

**Human Rights Defenders Fund Ltd (Cc)**

**Balance Sheets**

**as at December 31<sup>st</sup>, 2016**

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**Auditor's Report to The Shareholders of  
Human Rights Defenders Fund Ltd. (P.B.C)**

I have audited the attached Balance Sheets of Human Rights Defenders Fund Ltd (P.B.C), as at December 31<sup>st</sup>, 2016 and 2015, and the related Statements of Activities, and Changes in Net Assets, for the years then ended. These financial statements are the responsibility of the Company's board of directors and management. My responsibility is to express an opinion on these financial statements, based on my audit.

I conducted the audit in accordance with generally accepted auditing standards, including those prescribed by the Israeli Auditors Regulations (Auditors Mode of Performance), 1973. These standards require that I plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes an examining, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the aforementioned financial statements, present fairly, in all material respects, the financial position of Human Rights Defenders Fund Ltd. (P.B.C), as at December 31<sup>st</sup>, 2016 and 2015, and the results of its activities and the changes in net assets for the years then ended, in accordance with generally accepted auditing standards (Israeli GAAP).

  
Danny Singer  
Certified Public Accountant (Isr.)

18/6/17

Danny Singer C.P.A

**The Human Rights Defenders Fund Ltd. (P.B.C)**  
**Balance Sheet**

		<u>December 31</u>	
		<u>2016</u>	<u>2015</u>
		<u>NIS</u>	<u>NIS</u>
<b><u>Assets</u></b>			
<b><u>Current assets</u></b>			
Cash in bank		1,207,157	761,643
Sundry debtors		<u>217,426</u>	<u>51,752</u>
		<u>1,424,583</u>	<u>813,395</u>
 <u>Fixed Assets</u>	 (3)	 <u>18,528</u>	 <u>26,245</u>
		<u>1,443,111</u>	<u>839,640</u>
 <b><u>Liabilities</u></b>			
<b><u>Current liabilities</u></b>			
Checks payable		69,185	43,180
Suppliers and services providers		281,829	118,072
Sundry creditors		<u>23,945</u>	<u>8,161</u>
		<u>374,959</u>	<u>169,413</u>
 <u>Reserve for employees' severance payments</u>	 (4)	 <u>6,829</u>	 <u>11,205</u>
 <b><u>Net assets</u></b>			
Assets for which there is no restriction for use in activity (deficit)		397,570	360,220
Assets on which there is a restriction of a temporary nature		<u>663,753</u>	<u>298,802</u>
		<u>1,061,323</u>	<u>659,022</u>
		<u>1,443,111</u>	<u>839,640</u>

The attached notes are an integral part of the Financial Statements

18.6.2017  
Date of approval of reports

Mindy Tagan  
Board Member

Ron D'Sal  
Board Member

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**The Human Rights Defenders Fund Ltd. (P.B.C)**  
**Balance Sheet**

	<u>December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
<b><u>Activity turnover</u></b>		
Donations from Israel and abroad	144,271	72,765
Sums released from assets for which there is a restriction of a temporary nature	<u>945,043</u>	<u>1,151,379</u>
	<u>1,089,314</u>	<u>1,224,144</u>
<b><u>Cost of activities</u></b>		
Salaries and associated costs	151,567	316,205
Legal assistance	607,434	780,896
Public relations and advertising	36,264	80,537
Communication	213	1,601
Office expenditures	4,080	8,004
Depreciation	<u>9,371</u>	<u>2,153</u>
	<u>808,929</u>	<u>1,189,396</u>
Net income (deficit) from activities	<u>280,385</u>	<u>34,748</u>
<b><u>Management and general expenses</u></b>		
Salaries and associated costs	70,094	--
Bookkeeping and auditing	<u>76,185</u>	<u>78,180</u>
	146,279	78,180
Fundraising costs	<u>80,377</u>	--
	<u>226,656</u>	<u>78,180</u>
Net Income (expenses) before financing expenses	53,729	(43,432)
Financing income (expenses), net	<u>(16,379)</u>	<u>709</u>
Net Income (expenses) for the year	<u>37,350</u>	<u>(42,723)</u>

**The Human Rights Defenders Fund Ltd. (P.BC)**

**Report on changes in assets, net**

	<b><u>Unrestricted NIS</u></b>	<b><u>Restricted NIS</u></b>	<b><u>Total NIS</u></b>
Balance as at December 31 <sup>st</sup> , 2014	402,943	325,908	728,851
Additions during the year:			
Net Income (costs) for the year	(42,723)	--	(42,723)
Donations received	--	1,124,273	1,124,273
Retirements over period:			
Sums transferred from restriction	--	(1,151,379)	(1,151,379)
	<hr/>	<hr/>	<hr/>
Balance as at December 31 <sup>st</sup> , 2015	360,220	298,802	659,022
Net income (costs) for the year	37,350	--	37,350
Donations received	--	1,309,994	1,309,994
Retirements over the year:			
Sums transferred from restriction	--	(945,043)	(945,043)
Balance as at December 31 <sup>st</sup> , 2016	<u>397,570</u>	<u>663,753</u>	<u>1,061,323</u>

**The Human Rights Defenders Fund Ltd. (P.B.C)**

**Notes to the Financial Statements**

**as at December 31<sup>st</sup>, 2016**

**Note 1 – General**

- A) The Human Rights Defenders Fund Ltd. (P.B.C), (hereinafter the company) is non for profit institution with the goals of:
1. Strengthening and defense of civil rights, particularly the right to due process in the military courts system in territories under the control of the State of Israel and in the court system in Israel.
  2. Democracy, liberty and equality, including through provision of legal and other assistance, with emphasis on this with economic means, and through education, research and public activity.
  3. Advancement and fulfillment of the values of human rights, co-existence and peace.
- B) The company's assets and income will be used for its goals only.
- C) The company is incorporated as limited company with share capital. The company was established to achieve public goals only and its bylaws forbid disbursement of profits to the shareholders. The registered share capital of the company is 100 divided in to 100 regular shares with NIS 1 nominal value. The responsibility of the shareholders for the company's debts is limited.
- D) The company operates as a “public institution” as defined in article 9(2) of the Income Tax Order and as a non-profit institution for the purposes of the Value Added Tax Law.
- E) As defined in article 9(2) above, the company's income is tax-exempt.

**Note 2 – Accounting policy**

The Company registers its assets, liabilities and income on accrual basis.

**Note 3 – Fixed Assets**

Fixed assets are presented according to cost with the deduction of the accrued depreciation.

	<u>Cost</u>	<u>Accrued depreciation</u>	<u>Depreciated cost</u>	<u>Depreciated cost</u>
	<u>NIS</u>	<u>NIS</u>	<u>Dec. 31<sup>st</sup>, 2016</u>	<u>Dec. 31<sup>st</sup>, 2015</u>
			<u>NIS</u>	<u>NIS</u>
Computer Equipment	<u>35,804</u>	<u>17,276</u>	<u>18,528</u>	<u>26,245</u>

**Note 4 – Reserve for severance payments, net**

	<u>For December 31</u>	
	<u>2016</u>	<u>2015</u>
	<u>NIS</u>	<u>NIS</u>
Reserve for severance payment	50,100	44,825
Minus funds assigned for severance payment	<u>43,271</u>	<u>(33,620)</u>
	<u>6,829</u>	<u>11,205</u>