

Krembo Wings (RA)

Financial Reports for December 31, 2012

Krembo Wings (RA)

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Auditing Accountant's Report

for Krembo Wings (RA) Members

We have audited the attached balance sheets of Krembo Wings (RA) (hereafter, KW) for December 31 2012 and 2011, as well as the activities reports, the reports on changes in net assets, and the cash flow reports for the years ending on that date. These financial reports are under the responsibility of KW's executive committee and management. It is ours to opine on these financial reports based on our audit.

We have conducted our audit based on accepted Israeli auditing standards, including standards set forth in Auditors' Regulations (Auditor's Mode of Performance), 5733-1973. These standards have required us to design our audit and conduct it so as to attain a reasonable degree of confidence that the financial reports involve no material misrepresentation. Our audit thus included sample testing of evidence which support the amounts and other data in the reports. It also included examination of the accounting rules applied and the significant estimates made by KW's management, as well as evaluation of the appropriateness of presentation in the entire reports. We believe our audit has provided us with adequate foundation for our opinion.

We find that said financial reports are an accurate reflection, in all material respects, of KW's financial status on December 31 2012 and 2011, as well as the outcomes of its activity and the changes in net assets for each of the years ending on those dates, based on accepted accounting rules (Israeli GAAP).

Weksler, Kodenzik, Enoch & Co.
Certified Public Accountants (ISR)

וקסלר, קודנצ'יק, אנוך ושות'
וקסלר, קודנצ'יק, אנוך ושות'
רואי חשבון - חשבון

Ramat Gan, August 7, 2013

Krembo Wings (RA)

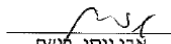
Balance Sheet for December 31 2012

| | December 31 | <u>2012</u> | <u>2011</u> |
|--|--------------|-------------------------|-----------------------|
| | <u>Notes</u> | <u>NIS</u> | <u>NIS</u> |
| <u>Property and Assets</u> | | | |
| Current Assets | | | |
| Cash and cash equivalents | 3 | 1,744,600 | 858,118 |
| Various debtors and debt balances | 4 | <u>81,166</u> | <u>88,634</u> |
| Total current assets | | <u>1,825,766</u> | <u>946,752</u> |
| Permanent Assets, Net | 5 | 14,411 | 13,817 |
| | | ----- | ----- |
| Total Assets | | <u>1,840,177</u> | <u>960,569</u> |
| | | ===== | ===== |
| <u>Liabilities</u> | | | |
| Current Liabilities | | | |
| Suppliers and service providers | 6 | 282,818 | 246,664 |
| Various creditors and credit balances | 7 | <u>107,985</u> | <u>60,798</u> |
| | | 390,803 | 307,462 |
| Long-Term Liabilities | | | |
| Liability due to termination of employer-employee relationship | | 68,194 | 46,462 |
| | | ----- | ----- |
| Total Liabilities | | <u>458,997</u> | <u>353,924</u> |
| Net Assets | | | |
| Net Unrestricted Assets to be used in activities designated by KW: | 2(3) | 1,150,000 | 550,000 |
| Not designated by KW: | | 6,194 | 42,828 |
| | | <u>1,156,194</u> | <u>592,828</u> |
| Used for permanent assets | | 14,411 | 13,817 |
| <u>Total unrestricted net assets</u> | | 1,170,605 | 606,654 |
| <u>Temporarily restricted net assets</u> | 2(3) | 210,575 | - |
| Total net assets | | <u>1,381,180</u> | <u>606,645</u> |
| Total net liabilities and assets | | <u>1,840,177</u> | <u>960,569</u> |

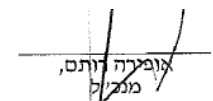
Approved on August 7, 2013 by:


