

Akevot Institute for Israeli-Palestinian Conflict Research (Registered Association)

Financial Reports

For December 31, 2015

English translation from Hebrew original by Akevot

May 18, 2016
Date

To:
Akevot Institute for Israeli-Palestinian Conflict Research (Registered Association)
Tel-Aviv

Dear Sir/Madam

	<u>Page</u>
<u>Report of Auditing Accountants to Members of the Association</u>	3
<u>Balance Sheet</u> - December 31, 2015	4
<u>Operations Report</u> - for the year ending December 31,2015	5
<u>Net Asset Changes Report</u> - for the year ending December 31,2015	6
<u>Explanations for Financial Reports</u> - for December 31, 2015	7

Sincerely,
[signed]
Singer and Singer
Accountants

Danny Singer

[on letterhead of Daniel Singer C.P.A. (Israel)]

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Report of Auditing Accountants to Members of the Association –
Akevot - Institute for Israeli-Palestinian Conflict Research (Registered Association)

I have performed an audit of the attached balance sheets for Akevot Institute for Israeli-Palestinian Conflict Research (Registered Association) (hereinafter: the association) for December 31 2015 and 2014, as well as the operations report and net asset changes for the year ending on December 31 2015 and the period dated November 1, 2014 to December 31 2014. These financial reports are the responsibility of the association's board of directors and management. My responsibility is to report on these financial reports based on my audit.

I have audited the reports in keeping with accepted auditing standards, including standards promulgated in the Accountant Regulations (Accountant Conduct) 5733-1973. According to said standards, I am required to plan and execute the audit with the object of obtaining a reasonable degree of certainty that the financial reports are not substantively biased. An audit includes a sample review of evidence that support the amounts and information indicated in the financial reports. The audit also includes a review of accounting rules implemented and the significant assessments made by the association's board of directors and management, and an evaluation of the propriety of the overall presentation of the financial reports. I believe my audit provides a sound basis for my report. The accounting books were managed by my office.

I believe the aforementioned financial reports duly reflect, for all material purposes, the financial status of the association as of December 31, 2015 and 2014, as well as the outcomes of its operations, the net changes to its assets for the year ending on December 31, 2015 and for the period starting November 1, 2014 and ending December 31, 2014, in accordance with accepted accounting rules in Israel (ISRAEL GAAP).

Tel-Aviv
May 18, 2016

Sincerely,
[signed]
Singer and Singer
Accountants

Danny Singer

Akevot – Institute for Israeli-Palestinian Conflict Research (Registered Association)

Balance Sheet

	<u>Explanation</u>	<u>On December 31</u>	
		<u>2015</u>	<u>2014</u>
		<u>ILS</u>	<u>ILS</u>
<u>Assets</u>			
<u>Liquid assets</u>			
Bank cash balance		127,937	447,395
<u>Fixed assets:</u>			
	(3)	<u>57,971</u>	<u>--</u>
		185,908	447,395
		=====	=====
<u>Liabilities</u>			
<u>Liquid liabilities</u>			
Bank, overdraft		--	6,104
Unpaid cheques		37,000	2,000
Supplies and services		27,000	18,416
Misc. beneficiaries		<u>34,746</u>	<u>3,952</u>
		<u>98,746</u>	<u>30,472</u>
<u>Retirement compensation fund</u>		<u>435</u>	<u>1,283</u>
<u>Net assets</u>			
Net assets without usage restrictions (deficit)		15,811	(2,658)
Net assets under temporary restriction		<u>70,916</u>	<u>418,298</u>
		<u>86,727</u>	<u>415,640</u>
		185,908	447,395
		=====	=====

[signed]
Executive
Director

[signed]
Board member

[signed]
Board Member

May 18, 2016
Financial report
confirmation date

The explanations for the financial reports form an integral part thereof.

Operations Report

	<u>For the year ending December 31, 2015 ILS</u>	<u>For November 1 to December 31, 2014 ILS</u>
<u>Operations cycle</u>		
Sums released from net assets and under temporary usage restriction	<u>528,492</u>	<u>40,776</u>
<u>Operating costs</u>		
Remuneration and incidentals	310,146	11,801
Archival research and writing	73,755	--
Public relations	1,416	1,416
Travel, including abroad	7,396	--
Office expenses	4,391	2,654
Depreciation	<u>13,141</u>	<u>--</u>
	<u>410,245</u>	<u>15,871</u>
Net income from operations	<u>118,247</u>	<u>24,905</u>
<u>Management and general expenses</u>		
Remuneration and incidentals	57,628	7,867
Accounting and auditing	<u>39,000</u>	<u>19,000</u>
	<u>96,628</u>	<u>26,867</u>
Net income (expenses) prior to financing	21,619	(1,962)
Financing costs, net	<u>(3,150)</u>	<u>(696)</u>
Net income (expenses) per period	<u>18,469</u>	<u>(2,658)</u>

Akevot Institute for Israeli-Palestinian Conflict Research (Registered Association)

Net Asset Changes Report

	Net assets under no restriction <u>ILS</u>	Net assets under temporary restriction <u>ILS</u>	<u>Total</u> <u>ILS</u>
Balance as at November 1, 2014	--	--	--
Net income (expenses) per period	(2,658)	--	(2,658)
Donations received	--	459,074	459,074
Sums detracted per period (restrictions released)	<u>---</u>	<u>(40,776)</u>	<u>(40,776)</u>
Balance as at December 31, 2014	(2,658)	418,298	415,640
Net income (expenses) per period	18,469		18,469
Donations received		181,110	181,110
Sums detracted per period (restrictions released)	<u>-----</u>	<u>(528,492)</u>	<u>(528,492)</u>
Balance as at December 31, 2015	<u>15,811</u>	<u>70,916</u>	<u>86,727</u>

Akevot Institute for Israeli-Palestinian Conflict Research (Registered Association)

Explanations for Financial Reports
For December 31, 2015

Explanation 1 – General

- a. Akevot Institute for Israeli-Palestinian Conflict Research (Registered Association) (hereinafter: the association) is a non-profit institution working for the following purposes:

Collecting information related to the Israeli-Palestinian conflict and making it accessible.
Conducting and publishing research on Israel's belligerent occupation of or means of control over the territories it occupies and on international humanitarian law, conducting public and educational activities and promoting transitional justice in order to promote an active and aware civil society in Israel.

- b. The association's assets and income shall be used for its purposes only.
- c. The association operates as a "public institution" pursuant to Section 9(2) of the Income Tax Ordinance and as a non-profit organization for purposes of the Value Added Tax Law.
- d. Pursuant to the aforesaid Section 9(2) the association's income is tax-exempt.
- e. On February 9, 2015, the association changed its name.
Its previous name was "Occupation Archives (Registered Association)".
- f. The association was registered with the Registrar of Associations on October 28, 2013, with the number 580578680.

Explanation 2 – Accounting policy

The association records its assets, liabilities, income and expenses on the basis of accumulation, all in keeping with Public Statement 69 and Accounting Regulation No. 5 of the Israeli Accounting Standards Board.

Explanation 3 – Fixed assets

	<u>Cost</u> <u>ILS</u>	<u>Accumulated depreciation</u> <u>ILS</u>	<u>Diminished balance</u> <u>ILS</u>
Computers and equipment	29,812	4,045	25,767
Archive programs	<u>41,300</u>	<u>9,096</u>	<u>32,204</u>
	<u>71,112</u>	<u>13,141</u>	<u>57,971</u>