

INDEPENDENT AUDITORS' REPORT

To the members of

"BIZCHUT"

The Israel Human Rights Center for People with Disabilities, an Association

We have audited the accompanying balance sheet of BIZCHUT - The Human Rights Center for People with Disabilities, an Association (herein "the Association") as of December 31, 2020 and 2019, 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 Association 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 in Israel, 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 Association, 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 Association as of December 31, 2020 and 2019 the results of its activities, the changes in its net assets and its cash flows for the years ended on these dates, in conformity with accounting principles of the institute of accountancy standards in Israel (Israeli GAAP).

ILAN SEGEV
C.P.A. (ISR)

June 15, 2021
Jerusalem, Israel

"BIZCHUT"

The Israel Human Rights Center for People with Disabilities, an Association.

Financial Statements 2020

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"BIZCHUT"

**THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH
DISABILITIES, AN ASSOCIATION**

BALANCE SHEETS


(in NIS)


		December 31	
	Note	2020	2019
<u>Current assets</u>			
Cash and cash equivalents	3	759,501	808,783
Investments		1,088,394	1,046,898
Debtors and debit balances	4	258,268	170,581
		<u>2,106,163</u>	<u>2,026,262</u>
<u>Non Current assets</u>			
Severance pay plans, net	8	159,633	91,858
Fixed assets, net	5	22,723	33,609
		<u>182,356</u>	<u>125,467</u>
		<u>2,288,519</u>	<u>2,151,729</u>
<u>Current liabilities</u>			
Suppliers and service providers	6	24,730	56,719
Institutions and employees for salaries	7	114,193	102,374
		<u>138,923</u>	<u>159,093</u>
<u>Net assets</u>			
Net assets in respect of which no restriction exists-			
Used in activities		1,295,339	1,140,257
Used in the purchase of fixed assets		22,723	33,609
		<u>1,318,062</u>	<u>1,173,866</u>
Net assets in respect of which a temporary restriction exists	13	831,534	818,770
		<u>2,149,596</u>	<u>1,992,636</u>
		<u>2,288,519</u>	<u>2,151,729</u>

The Notes to the Financial Statements form an integral part thereof.

June 15, 2021
Date of approval of
the financial
statements


Doron Tamir
Association
Committee
Member


Neta Dagan
Adv
Executive
Director


Mandy Leighton
Belisha
Association
Chairperson

"BIZCHUT"

**THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH
DISABILITIES, AN ASSOCIATION**

STATEMENTS OF ACTIVITIES

(in NIS)

		For the year ending on December 31	
	Note	<u>2020</u>	<u>2019</u>
Income	9	2,402,447	2,708,850
Operating expenses	10	<u>1,872,710</u>	<u>2,234,204</u>
Surplus from activities		529,737	474,646
Administrative and general expenses	11	<u>397,666</u>	<u>396,763</u>
Surplus before financing		132,071	77,883
Finance income, net	12	<u>12,125</u>	<u>62,666</u>
Surplus for year		<u>144,196</u>	<u>140,549</u>

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(in NIS)

STATEMENTS OF CHANGES IN NET ASSETS

	<u>Assets in respect of which no restriction exists</u>		<u>Assets in respect of which there is a temporary restriction</u>	<u>Total</u>
	<u>Used in operations</u>	<u>Used in the purchase of fixed assets</u>		
Balance at 31 st December 2018	<u>991,974</u>	<u>41,343</u>	<u>660,847</u>	<u>1,694,164</u>
Surplus for the year	140,549	-	-	140,549
Change in net assets in respect of which a temporary restriction exists	-	-	157,923	157,923
Amounts used in the purchase of fixed assets	(3,932)	3,932	-	-
Release of amounts to cover depreciation	11,666	(11,666)	-	-
Balance at 31 st December 2019	<u>1,140,257</u>	<u>33,609</u>	<u>818,770</u>	<u>1,992,636</u>
Surplus for the year	144,196	-	-	144,196
Change in net assets in respect of which a temporary restriction exists	-	-	12,764	12,764
Amounts used in the purchase of fixed assets	-	-	-	-
Release of amounts to cover depreciation	10,886	(10,886)	-	-
Balance at 31 st December 2020	<u>1,295,339</u>	<u>22,723</u>	<u>831,534</u>	<u>2,149,596</u>

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**THE ISRAEL HUMAN RIGHTS CENTER FOR PEOPLE WITH
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CASH FLOW STATEMENTS

(in NIS)

	For the year ending on December 31	
	2020	2019
<u>Cash flows from current activities</u>		
Surplus for year	144,196	140,549
Adjustments required for the presentation of cash flows from current operations (Annex A)	(166,490)	(144,352)
Change in net assets in respect of which a temporary restriction exists	12,764	157,923
Cash arising from current activities	<u>(9,530)</u>	<u>154,120</u>
<u>Cash flows from investment activities</u>		
Sale of securities	518,107	564,388
Purchase of securities	(557,859)	(610,488)
Purchase of fixed assets	-	(3,932)
Cash arising from (used in) investment activities	<u>(39,752)</u>	<u>(50,032)</u>
Increase (Decrease) in cash and cash equivalents	<u>(49,282)</u>	<u>140,088</u>
Balance of cash and cash equivalents at start of year	808,783	704,695
Balance of cash and cash equivalents at end of year	<u>759,501</u>	<u>808,783</u>

The Notes to the Financial Statements form an integral part thereof.

