	3
Statement of Activities	4
Statement of changes in net assets	5
Cash Flow Statement	6-7
Notes to the Financial Statements	8-13

## **INDEPENDENT AUDITORS' REPORT**

**To the members of**

**"BIZCHUT"**

**The Israel Human Rights Center for People with Disabilities, an Amuta**

We have audited the accompanying balance sheet of BIZCHUT - The Human Rights Center for People with Disabilities, an Amuta (herein "the Amuta") as of December 31, 2007 and 2006, the statements of activities, the statements of changes in net assets and the statements of cash flows for the years ended on these dates. These financial statements are the responsibility of the Amuta Board. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards, including those prescribed by the Auditors' Regulations (Auditors' Mode of Performance) - 1973. Those standards require 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 Board and the Directors of the Amuta, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in conformity with generally accepted accounting principles, in all material respects the financial position of the Amuta as of December 31, 2007 and 2006 the results of its activities, the changes in its net assets and its cash flows for the years ended on these dates.

These financial statements are prepared in reported values, in conformity with accounting principles of the institute of accountancy standards in Israel.

**ILAN SEGEV  
C.P.A (ISR)**

**September 21<sup>st</sup>, 2008  
Jerusalem, Israel**

"BIZCHUT"

THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH  
DISABILITIES, AN AMUTA

BALANCE SHEET

(In new shekels)

		As at 31 <sup>st</sup> December	
	Note	2006	2007
<b><u>Current assets</u></b>			
Cash and cash equivalents	3	1,236,164	1,649,919
Debtors and debit balances		40	-
Investments	4	380,001	393,966
		<u>1,616,205</u>	<u>2,043,885</u>
<b><u>Fixed assets, Net</u></b>			
	5	16,036	16,545
		<u>1,632,241</u>	<u>2,060,430</u>
<b><u>Current liabilities</u></b>			
Association for Civil Rights in Israel	13	65,110	60,501
Suppliers and service providers	6	49,398	33,604
Institutions and employees for wages	7	226,852	106,000
		<u>341,360</u>	<u>200,105</u>
<b><u>Severance pay liabilities, net</u></b>	8	71,064	67,532
<b><u>Net assets</u></b>			
Net assets in respect of which no restriction exists-			
Used in activities		773,744	1,164,249
Used in the purchase of fixed assets		16,036	16,544
Net assets in respect of which a temporary restriction exists		<u>430,037</u>	<u>612,000</u>
		<u>1,219,817</u>	<u>1,792,793</u>
		<u>1,632,241</u>	<u>2,060,430</u>

The Notes to the Financial Statements form an integral part thereof

Date of approval of  
the financial  
statements

Jonathan Gillis  
Chairman of the  
Board

Esther Sivan  
Executive  
Director

Doron Tamir  
Board  
Member

"BIZCHUT"

THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH  
DISABILITIES, AN AMUTA

STATEMENT OF ACTIVITIES

(In new shekels)

	Note	For the year ended on 31 <sup>st</sup> December	
		2006	2007
Income	9	1,796,593	2,343,371
Operating expenses	10	1,459,342	1,724,583
Surplus from activities		337,251	618,788
Administrative and general expenses	11	264,651	257,335
Surplus before finance		72,600	361,453
Finance income, net	12	27,150	29,560
Surplus after finance income		99,750	391,013
Surplus for year		99,750	391,013

"BIZCHUT"

THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH  
DISABILITIES, AN AMUTA  
(In new shekels)

STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED ON 31<sup>ST</sup> DECEMBER 2007

	Assets in respect of which no restriction exists		Assets in respect of which there is a temporary restriction	Total
	Used in operations	Used in the purchase of fixed assets		
Balance at 31st December 2005	<u>676,566</u>	<u>13,464</u>	<u>234,242</u>	<u>924,272</u>
Surplus for year	99,750	-	-	99,750
Donations	-	-	195,795	195,795
Amounts used in the purchase of fixed assets	(7,124)	7,124	-	-
Release of amounts to cover depreciation	<u>4,552</u>	<u>(4,552)</u>	<u>-</u>	<u>-</u>
Balance at 31 <sup>st</sup> December 2006	<u>773,744</u>	<u>16,036</u>	<u>430,037</u>	<u>1,219,817</u>
Surplus for year	391,013	-	-	391,013
Change in Net assets in respect of which a temporary restriction exists	-	-	181,963	181,963
Amounts used in the purchase of fixed assets	(7,195)	7,195	-	-
Release of amounts to cover depreciation	<u>6,687</u>	<u>(6,687)</u>	<u>-</u>	<u>-</u>
Balance at 31 <sup>st</sup> December 2007	<u>1,164,249</u>	<u>16,544</u>	<u>612,000</u>	<u>1,792,793</u>

