

**BIMKOM  
PLANNERS FOR PLANNING RIGHTS (R”A)**

**FINANCIAL STATEMENTS**

**AS AT DECEMBER 31, 2018**

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2018**

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**AUDITOR'S REPORT TO THE MEMBERS OF  
BIMKOM – PLANNERS FOR PLANNING RIGHTS (R" A)**

We have audited the attached Statement of Financial Position of Bimkom – Planners for Planning Rights (R" A) (hereinafter: "the Amuta"), as of December 31, 2018 and 2017, and the related Statement of Activities, Changes in Net Assets and Cash Flows for the two years then ended. These financial statements are the responsibility of the members of the committee and the management of the Amuta. Our responsibility is to express an opinion on these financial statements, based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Israel, including those prescribed under the Israeli Auditors Regulations (Auditors' Mode of Performance), 1973. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examination, 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements present fairly, in all material aspect, the financial position of the Amuta, as of December 31, 2018 and 2017, and the results of its operations, the changes in its net assets and its cash flow for the two years then ended, in conformity with accounting principles generally accepted in Israel (Israel GAAP).

  
Ziv Hafi

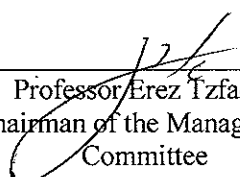
Certified Public Accountants (Isr.)

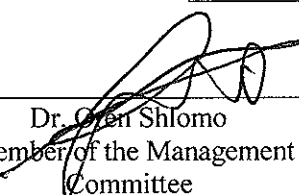
Jerusalem, April 15, 2019

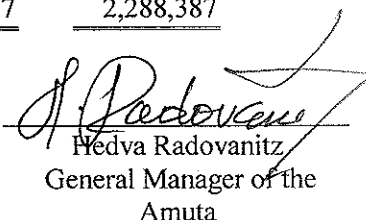
**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R''A)**  
**Statements of Financial Position**

	<u>Note</u>	<u>31.12.2018</u> N.I.S.	<u>31.12.2017</u> N.I.S.
<b>ASSETS</b>			
<b><u>CURRENT ASSETS</u></b>			
Cash and cash equivalents	3	1,253,190	1,280,228
Short term investments		494,834	532,731
Supports, contributions and grants receivable	4	259,164	389,203
Debtors and debit balances	5	3,728	3,749
		2,010,916	2,205,911
<b><u>NON CURRENT ASSETS</u></b>			
Debtors and debit balances	5	11,028	9,136
Deposits for severance pay fund, net	9	59,559	2,423
Fixed assets, net	6	19,744	70,917
<b>TOTAL ASSETS</b>		2,101,247	2,288,387
<b>LIABILITIES AND NET ASSETS</b>			
<b><u>CURRENT LIABILITIES</u></b>			
Short term credit		638	21
Suppliers and service providers	7	76,277	79,207
Creditors and credit balances	8	209,145	382,541
		286,060	461,769
<b><u>NET ASSETS</u></b>			
Unrestricted net assets:			
Used for operations-			
Designated by the Amuta's institutes		145,000	145,000
Not designated by the Amuta's institutes		861,230	726,991
Used for fixed assets		19,744	70,917
		1,025,974	942,908
Temporarily restricted net assets	13	789,213	883,710
		1,815,187	1,826,618
		2,101,247	2,288,387

**April 15, 2019**  
Date of approval of  
the financial  
statements:

  
\_\_\_\_\_  
Professor Erez Tzfadia  
Chairman of the Management  
Committee

  
\_\_\_\_\_  
Dr. Ofen Shlomo  
Member of the Management  
Committee

  
\_\_\_\_\_  
Hedva Radovanitz  
General Manager of the  
Amuta

**The Notes to the Financial Statements are an integral part thereof.**

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**STATEMENTS OF ACTIVITIES**

		<b>For the Year Ending</b>	
		<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>Note</b>	<b>N.I.S.</b>	<b>N.I.S.</b>
<b><u>Operating Turnover:</u></b>			
Income from grants and contributions	10	4,342,953	3,902,763
Other income		<u>11,707</u>	<u>4,220</u>
<b>Total income</b>		<u>4,354,300</u>	<u>3,906,983</u>
<b><u>Cost Of Activities:</u></b>			
	11	<u>3,640,463</u>	<u>3,789,020</u>
<b>Net operating income</b>		713,837	117,963
General and administrative expenses	12	518,623	563,726
Fundraising costs		<u>97,628</u>	<u>108,544</u>
<b>Net income (expense) before financing income</b>		(97,586)	(554,307)
Net Finance Expenses		<u>14,520</u>	<u>76,964</u>
<b>Net income (expense) for the year</b>		<u>83,066</u>	<u>(631,271)</u>