קרו דותן ברדה, עו"ד

Att. Keren Dotan, Committee Member


אבי ניסן, עו"ד

CPR Avi Nisan, Committee Member


אופיריה רוטם,
מנכ"ל

Ofira Rotem, CEO

The notes attached below are an integral part of the financial reports

Krembo Wings (RA)
Activity Report for the Year Ending on December 31

| | <u>Notes</u> | <u>2012</u> <u>NIS</u> | <u>2011</u> <u>NIS</u> |
|---|--------------|---------------------------|---------------------------|
| Turnover | | | |
| Own revenues | 8 | 6,786,029 | *4,528,666 |
| Public funding & support | 9 | <u>1,090,324</u> | <u>*445,627</u> |
| | | 7,876,353 | 4,974,293 |
| | | ----- | ----- |
| <u>Expenses</u> | | | |
| Activity costs | 10 | <u>(6,629,508)</u> | <u>(4,482,045)</u> |
| Net income from activities | | 1,246,845 | 692,248 |
| Management & general expenses | 11 | 673,375 | 541,174 |
| Net (expenses), revenues before funding | | 573,470 | 151,074 |
| Funding revenues (expenses) | | (9,510) | 19,257 |
| | | ----- | ----- |
| Net revenues (expenses) | | 563,960 | 170,331 |

* Resorted

The notes attached below are an integral part of the financial reports

Krembo Wings (RA)
Report on Changes in Net Assets for the Year Ending on 31.12.2012

| | <u>Unrestricted</u> | | | <u>Temporarily</u> | <u>TOTAL</u> |
|---|---------------------------------------|------------------------------------|---|--------------------|------------------|
| | <u>Used for Activities</u> | | | <u>Restricted</u> | |
| | <u>Not designated by</u> <u>KW</u> | <u>Designated by</u> <u>KW*</u> | <u>Used as Permanent</u> <u>Assets</u> | | |
| | <u>NIS</u> | <u>NIS</u> | <u>NIS</u> | <u>NIS</u> | |
| Balance on January 1, 2011 | 22,784 | 400,000 | 13,530 | 51,241 | 487,555 |
| Surplus on accounting year | 170,331 | - | - | - | 170,331 |
| Amounts designated by KW | | | | | |
| Special summer activities | (100,000) | 100,000 | - | - | - |
| Building a national training center | (50,000) | 50,000 | - | - | - |
| | (150,000) | 150,000 | - | - | - |
| <u>Unrestricted transfers</u> | | | | | |
| Used for permanent assets, net | (4,262) | - | 4,262 | - | - |
| Used to cover amortization expenses | 3,975 | - | (3,975) | - | - |
| | (287) | - | 287 | - | - |
| Reductions during the year: | | | | | |
| Freeing restricted donations for activities | - | - | - | (51,241) | (51,241) |
| Balance on December 31, 2010 | 42,828 | 550,000 | 13,817 | | 606,645 |
| Surplus on accounting year | 563,960 | - | - | - | 563,960 |
| <u>Unrestricted transfers</u> | | | | | |
| Used for permanent assets | (5,460) | - | 5,460 | - | - |
| Used to cover amortization expenses | 4,866 | - | (4,866) | - | - |
| | (594) | - | 594 | - | - |
| Amounts (designated) realized by KW, | | | | | |
| Recruiting and training volunteers | 100,000 | (100,000) | - | - | - |
| Special summer activities | 150,000 | (150,000) | - | - | - |
| Building a national training center | (550,000) | 550,000 | - | - | - |
| Opening new branches | (300,000) | 300,000 | - | - | - |
| | (600,000) | (600,000) | - | - | - |
| Additions during the year: Donation | - | - | - | 385,092 | 385,092 |
| Reductions during the year: Freeing up | - | - | - | (174,517) | (174,517) |
| restricted donations for activities | | | | | |
| Balance on December 31, 2012 | 6,194 | 1,150,000 | 14,411 | 210,575 | 1,381,180 |