"BIZCHUT"

THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH  
DISABILITIES, AN AMUTA

CASH FLOW STATEMENT

(In new shekels)

	For the year ended 31 <sup>st</sup> December	
	<u>2006</u>	<u>2007</u>
<b><u>Cash flows from current operations</u></b>		
Surplus for the year	99,750	391,013
Adjustments required for the presentation of cash flows from current operations (Annex A)	<u>190,596</u>	<u>(152,026)</u>
Cash arising from current operations	<u>290,346</u>	<u>238,987</u>
<b><u>Cash flows from investment operations</u></b>		
Purchase of fixed assets	<u>(7,124)</u>	<u>(7,195)</u>
Cash arising from (used in) investment operations	<u>(7,124)</u>	<u>(7,195)</u>
<b><u>Cash flows from finance operations</u></b>		
Donations the use of which is temporarily restricted	<u>195,795</u>	<u>181,963</u>
Cash arising from finance operations	<u>195,795</u>	<u>181,963</u>
Increase in cash and cash equivalents	479,017	413,755
Balance of cash and cash equivalents at start of year	<u>757,147</u>	<u>1,236,164</u>
Balance of cash and cash equivalents at end of year	<u>1,236,164</u>	<u>1,649,919</u>

"BIZCHUT"

THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH  
DISABILITIES, AN AMUTA

CASH FLOW STATEMENT

(In new shekels)

Annex - Adjustments required for the presentation of cash flows from current operations

	For the year ended 31 <sup>st</sup> December	
	<u>2006</u>	<u>2007</u>
<b>Expenses and income not entailing cash flows:</b>		
Depreciation	4,553	6,687
Valuation of government bonds	(11,472)	(13,966)
Increase (Decrease) in severance pay liabilities, Net	(12,281)	(3,532)
Increase (Decrease) in provision for vacation	419	(24,899)
	<u>(18,781)</u>	<u>(35,710)</u>
<b>Changes in assets and liabilities items</b>		
Increase (decrease) in suppliers and service providers	18,639	(15,794)
Decrease (Increase) in debtors and debit balances	43,550	40
Increase (Decrease) in institutions and employees	113,388	(95,953)
Increase (decrease) in credit balance with the Association for Civil Rights in Israel	33,800	(4,609)
	<u>209,377</u>	<u>(116,316)</u>
	<u>190,596</u>	<u>(152,026)</u>

"BIZCHUT"

THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH  
DISABILITIES, AN AMUTA

Notes to the Financial Statements as at 31<sup>st</sup> December 2007

**Note 1 General**

- a. The "Bizchut – The Human Rights Center for People with Disabilities, An Amuta (herein: "Amuta") was established by the Association for Civil Rights in Israel - Registered Society on 26<sup>th</sup> February 1998. The Amuta commenced operations in June 1998.
- b. The aim of the Amuta is "to act for the advancement of the welfare and wellbeing of disabled persons, in recognition that they have the same rights as any other person".
- c. On 7/5/2001, the Amuta was granted the status of a public institution for the purpose of donations pursuant to Section 46 of the Income Tax Ordinance. The period of the approval is extended from time to time. The certificate held by the Amuta at the signing of these statements is valid through 31/12/08.

**Note 2 Accounting policy**

- a. The financial statements are prepared on an accruals basis.
- b. Cash equivalents are been taken into account Investments with high liquidity that include among others, short-term bank deposits that the period until their redemption do not exceed 3 months and that their use is not restricted.
- c. Fixed assets are presented at cost less accumulated depreciation. The depreciation is calculated using the direct method at rates reflecting, in the opinion of the management of the Amuta, the useful lifetime of the depreciated assets.
- d. The effects of Standard 12 as at the transition date as defined in Standard 12, have not received expression, since they lack significance.