**The Notes to the Financial Statements are an integral part thereof.**

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**STATEMENTS OF CHANGES IN NET ASSETS**

	<u>Unrestricted Net Assets</u>				<u>Total</u>
	<u>Used for Operations</u>			<u>Temporarily restricted net assets (Note 13)</u>	
	<u>Not designated by the Amuta's institutes</u>	<u>Designated by the Amuta's institutes</u>	<u>Used for fixed assets</u>		
	<u>N.I.S.</u>	<u>N.I.S.</u>	<u>N.I.S.</u>		
<b>Balance as of January 01, 2017</b>	1,292,285	145,000	136,894	1,004,150	2,578,329
<b><u>Additions during the year</u></b>					
Allocations from funds and contributions	-	-	-	3,559,283	3,559,283
<b><u>Deductions during the year</u></b>					
Amounts released from restriction	-	-	-	(3,679,723)	(3,679,723)
Net annual income	(631,271)	-	-	-	(631,271)
Transfer of unrestricted sums - used for fixed assets	(3,623)	-	3,623	-	-
Amounts released to cover depreciation expenses	69,600	-	(69,600)	-	-
<b>Balance as of December 31, 2017</b>	<u>726,991</u>	<u>145,000</u>	<u>70,917</u>	<u>883,710</u>	<u>1,826,618</u>
<b><u>Additions during the year</u></b>					
Allocations from funds and contributions	-	-	-	4,076,237	4,076,237
<b><u>Deductions during the year</u></b>					
Amounts released from restriction	-	-	-	(4,170,734)	(4,170,734)
Net annual income	83,066	-	-	-	83,066
Transfer of unrestricted sums - used for fixed assets	-	-	-	-	-
Amounts released to cover depreciation expenses	51,173	-	(51,173)	-	-
<b>Balance as of December 31, 2018</b>	<u>861,230</u>	<u>145,000</u>	<u>19,744</u>	<u>789,213</u>	<u>1,815,187</u>

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

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**STATEMENTS OF CASH FLOW**

	<b>For the Year Ended</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b><u>N.I.S.</u></b>	<b><u>N.I.S.</u></b>
<b>Cash flow from Operating Activities:</b>		
Net income (expense)	83,066	(631,271)
Adjustments to reconcile to net cash from operating activities (Schedule 1)	<u>(4,168,958)</u>	<u>(3,275,166)</u>
Net cash used for Operating Activities	<u>(4,103,892)</u>	<u>(3,906,437)</u>
<b>Cash flow from Investment Activities:</b>		
Purchase of fixed assets	-	(3,623)
Net cash used for investment activities	<u>-</u>	<u>(3,623)</u>
<b>Cash flow from Financial Activities:</b>		
Short term credit	617	21
Receipt of temporarily restricted allocations and grants	<u>4,076,237</u>	<u>3,559,283</u>
Net cash provided of Financial Activities	<u>4,076,854</u>	<u>3,559,304</u>
<b>Increase (Decrease) in cash and cash equivalents</b>	<b>(27,038)</b>	<b>(350,756)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b><u>1,280,228</u></b>	<b><u>1,630,984</u></b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>1,253,190</u></b>	<b><u>1,280,228</u></b>

**The Notes to the Financial Statements are an integral part thereof.**

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**STATEMENTS OF CASH FLOW**

	<b>For the Year Ended</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>N.I.S.</b>	<b>N.I.S.</b>
<b>Schedule 1</b>		
<b>Adjustments to reconcile to net cash from operating activities:</b>		
<b>Income and expense items which do not affect the cash flow</b>		
Amounts released from restriction	(4,170,734)	(3,679,723)
Depreciation	51,173	69,600
Increase in deposits for severance pay liability	(57,136)	(19,191)
Gain from short term investments	37,897	20,086
	<u>(4,138,800)</u>	<u>(3,609,228)</u>
<b>Changes in assets and liabilities:</b>		
Decrease (increase) in debtors and debit balances	(1,871)	4,077
Decrease (increase) in contributions and grants receivable	130,039	178,959
Increase (decrease) in suppliers and service providers	(2,930)	(6,280)
Increase (decrease) in creditors and credit balances	<u>(173,396)</u>	<u>157,306</u>
	<u>(48,158)</u>	<u>334,062</u>
	<u>(4,186,958)</u>	<u>(3,275,166)</u>