*See Note 2

The notes attached below are an integral part of the financial reports

Krembo Wings (RA)
Cash Flow Reports for the Year Ending on December 31

| | <u>2012</u> <u>NIS</u> | <u>2011</u> <u>NIS</u> |
|--|---------------------------|---------------------------|
| Current activity cash flow | | |
| Surplus (deficit) on accounting year | 563,960 | 170,331 |
| Adjustments required to present current activity cash flow (Annex A) | <u>(57,110)</u> | <u>235,905</u> |
| Net cash (used for) gained from current activity | 506,850 | 406,236 |
| | ----- | ----- |
| Cash flow from investments | | |
| Investment in permanent assets | (5,460) | (4,262) |
| Net cash used for investment activity | (5,460) | (4,262) |
| | ----- | ----- |
| Cash flow from funding | | |
| Donations for net restricted assets | 385,092 | - |
| Net cash gained from funding activity | 385,092 | - |
| | ----- | ----- |
| Increase in cash and cash equivalents | 886,482 | 401,974 |
| Cash and cash equivalents balance at year's start | <u>858,118</u> | <u>456,144</u> |
| Cash and cash equivalents balance at year's end | 1,744,600 | 858,118 |
| | ===== | ===== |

The notes attached below are an integral part of the financial reports

Annex A:
Adjustments Required to Present Current Activity Cash Flows
for the Year Ending on December 31

| | <u>2012</u> | <u>2011</u> |
|---|--------------------------|-------------------------|
| | <u>NIS</u> | <u>NIS</u> |
| Expenses not involving cash flows | | |
| Amortization | 4,866 | 3,975 |
| Increased reserve for severance pay | 21,732 | 23,600 |
| Amounts freed from net restricted assets | <u>(174,517)</u> | <u>(51,241)</u> |
| | 147,919 | 23,666 |
| Changes in asset & liability items | | |
| Decrease in debtors and debt balances | 7,468 | 90,772 |
| Increase (decrease) in suppliers and service providers | 36,154 | 137,100 |
| Increase in other creditors and credit balances | <u>47,187</u> | <u>31,699</u> |
| Total adjustments required to present the cash flow from current activity – Annex A | <u>90,809</u> | <u>259,571</u> |
| | <u>-----</u> (57,110) | <u>-----</u> 235,905 |

The notes attached below are an integral part of the financial reports

Krembo Wings (RA)

Notes on Financial Reports

Note 1 – General

Krembo Wings (hereafter, "KW") was registered by the Registrar of Associations as RA 58-045-568-1. In May 2006 KW began operating as a "non-profit organization" (NPO) with the purpose of forging social ties among teenagers with cerebral palsy and other disabilities and between them and non-disabled teenagers.

KW operates 18 regional branches throughout Israel: Kiryat Shmona, Maayan Baruch (Upper Galilee area), Yokneam, Tiberias, Kokhav-Ya'ir-Zur Yigal (and the area), Hod Hasharon (the Sharon area), Modi'in (Maccabim, Re'ut, Lapid), Yavne, Ashkelon, Beersheba (and communities nearby), Ra'anana, Tel Aviv, Holon, Netanya, Nazerat Illit, Ofakim, Jerusalem and Rahat.

Note 2 – Accounting Principles

- (1) The Financial Reports have been prepared according to the Consolidated Version of Audit Statement 69, and Standard 5 of the Israeli Accounting Standard Bureau on RA accounting and financial report rules.
- (2) Revenues and expenses
The revenues and expenses included in these Financial Reports are on an aggregate basis, according to Standard 5.
- (3) Presentation
The balances included in the net asset group are presented with a distinction between:
 - a. Net unrestricted assets
 - b. Net temporarily restricted assets
 - c. Net permanently restricted assets

DEFINITIONS:

| | |
|-------------------------|---|
| Net unrestricted assets | That part of the net assets the use of which is not restricted, either permanently or temporarily, by guidelines provided by donors, supporters or grantors |
| Temporary restriction | A restriction that expires or is removed upon the occurrence of a certain event, or with time, or |

which can be applied to or removed from certain activities, all subject to provisions dictated by donors or external funders

Permanent restriction A restriction that does not expire or is not removed upon the occurrence of a certain event, or with time, and which cannot be applied to or removed from certain activities. Such a restriction allows using only the output of the donations received.