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CASH FLOW STATEMENTS

(in NIS)

**Adjustments required for the presentation of cash flows from current activities –
Annex A**

	For the year ending on December 31	
	<u>2020</u>	<u>2019</u>
Expenses and income not entailing cash flows:		
Depreciation	10,886	11,666
Increase (Decrease) in severance pay liabilities, net	(67,775)	(76,548)
Revaluation of securities	(5,276)	(63,905)
Increase in provision for vacation	13,664	2,569
Loss of securities	<u>3,532</u>	<u>-</u>
	<u>(44,969)</u>	<u>(126,218)</u>
Changes in assets and liabilities items		
Decrease (Increase) in debtors and debit balances	(87,687)	83,068
Increase in institutions and employees	(1,845)	(8,577)
Increase in suppliers and service providers	(31,989)	(92,625)
	<u>(121,521)</u>	<u>(18,134)</u>
	<u>(166,490)</u>	<u>(144,352)</u>

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

Notes to the Financial Statements

Note 1 General

- a. "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 February 26th 1998.
- b. The aim of the Amuta is "to act for the advancement of the welfare and wellbeing of people with disabilities, 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 31/12/2020.

Note 2 Accounting policy

- a. The financial statements were prepared based on the guiding principles and the reporting standards published in standard number 5 of the Israel Accounting Standards Board, regarding non-profit organizations. The financial statements were prepared in accordance with accounting principles that are based on the historical cost method and as so, changes in the purchasing power of the Israeli Shekel and their effect on the financial results are not reflected in them.
The financial statements are prepared on an accrual basis.
- b. Cash equivalents take into account investments with high liquidity that include, among others, short-term bank deposits that the period until their redemption does 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. Exchange rates

	<u>As at December 31</u>	
	<u>2020</u>	<u>2019</u>
Pound Sterling	4.3919	4.5597
Euro	3.9441	3.8782
US dollar	3.2150	3.456

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Notes to the Financial Statements

Note 3 Cash and cash equivalents

a. Composition:

	December 31	
	2020	2019
	NIS	NIS
Cash in bank	196,787	805,693
Foreign currency deposits (b):	562,714	3,090
	<u>759,501</u>	<u>808,783</u>
Composition:		
In US dollars (b)	562,650	3,025
In euro (b)	60	59
In pound sterling (b)	4	6
	<u>562,714</u>	<u>3,090</u>

b. The deposits are adjusted to their value in new shekels at the representative exchange rate at the date of the financial statement.

Note 4 Debtors and debit balances

Composition:

	December 31	
	2020	2019
	NIS	NIS
In open accounts	42,701	58,275
Income receivable	215,567	111,285
Prepaid expenses	-	1,021
	<u>258,268</u>	<u>170,581</u>

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Notes to the Financial Statements

Note 5 Fixed assets

Composition:

	<u>December 31</u>			
			<u>2020</u>	<u>2019</u>
	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Depreciat ed cost</u>	<u>Depreciat ed cost</u>
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
Internet site	126,507	126,507	-	-
Computers and peripheral equipment	187,932	179,957	7,975	12,728
Office furniture and equipment	65,813	51,065	14,748	20,881
	<u>380,252</u>	<u>357,529</u>	<u>22,723</u>	<u>33,609</u>

Note 6 Suppliers and service providers

Composition:

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
In open accounts	23,839	55,849
In checks payable	891	870
	<u>24,730</u>	<u>56,719</u>

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Notes to the Financial Statements

Note 7 Accrued salaries and employees benefits

a. Composition:

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Accrued salaries and employees benefits	62,430	64,275
Vacation provision (b)	51,763	38,099
	<u>114,193</u>	<u>102,374</u>

b. The provision is calculated based on the provision method in which the last salary is multiplied by the number of vacation days to which the workers are entitled, not accounting for social benefit expenses in respect to the calculated salary.

Note 8 Severance pay liabilities, net

a. Composition:

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Liabilities in respect of severance pay (b)	137,450	69,830
Less:		
Amounts deposited in severance pay funds	22,183	22,028
	<u>159,633</u>	<u>91,858</u>

b. The liability covers the Amuta's obligation for the payment of severance pay to workers over and above the amounts accumulated for them in pension funds.