**The Notes to the Financial Statements are an integral part thereof.**



## BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018

#### 1. GENERAL:

- A. The Amuta, Bimkom – Planners for Planning Rights (R”A) (hereinafter: the “Amuta”) was registered on May 11, 1999, and began its activities in April 1999.
- B. The main goals of the Amuta include the promotion of planning rights in the region and to increase the democratization of planning processes.
- C. The Amuta is classified as a public institution pursuant to Section 9(2) of the Income Tax Ordinance, and as a non-profit organization concerning the Value Added Tax Law.

#### 2. SIGNIFICANT ACCOUNTING POLICIES:

##### A. Definitions

In these financial statements:

- The Amuta - Bimkom – Planners For Planning Rights (R”A)
- Net assets - The difference between the assets and liabilities.
- Restriction - A restriction on the use of net assets set by the conditions imposed by donors, supporters or those giving grants to the Amuta.
- Temporary restriction - A restriction that expires or is removed upon the occurrence of a specific event or with the passage of time, or that can be fulfilled or removed with the performance of specific activities, all of which are contingent upon the conditions imposed by the donors or the outside factors which provided the funds.
- Index - The Consumer Price Index as published by the Central Bureau for Statistics.

##### B. Basis of report:

Accounting Standard No.12 of the Israeli Accounting Standards Board concerning the cessation of the adjustment of financial statements as from the financial statements for periods as from December 31, 2003. The Amuta prepares its financial statements in nominal historic values which are not essentially different from the reported sums as defined in the above Standard.

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018**

**2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)**

**C. Presentation of financial statements:**

The financial statements were prepared according to Opinion No. 69 of the Institute of Certified Public Accountants in Israel, and Accounting Standard No.5 of the Israeli Accounting Standards Board.

In accordance with Opinion No. 69. of the Institute of Certified Public Accountants in Israel and Accounting Standard No.5 of the Israeli Accounting Standards Board, all of the Amutas' accounts are presented in the financial statements in an all inclusive accounting framework only, while classifying all of the fund balances under the heading of “Net Assets”.

The balances included in the grouping of Net Assets are categorized as follows:

- Unrestricted Net Assets.
- Temporarily Restricted Net Assets.
- Permanently Restricted Net Assets.

The Unrestricted Net Assets are classified as follows:

- Not designated by the Amuta's institutes
- Designated by the Amuta's institutes.
- Used for fixed assets.

The Statement of Activities includes all of the income and all of the expenditure during the reported period. “Income” includes all of the income receivable and which grew during the period without any restriction on the use thereof and also that portion of the net assets that were restricted but were released from the contributors’ restrictions during the course of the period. “Expenses” also include those expenses that were financed from sources that had been restricted by donors.

The statement on changes in net assets includes, in addition to the net result that is passed on from the statement on activities, also all of the sources that were received with a restriction on the use thereof and those sums that were released from restriction. Sums that were released from restrictions owing to being used for operations are transferred as revenues to the statement of activities and those sums that were released from restriction owing to their use for purchasing fixed assets are transferred directly to the net assets balance of the assets that are unrestricted in the statement on changes in net assets.

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018**

**2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)**

**D. Linkage to the Index or foreign currency:**

1. Assets and liabilities in foreign currency or linked thereto are presented according to the representative exchange rate on the balance sheet date.
2. Assets and liabilities linked to the Consumer Price Index are presented according to the index terms of each balance.
3. Income and expenditure and other activities in foreign currency are registered according to the exchange rates at the time of executing said activity.
4. Linkage and exchange rate differentials are recorded in the financial statements at the time of their creation.
5. Below are details of the indices and foreign currency exchange rates of the dollar and the euro on the balance sheet date:

	<u>31.12.2018</u>	<u>31.12.2017</u>
Consumer Price Index (in points)	101.2	100.4
US dollar (in NIS / Dollar)	3.748	3.467
Euro (in NIS / Euro)	4.292	4.153
	<b>For the Year Ending</b>	
	<u>31.12.2018</u>	<u>31.12.2017</u>
	<u>%</u>	<u>%</u>
Rate of increase(decrease) of:		
Index	0.8	0.4
US dollar	8.1	(9.83)
Euro	3.35	2.69

**E. Cash and cash equivalents:**

Investments with high liquidity are considered as having cash value, including, *inter alia*, short-term deposits that were deposited in banks where the period until the date of their realisation at the time of the investment therein does not exceed three months.