Net unrestricted assets are presented with a distinction between assets

- a. Designated by KW's management
- b. Not yet designated by KW
- c. Used for permanent property

(4) The report on activities includes the incomes and expenses during the reporting period. The first include those received and gained during the period when their use was not restricted, as well as net assets restricted and freed during the period. The expenses also include those funded from restricted sources.

(5) The report on changes in net assets includes, in addition to a surplus (deficit) transferred from the report on activities all sources received while still restricted as well as the amounts freed of restrictions.

Amounts freed of restrictions thanks to their use in activities are transferred as incomes to the activity report, while amounts freed thanks to use for permanent assets, including permanent property received as a gift (and the income from its realization has not be restricted) are transferred directly to the balance of net unrestricted assets used as permanent property in the report on the changes in net assets.

(6) The report on changes in net assets also includes transfers between net unrestricted assets for amounts used during the report year for permanent property, amounts due to the realization of permanent property and amounts transferred to cover amortization expenses.

(7) Unrestricted net assets designated by KW:

| Designation | Balance on Dec. 31, 2011 | Realizing assets designated in 2012 | Designating assets in 2012 | Balance on Dec. 31, 2012 |
|-------------------------------------|-----------------------------|--|-------------------------------|-----------------------------|
| Recruiting and training volunteers | 100,000 | (100,000) | - | - |
| Special summer activities | 150,000 | (150,000) | - | - |
| Building a national training center | - | - | 550,000 | 550,000 |
| Opening new branches | 300,000 | (300,000) | 600,000 | 600,000 |
| | 550,000 | (550,000) | 1,150,000 | 1,150,000 |

(8) Temporarily restricted net assets: KW received a temporarily restricted donation of 385,092 NIS to fund its operations in the Negev and Galilee branches. During the year, KW realized a total of 174,517 thereof. The rest is temporarily restricted – 210,575 NIS on balance day.

(9) Permanent assets:

The assets are presented in the Financial Reports before cost after deduction for aggregate amortization. The amortization is calculated under the straight line amortization method in annual rates considered sufficient for amortizing the hardware over its estimated usage period:

| <u>Type of asset</u> | <u>Rate</u> |
|----------------------|-------------|
| Hardware | 7-15% |
| Computers | 33% |

(10) Use of estimates:

When preparing Financial Reports subject to acceptable accounting rules, the management had to rely on estimates and evaluations affecting the data reported on assets and liabilities as well as the data on contingent assets and liabilities reported herein, hence on revenue and expense data over the reporting periods; actual results may differ from these estimates.

(11) Exchange rates: Balances in a foreign currency are presented in NIS based on the exchange rate on balance day. Rate differentials have been represented as financing costs.

The following are the exchange rates for the main currencies used by KW:

December 31NIS

| | <u>2011</u> | <u>2012</u> |
|----------|-------------|-------------|
| USD | 3.821 | 3.733 |
| Pound | 5.892 | 6.037 |
| Euro | 4.928 | 4.921 |
| S. Franc | 4.062 | 4.077 |

Note 3 – Cash and Cash Equivalents

| | <u>On December 31</u> | |
|------------------------------|-----------------------|----------------|
| | <u>2012</u> | <u>2011</u> |
| | NIS | NIS |
| Cash in the bank and cashbox | 1,163,888 | 631,703 |
| Short-term cash deposits | <u>580,712</u> | <u>226,415</u> |
| | 1,744,600 | 858,118 |
| | ===== | ===== |

Note 4 – Other Debtors and Debt Balances

| | <u>On December 31</u> | |
|-----------------------|-----------------------|---------------|
| | <u>2012</u> | <u>2011</u> |
| | NIS | NIS |
| Checks for collection | - | 10,000 |
| Advance expenses | 35,462 | 30,634 |
| Revenues receivable | 15,704 | 18,000 |
| Advances to suppliers | 30,000 | 30,000 |
| | 81,166 | 88,634 |
| | ===== | ===== |