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Notes to the Financial Statements

Note 9 Income

A. Composition:

	December 31	
	2020	2019
	NIS	NIS
Lazlo N. Tauber Foundation	-	106,747
New Israel Fund	-	17,614
Jacob and Hilda Blaustein Foundation	43,884	90,175
Weinberg Foundation	-	442,035
Lepofsky (New Israel Fund)	48,261	-
Wendy Weiker Endowment (through New Israel Fund)	25,463	-
Ruderman Family Foundation	-	8,000
Jewish Child's Day	16,385	-
Bachrach (through New Israel Fund)	71,156	-
Yad Hanadiv	50,000	-
American Jewish Joint Distribution Committee	42,861	-
Stein Family Foundation (through Signing Anew)	100,000	100,000
Signing Anew	-	17,475
Liebhaber Family Foundation	84,801	87,668
Donations from outside of Israel (C)	122,962	132,608
Law Office NAV	58,625	61,160
Open Society Foundations (B)	342,207	338,476
European Union (B)	228,459	393,678
Fritz Naphtali Foundation	30,000	-
Donations from within Israel	205,257	196,591
Sam and Bella Sebba Foundation (B)	250,000	250,000
Income generating activities	49,257	26,518
Israel Koret Fund	63,930	-
Pfeifer Foundation	-	32,400
Arkin Foundation	15,000	10,000
Nash Family Foundation	34,030	35,695
Amut Ltd.	15,000	60,000
Genesis Prize	34,154	36,996
Bernays-Richard Foundation	-	73,724
Zarrow Foundation	-	69,656
Municipal Bank	-	25,000
Alex Greenbaum	64,300	69,120
Open Society Foundations Project 2019-2020(B)	236,925	27,514
Silver Foundation	15,040	-
National Insurance Institute	60,000	-
Sherman Foundation through the New Israel Foundation	14,486	-
Nacht Foundation	48,566	-
Tmura Organization	31,438	-
	<u>2,402,447</u>	<u>2,708,850</u>

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Notes to the Financial Statements

Note 9 Income (continued)

- B. Some of the contributions, received from the Open Society Foundations, the European Union, Grants from the Sam and Bella Sebba Foundation, and the Open Society Foundations Project 2019-2020 were restricted for use in 2020.
- C. The remaining amount was received from different donors each of whom donated less than 20,000 NIS.

Note 10 Operating expenses

Composition:

	For the year ending on December 31	
	2020	2019
	NIS	NIS
Salaries and associated expenses	1,462,238	1,729,349
Project expenses	122,725	197,038
Legal expenditure	6,477	3,592
Office rental and maintenance	184,823	212,217
Communications and mail	5,627	7,073
Office expenses	9,010	8,175
Travel and parking	1,956	5,236
Professional literature and courses	-	1,161
Professional course	70,057	62,863
Depreciation expenses	9,797	10,500
	<u>1,872,710</u>	<u>2,234,204</u>

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Notes to the Financial Statements

Note 11 Administrative and general expenses

Composition:

	For the year ending on December 31	
	2020	2019
	NIS	NIS
Salaries and associated expenses	337,536	328,645
Office rental and maintenance	21,557	24,608
Professional services	11,314	11,314
Communications and mail	625	785
Conferences and supplementary education	180	129
Office expenses	1,001	910
Travel and parking	582	582
Bank charges	15,348	15,636
Refreshments and gifts	8,799	12,988
Depreciation	1,089	1,166
	<u>397,666</u>	<u>396,763</u>

Note 12 Financial income (expenses), net

	For the year ending on December 31	
	2020	2019
	NIS	NIS
Revenues -		
Profits from securities	24,043	11,381
Exchange rate differences	(2,669)	67,785
	<u>21,374</u>	<u>79,166</u>
Less:		
Loss of securities	(3,532)	(3,602)
Bank commission of securities	(5,384)	(4,621)
Expenses - exchange rate differences	(333)	(8,277)
	<u>(9,249)</u>	<u>(16,500)</u>
Financial income (expenses), net	<u>12,125</u>	<u>62,666</u>

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Notes to the Financial Statements

Note 13 Assets in respect of which a temporary restriction exists

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS</u>	<u>NIS</u>
Israel Koret Fund	-	43,464
Sam and Bella Sebba Charitable Foundation	125,000	125,000
OSF Foundation	513,800	530,306
Yad Hanadiv	85,000	-
Charles and Lynn Schusterman Family Foundation	75,100	-
The Blaustein Foundation	32,634	-
European Union	-	120,000
	<u>831,534</u>	<u>818,770</u>