**F. Short term investments:**

Short term investments include investments in marketable securities mainly debentures.

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018**

**2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)**

**G. Fixed assets:**

- 1) Fixed assets are presented at cost less accumulated depreciation.
- 2) Depreciation is calculated using the straight-line method at rates that reflect, in the opinion of the Amuta’s management, the lifetime of the depreciated asset.

The annual depreciation rates are:

Office furniture and equipment	6%-15%
Web site	33%
Computers and ancillary equipment	33%
Leasehold improvements	20%
Data center	6%-33%

**H. Income recognition:**

Income and expenditure are included in the financial statements on an accrued basis.

**I. Estimates and assumptions:**

The preparation of the financial statements and the presentation thereof in accordance with generally accepted accounting principles, require that management make estimates and assumptions which affect the data in the financial statements and the related notes. Due to the nature of the estimates and assumptions, actual results may differ from those estimates.

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018**

**3. CASH AND CASH EQUIVALENTS:**

	<u>31.12.2018</u>	<u>31.12.2017</u>
	<u>N.I.S.</u>	<u>N.I.S.</u>
Cash - on hand and in banks - Israeli currency	843,928	608,082
Short-term deposits in Israeli currency	51,000	-
Short-term deposits in foreign currency	358,262	672,146
	<u>1,253,190</u>	<u>1,280,228</u>

**4. SUPPORTS, CONTRIBUTIONS AND GRANTS RECEIVABLE:**

	<u>31.12.2018</u>	<u>31.12.2017</u>
	<u>N.I.S.</u>	<u>N.I.S.</u>
Ir Amim Association	-	12,000
Oxfam	9,757	20,000
BFTW	-	23,379
UN Habitat-EU	-	82,158
The European Union	158,522	68,960
The New Israel Fund	-	34,670
ACPP	-	37,227
Arnou Family Fund	-	107,509
Netherlands Representative office	16,995	-
The Moriah Fund	72,140	-
Others	1,750	3,300
	<u>259,164</u>	<u>389,203</u>

**5. LONG TERM RECEIVABLES:**

**Accrued interest for the loan to the employee subject to the tax laws in Israel.**

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018**

**6. FIXED ASSETS, NET**

	<b>Office furniture and equipment</b>	<b>Web site</b>	<b>Computers &amp; ancillary equipment</b>	<b>Leasehold improvements</b>	<b>Data center</b>	<b>Total</b>
	<b>N.I.S.</b>	<b>N.I.S.</b>	<b>N.I.S.</b>	<b>N.I.S.</b>	<b>N.I.S.</b>	<b>N.I.S.</b>
<b>Cost:</b>						
As of January 1, 2018	93,599	52,706	467,323	259,209	78,911	951,748
As of December 31, 2018	93,599	52,706	467,323	259,209	78,911	951,748
<b>Accumulated depreciation:</b>						
As of January 1, 2018	87,228	52,706	460,910	201,537	78,450	880,831
Depreciation 2018	1,908	-	6,413	42,533	319	51,173
As of December 31, 2018	89,136	52,706	267,323	244,070	78,769	932,004
<b>Depreciated cost</b>						
As of December 31, 2018	4,463	-	-	15,139	142	19,744
As of December 31, 2017	6,371	-	6,413	57,672	461	70,917

**7. SUPPLIERS AND SERVICE PROVIDERS:**

	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>N.I.S.</b>	<b>N.I.S.</b>
Open accounts	35,513	36,543
Checks payable	40,764	42,664
	<u>76,277</u>	<u>79,207</u>

**8. CREDITORS AND CREDIT BALANCES:**

	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>N.I.S.</b>	<b>N.I.S.</b>
Workers and Institutions due to salaries	90,635	262,227
Provision for vacation pay	118,510	120,314
	<u>209,145</u>	<u>382,541</u>

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018**

**9. RESERVE FOR SEVERANCE PAY, NET:**

The Amuta deposits funds for its employees in personal pension funds on a regular basis, subject to the Obligatory Pension Law. The obligation reflects the Amuta’s obligation to provide severance pay to employees over and above those sums accumulated for them in the pension funds and benefits funds.