Note 5 – Permanent Assets

| | <u>Computers</u> NIS | <u>Hardware</u> NIS | <u>TOTAL</u> NIS |
|---------------------------------------|-------------------------|------------------------|---------------------|
| <u>Cost</u> | | | |
| On Jan 1, 2012 | 8,451 | 16,883 | 25,334 |
| Acquisitions this year | 3,510 | 1,950 | 5,460 |
| On Dec 31, 2012 | 11,961 | 18,833 | 30,794 |
| | ----- | ----- | ----- |
| <u>Amortization</u> | | | |
| On Jan 1, 2012 | 4,499 | 7,018 | 11,517 |
| Amortization this year | 2,050 | 2,816 | 4,866 |
| On Dec 31, 2012 | 6,549 | 9,834 | 16,383 |
| | ----- | ----- | ----- |
| | ===== | ===== | ===== |
| Amortized cost on Dec 31, 2012 | 5,412 | 8,999 | 14,411 |
| | ===== | ===== | ===== |

| | <u>Computers</u> NIS | <u>Hardware</u> NIS | <u>TOTAL</u> NIS |
|---------------------------------------|-------------------------|------------------------|---------------------|
| <u>Cost</u> | | | |
| On Jan 1, 2011 | 4,189 | 16,883 | 21,072 |
| Acquisitions this year | 4,262 | - | 4,262 |
| Decrease this year | = | = | = |
| On Dec 31, 2011 | 8,451 | 16,883 | 25,334 |
| | ----- | ----- | ----- |
| <u>Amortization</u> | | | |
| On Jan 1, 2011 | 3,056 | 4,486 | 7,542 |
| Amortization this year | 1,443 | 2,532 | 3,975 |
| Decrease this year | = | = | = |
| On Dec 31, 2011 | 4,499 | 7,018 | 11,517 |
| | ----- | ----- | ----- |
| | ===== | ===== | ===== |
| Amortized cost on Dec 31, 2011 | 3,952 | 9,865 | 13,817 |
| | ===== | ===== | ===== |

Note 6 – Suppliers and Service Providers

| | <u>December 31</u> | |
|-----------------|--------------------|--------------------|
| | <u>2012</u> NIS | <u>2011</u> NIS |
| Open accounts | 49,777 | 98,482 |
| Cashable checks | 233,041 | 148,182 |
| | 282,818 | 246,664 |
| | ===== | ===== |

Note 7 – Various Creditors and Credit Balances

| | <u>December 31</u> | |
|----------------------------------|---------------------------|----------------------|
| | <u>2012</u> | <u>2011</u> |
| | NIS | NIS |
| Employees and institutes for pay | 32,427 | 22,325 |
| Income tax | 14,866 | 6,616 |
| Expenses payable | 42,738 | - |
| Vacation allowance | <u>17,954</u> | <u>31,857</u> |
| | <u>107,985</u> | <u>60,798</u> |
| | ===== | ===== |

Note 8 – Own Incomes

| | <u>2012</u> | <u>2011</u> |
|--|-------------------------|-------------------------|
| | NIS | NIS |
| Donations | 3,653,038 | 2,725,918 |
| Donations in monetary equivalent | 178,080 | 108,434 |
| Participant participation | 159,242 | 102,490 |
| Donations freed of temporary restriction | 174,517 | 51,241 |
| Volunteer work equivalent | <u>2,621,152</u> | <u>1,540,583</u> |
| | <u>6,786,029</u> | <u>4,528,666</u> |
| | ===== | ===== |

Note 9 – Public Budgeting & Support

| | <u>2012</u> | <u>2011</u> |
|--|-------------------------|-----------------------|
| | NIS | NIS |
| Ministry of Welfare & Social Services joint venture | 85,410 | - |
| Support by the Ministry of Welfare & Social Services | 60,119 | 90,393 |
| Support by local authorities | 57,795 | 38,734 |
| Value of local authority transportation support | 375,000 | 120,000 |
| Value of local authority facility allocation support | 342,000 | 196,500 |
| Value of Ministry of Education's transportation support | 150,000 | |
| Value of Ministry of Education's instructor training support | 20,000 | |
| | <u>1,090,324</u> | <u>445,627</u> |

