

Human Rights Defenders Fund Ltd (Cc)

Balance Sheets

as at December 31st, 2017

Messrs,
Human Rights Defenders Fund Ltd. (P.B.C)
Tel-Aviv
Dear Sirs,

Date 4/6/18

I have audited the Financial Statements for the year ended on December 31st, 2017, and I enclose herewith your Financial Statements and my report, as follows:

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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 31st, 2017 and 2016, 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 31st, 2017 and 2016, 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.)

4/6/18

Danny Singer C.P.A

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

		<u>December 31</u>	
		<u>2017</u>	<u>2016</u>
		<u>NIS</u>	<u>NIS</u>
<u>Assets</u>			
<u>Current assets</u>			
Cash in bank		1,572,041	1,207,157
Sundry debtors		28,894	217,426
		<u>1,600,935</u>	<u>1,424,583</u>
<u>Fixed Assets</u>	(3)	<u>10,421</u>	<u>18,528</u>
		<u>1,611,356</u>	<u>1,443,111</u>
<u>Liabilities</u>			
<u>Current liabilities</u>			
Checks payable		262,349	69,185
Suppliers and services providers		328,266	281,829
Sundry creditors		24,632	23,945
		<u>615,247</u>	<u>374,959</u>
<u>Reserve for employees' severance payments</u>	(4)	<u>3,202</u>	<u>6,829</u>
<u>Net assets</u>			
Assets for which there is no restriction for use in activity (deficit)		294,327	397,570
Assets on which there is a restriction of a temporary nature		698,580	663,753
		<u>992,907</u>	<u>1,061,323</u>
		<u>1,611,356</u>	<u>1,443,111</u>

The attached notes are an integral part of the Financial Statements

4.6.2018

Date of approval of reports

Monkey Dagen

Board Member

Sahar Vardi

Board Member

Monkey Dagen

Sahar Vardi

The Human Rights Defenders Fund Ltd. (P.B.C)
Statement of activities for the year
ended on December 31st, 2017

	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
<u>Activity turnover</u>		
Donations from Israel and abroad	26,473	144,271
Sums released from assets for which there is a restriction of a temporary nature	<u>1,187,630</u>	<u>945,043</u>
	<u>1,214,103</u>	<u>1,089,314</u>
<u>Cost of activities</u>		
Salaries and associated costs	205,969	151,567
Legal assistance	754,303	607,434
Public relations and advertising	13,292	36,264
Communication	1,273	213
Office expenditures	19,326	4,080
Depreciation	<u>9,725</u>	<u>9,371</u>
	<u>1,003,888</u>	<u>808,929</u>
Net income (deficit) from activities	<u>210,215</u>	<u>280,385</u>
<u>Management and general expenses</u>		
Salaries and associated costs	68,378	70,094
Bookkeeping and auditing	<u>80,903</u>	<u>76,185</u>
	149,281	146,279
Fundraising costs	<u>99,216</u>	<u>80,377</u>
	<u>248,497</u>	<u>226,656</u>
<u>Net Income (expenses) before financing expenses</u>	(38,282)	53,729
<u>Financing income (expenses), net</u>	(64,961)	(16,379)
<u>Net Income (expenses) for the year</u>	<u>(103,243)</u>	<u>37,350</u>

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

Report on changes in assets, net

	<u>Unrestricted NIS</u>	<u>Restricted NIS</u>	<u>Total NIS</u>
Balance as at December 31 st , 2015	360,220	298,802	659,022
Additions during the year:			
Net Income (costs) for the year	37,350	--	37,350
Donations received		1,309,994	1,309,994
Retirements over period:			
Sums transferred from restriction	--	(945,043)	(945,043)
	<hr/>	<hr/>	<hr/>
Balance as at December 31 st , 2016	397,570	663,753	1,061,323
Net income (costs) for the year	(103,243)	--	(103,243)
Donations received	--	1,222,457	1,222,457
Retirements over the year:			
Sums transferred from restriction	--	(1,187,630)	(1,187,630)
Balance as at December 31 st , 2017	<u>294,327</u>	<u>698,580</u>	<u>992,907</u>

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

Notes to the Financial Statements

as at December 31st, 2017

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. 31st, 2017</u>	<u>Dec. 31st, 2016</u>
			<u>NIS</u>	<u>NIS</u>
Computer Equipment	<u>37,416</u>	<u>26,995</u>	<u>10,421</u>	<u>18,528</u>

Note 4 – Reserve for severance payments, net

	<u>For December 31</u>	
	<u>2017</u>	<u>2016</u>
	<u>NIS</u>	<u>NIS</u>
Reserve for severance payment	67,350	50,100
Minus funds assigned for severance payment	<u>64,148</u>	<u>43,271</u>
	<u>3,202</u>	<u>6,829</u>

Note 5 - Contributions from "Foreign Entities"

Donor Name	Donation purpose	Donation Conditions	Amount in NIS
Switzerland	Protecting Human Rights Defenders & Advocacy	According to Contract	248,912
HEKS EPER (Switzerland)	Protecting Human Rights Defenders & Advocacy	According to Contract	327,364
Dan Church Aid (Denmark)	Protecting Human Rights Defenders & Advocacy	According to Contract	56,513
NHRF (Norway)	Protecting Human Rights Defenders & Advocacy	According to Contract	92,055