**10. INCOME FROM GRANTS AND CONTRIBUTIONS:**

**A. Detailed Operating Turnover by Source**

	<b>For the Year Ending</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>N.I.S.</b>	<b>N.I.S.</b>
The New Israel Fund	269,314	431,446
The Blaustein Foundation through the New Israel Fund	257,971	278,069
The Moriah Fund through the New Israel Fund	143,521	210,028
The Irish Embassy (*)	346,223	333,529
NRC (*)	66,916	68,960
Kathyn Ames through the New Israel Fund	68,093	-
The European Union (*)	1,402,102	401,930
Netherlands Representative office (*)	335,428	-
Oxfam – Novib (*)	99,253	126,697
Private Family Fund through the New Israel Fund	174,946	178,599
Oxfam Novib/ Belgium	-	-
UN-Habitat/ EU (*)	102,500	42,780
Foundation for Middle East Peace through the New Israel Fund	17,351	-
UN- Habitat/ AECID (*)	196,398	254,504
Bread for the World (*)	376,439	333,845
Kaminker Fund	-	460,549
Rosa Luxemburg Fund (*)	-	31,152
UNDP	-	-
Arnov Family Fund through the New Israel Fund	-	45,267
Embassy of Switzerland (*)	179,486	256,608
HR/IHL Secretariat (*)	-	435,789
Misc. donations	10,987	13,011
ACPP (*)	96,594	-
OCHA (*)	199,071	-
	<u>3,342,593</u>	<u>3,902,763</u>

(\*) Foreign State Entity

**B. Detailed Classification of Contributions**

Contributions to operating activities	171,859	223,040
Amounts released from temporarily restricted net assets	4,170,734	3,679,723
	<u>4,342,593</u>	<u>3,902,763</u>

**BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)**

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018**

**11. COST OF ACTIVITIES:**

	<b>For the Year Ending</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>N.I.S.</b>	<b>N.I.S.</b>
International relations expenses	183,242	249,493
Bedouin project	396,271	494,213
East Jerusalem project	468,045	472,485
Arab Localities project	223,649	210,996
Area C project	1,102,823	755,934
Urbanism Project	474,189	340,004
Salaries and related expenses for general activities	318,220	377,746
Rent and maintenance fees	283,833	282,081
Travel	14,401	26,339
Legal costs for projects	5,516	27,189
Computer and web site	23,251	40,868
Postage and communications	16,936	16,324
Public outreach	73,517	407,023
Other operating costs	11,538	27,077
Depreciation	45,032	61,248
	<u>3,640,463</u>	<u>3,789,020</u>

**12. ADMINISTRATIVE AND GENERAL EXPENSES:**

	<b>For the Year Ending</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>N.I.S.</b>	<b>N.I.S.</b>
Salaries and related expenses	443,631	475,475
Office Expenditure	1,604	1,379
Refreshments and gifts	7,222	9,032
Telephone and communications	2,309	2,226
Maintenance	4,903	4,960
Professional fees	13,338	17,550
Travel and delivery	1,964	3,592
Rent	33,801	33,506
Professional literature and further education	1,226	2,354
Website maintenance	2,485	5,300
Depreciation	6,140	8,352
	<u>518,623</u>	<u>563,726</u>



BIMKOM – PLANNERS FOR PLANNING RIGHTS (R”A)

NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2018

13. TEMPORARY RESTRICTED NET ASSETS:

	31.12.2017	Additions During 2018	Releases During 2018	31.12.2018
	N.I.S.	N.I.S.	N.I.S.	N.I.S.
The New Israel Fund	-	289,314	269,314	20,000
Oxfam-Novib	-	99,253	99,253	-
The Irish Embassy	346,223	355,606	346,223	355,606
NRC	-	66,916	66,916	-
Kathryn Ames Foundation through the New Israel Fund	-	68,093	68,093	-
The European Union	-	1,437,702	1,402,102	35,600
Bread for the World	91,026	442,413	376,439	157,000
The Blaustein Fundation through the New Israel Fund	257,971	-	257,971	-
UN Habitat Belgium	102,500	328,450	298,898	132,052
N.R.C.	-			
Rosa Luxemburg Fund	-			
Private Family Fund through the New Israel Fund	85,990	177,911	174,946	88,955
Arnow Family	-			
Swiss Embassy	-	179,486	179,486	-
Netherlands Representative office	-	335,428	335,428	-
OCHA	-	199,071	199,071	-
ACPP	-	96,594	96,594	-
	<u>883,710</u>	<u>4,076,237</u>	<u>4,170,734</u>	<u>789,213</u>