Note 10 – Activity Costs

| | <u>2012</u> | <u>2011</u> |
|--|--------------------|--------------------|
| | NIS | NIS |
| Event production | 11,456 | 294,243 |
| Salaries and related costs | 625,120 | 363,556 |
| Transporting participants to branch activities (1) | 982,555 | 463,422 |
| Branch operations (2) | 447,954 | 420,320* |
| Social consulting (3) | 116,195 | 101,177 |
| Volunteer training (4) | 160,868 | 134,043* |
| Volunteer pay | 2,621,152 | 1,540,583 |
| Rent | 342,000 | 196,500 |
| Amortization | 4,866 | 3,957 |
| Insurances | 58,798 | 57,656 |
| PR & Fundraising (5) | 201,720 | 64,549 |
| Summer camp | 635,634 | 310,000 |
| Scholarships | 93,500 | 49,500 |
| Working clothes | 73,465 | 75,000 |
| Vehicle expenses | 254,225 | 207,521 |
| | 6,629,508 | 4,282,045 |

* Resorted

(1) 2012: Including value of local authority participant transportation, total of 375,000 NIS. and Ministry of Education support totaling 150,000 NIS

2011: Including value of local authority participant transportation, total of 120,000 NIS.

(2) 2012: Including equivalent expenses totaling 122,171 NIS

(3) 2012: Social worker salary, total of 116,195 NIS

2011: Social work pay against an invoice totaling 62,350 and as salary totaling 38,837 NIS.

(4) Including value of Ministry of Education Training totaling 20,000 NIS and expenses equivalent of 3,500 NIS.

(5) Including expenses equivalent totaling 3,553 NIS.

Note 11 – Management and General Expenses

| | <u>2012</u> | <u>2011</u> |
|---------------------------|----------------|----------------|
| | NIS | NIS |
| Salaries and benefits | 250,176 | 252,678 |
| Communication | 72,212 | 80,722 |
| Offices and computers (1) | 94,464 | 20,170 |
| Taxes and levies | 1,273 | 2,848 |
| Catering and per diem | 49,457 | 21,175 |
| Professional | 54,604 | 40,155 |
| Vehicle maintenance | 105,291 | 76,648 |
| Building rental (2) | 36,000 | 36,000 |
| Insurances | 6,437 | 6,687 |
| Travel | 3,461 | 659 |
| Advertising | - | <u>3,432</u> |
| | 673,375 | 541,174 |
| | ===== | ===== |

(1) Including expenses equivalent to 9,500 NIS for creating the NGO website

(2) Cash-equivalent donation for use as the KW's office

Note 12 – Value of Volunteer Activities and Donations in Cash Equivalents**A. Value of volunteer activities**

KW's services are provided mainly by teenage volunteers who instruct the participants (children with special needs) and interact with them socially.

Our estimation of these teenage volunteer activities is based on the minimum wage rate for 17-18 year-old minors. In order to appropriately reflect the extent of KW's activities, its management has decided to present the value of activities by its youth instructors (volunteers) - 1,037 in 2012 and 648 in 2011 – within the financial reports according to accepted accounting rules.

Below is the composition of volunteers, their roles and the estimated monetary equivalent of their activities in 2012 and 2011:

2012

| Role | Branch | No. of Volunteers | Total Activity Months | Total Activity Hours | Hourly Wage Equivalent | Total Value |
|------------------------|-----------------|--------------------------|------------------------------|-----------------------------|-------------------------------|--------------------|
| Manager & coordinators | Hod Hasharon | 6 | 9 | 1,944 | 19.64 | 38,180 |
| Instructors | | 60 | 9 | 8,640 | 19.64 | 169,690 |
| Manager & coordinators | Zur Yigal | 5 | 9 | 1,620 | 19.64 | 31,817 |
| Instructors | | 40 | 9 | 5,664 | 19.64 | 111,241 |
| Manager & coordinators | Beersheba | 5 | 9 | 1,620 | 19.64 | 31,817 |
| Instructors | | 57 | 9 | 8,208 | 19.64 | 161,205 |
| Manager & coordinators | Kiryat Shmona | 6 | 9 | 1,944 | 19.64 | 38,180 |
| Instructors | | 65 | 9 | 11,700 | 19.64 | 229,788 |
| Manager & coordinators | Jerusalem | 5 | 9 | 1,620 | 19.64 | 31,817 |
| Instructors | | 53 | 9 | 7,632 | 19.64 | 149,892 |
| Manager & coordinators | Yokneam | 5 | 7 | 1,260 | 19.64 | 24,746 |
| Instructors | | 45 | 7 | 5,040 | 19.64 | 98,986 |
| Manager & coordinators | Holon | 5 | 1 | 180 | 19.64 | 3,535 |
| Instructors | | 47 | 1 | 752 | 19.64 | 14,769 |
| Manager & coordinators | Tel Aviv Center | 5 | 7 | 1,260 | 19.64 | 24,746 |
| Instructors | | 47 | 6 | 4,512 | 19.64 | 88,616 |
| Manager & coordinators | Yavne | 5 | 9 | 1,620 | 19.64 | 31,817 |
| Instructors | | 54 | 9 | 7,776 | 19.64 | 152,721 |
| Manager & coordinators | Ashkelon | 5 | 9 | 1,620 | 19.64 | 31,817 |
| Instructors | | 48 | 9 | 6,912 | 19.64 | 135,752 |
| Manager & coordinators | Tiberias | 5 | 9 | 1,620 | 19.64 | 31,817 |
| Instructors | | 46 | 9 | 6,624 | 19.64 | 130,095 |
| Manager & coordinators | Modi'in | 6 | 9 | 1,944 | 19.64 | 38,180 |
| Instructors | | 62 | 9 | 8,928 | 19.64 | 175,346 |

| | | | | | | |
|------------------------|---------------|--------------|---|----------------|-------|------------------|
| Manager & coordinators | Ra'anana | 6 | 9 | 1,944 | 19.64 | 38,180 |
| Instructors | | 52 | 9 | 7,488 | 19.64 | 147,064 |
| Manager & coordinators | Tel Aviv | 7 | 7 | 1,764 | 19.64 | 34,645 |
| Instructors | | 92 | 6 | 8,832 | 19.64 | 173,460 |
| Manager & coordinators | Netanya | 5 | 9 | 1,620 | 19.64 | 31,817 |
| Instructors | | 53 | 9 | 7,632 | 19.64 | 149,892 |
| Manager & coordinators | Nazerat Illit | 5 | 3 | 540 | 19.64 | 10,606 |
| Instructors | | 50 | 2 | 1,600 | 19.64 | 31,424 |
| Manager & coordinators | Rahat | 5 | 1 | 120 | 19.64 | 2,357 |
| Instructors | | 35 | 1 | 560 | 19.64 | 10,998 |
| Manager & coordinators | Ofakim | 5 | 1 | 160 | 19.64 | 3,142 |
| Instructors | | 35 | 1 | 560 | 19.64 | 10,998 |
| TOTAL | | 1,037 | | 133,460 | | 2,621,152 |

2011

| | | | | | | |
|--------------|--|------------|------------|---------------|--------------|------------------|
| TOTAL | | 648 | 213 | 82,296 | 18.72 | 1,540,581 |
|--------------|--|------------|------------|---------------|--------------|------------------|

B. Value of real estate utilization

KW is active in properties provided without financial consideration and uses them for its purposes and only during activity hours. The value of this real estate utilization is as follows:

- Ashkelon branch: The property was made available to KW by the Ashkelon municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 20,000)
- Zur Yigal branch: The property was made available to KW by the Kochav Ya'ir-Zur Yigal local council. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 20,000)
- Beersheba branch: The property was made available to KW by Ms. Avital Baranov. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 20,000)
- Modi'in branch: The property was made available to KW by the Modiin Community Center Youth Unit. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 20,000)
- Tiberias branch: The property was made available to KW by the Tiberias municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 20,000)
- Ra'anana branch: The property was made available to KW by the Ra'anana municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 15,000)
- Tel Aviv branch: The property was made available to KW by the Tel Aviv-Jaffa municipality. The value of using it during January-December 2012 is estimated at 22,500 NIS. (2011: 10,000)
- Netanya branch: The property was made available to KW by the Netanya municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 4,000)
- Nazerat Illit branch: The property was made available to KW by the Nazerat Illit municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 4,000)
- Kiryat Shmona branch: The property was made available to KW by the Kiryat Shmona municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 15,000)
- Yavne branch: The property was made available to KW by the Yavne municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 15,000)

- Jerusalem branch: The property was made available to KW by the Jerusalem municipality. The value of using it during April-December 2012 is estimated at 20,000 NIS. (April-December 2011: 12,000)
- Yokneam branch: The property was made available to KW by the Yokneam municipality. The value of using it during November-December 2012 is estimated at 20,000 NIS. (2011: 2,500 for November-December)
- Holon branch: The property was made available to KW by the Holon municipality. The value of using it during December 2012 is estimated at 20,000 NIS. (2011: 1,500 for December)
- Tel Aviv Center branch: The property was made available to KW by the Tel Aviv-Jaffa municipality. The value of using it during November-December 2012 is estimated at 22,500 NIS.(2011: 2,500 NIS for November-December)
- Hod Hasharon branch: The property was made available to KW by the Hod Hasharon municipality. The value of using it during January-December 2012 is estimated at 20,000 NIS. (2011: 15,000)
- Ofakim branch: The property was made available to KW by the Ofakim municipality. The value of using it in February-December 2012 is estimated at 9,000 NIS.
- Rahat branch: The property was made available to KW by the Rahat municipality. The value of using it in April-December 2012 is estimated at 8,000 NIS.

Note 13 – Donations Exceeding 20,000 NIS

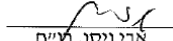
According to the RA regulations (determination of maximal totals and procedures for recording anonymous donations in financial reports), 2002, the following are the donors who donated over 20,000 NIS.

| Donor | Amount in NIS |
|--|----------------------|
| Shufersal | 500,150 |
| Matan – Effective Community Investment in Israel | 449,615 |
| Ted Arison Fund | 385,092 |
| Joseph & Christina Kasierer Foundation | 300,000 |
| Check Point | 250,000 |
| Tmura Foundation | 177,150 |
| NeoGames Technologies | 150,000 |
| Home Center | 138,335 |
| Sobell Foundation | 123,501 |
| Azrieli Israel Fund | 100,000 |
| Maurice & Vivienne Wohl Philanthropic Foundation | 93,350 |
| Yad Hanadiv | 61,324 |
| Gandyr Israel Financial Holdings | 60,000 |
| Kennedy Leigh Charitable Trust | 56,778 |
| Boeing | 54,236 |
| IDB for the Community | 50,000 |
| Isracard | 40,000 |
| Poalim in the Community | 40,000 |
| Jewish Agency | 39,843 |
| Elharizi School | 36,970 |
| Moses-Wolfowitz Fund | 30,000 |
| Citibank Europe | 28,665 |
| Makhteshim Chemical Industries | 26,000 |
| Shikun & Binui | 26,000 |
| Bezeq | 25,000 |
| Bank Leumi | 25,000 |
| Dalia Goldstein | 25,000 |
| Shimon Barzilai | 25,000 |
| Zippa Carmon | 20,000 |
| Peretz-Naftali Foundation | 20,000 |

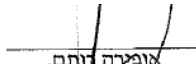
Approved on August 7, 2013 by:


קרו דותן ברדה, עו"ד

Att. Keren Dotan-Barda, Committee Member


אבי ניסן, ע"ח

CPR Avi Nisan, Committee Member


אופירה רוטם,
מנכ"ל

Ofira Rotem, CEO