



## NEW PROFILE

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### Inspecting accountant's report for New Profile's (registered 58-034-612-0) membership

I have audited the accompanying balance sheets of **New Profile** (the Organization) as of December 31, 2007 and 2006, and the related Statements of income, changes in equity and Cash Flows for each of the years ended on the those dates. 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 our audits.

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

The financial statements referred to above are presented in values adjusted for the changes in the general purchasing power of the Israeli currency, in accordance with pronouncements of the Institute of Certified Public Accountants in Israel.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the company as of December 31, 2007 and 2006, and the results of its operations, the changes in its equity and its cash flows for each of the years ended on those dates, in conformity with generally accepted accounting principles.

Amnon Shoham,  
Accountant

Tel Aviv,  
Sunday, July 20, 2008

**NEW PROFILE**

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**Balance Sheet as of 31 December 2007**

**(In New Israeli Shekels – NIS)**

	<b>31 December</b>	
	<b>2007</b>	<b>2006</b>
<b>Current Assets</b>		
Cash in NIS Bank Account	40,543	14,183
Cash in foreign currency account	86,714	127,451
Short term bank deposits	10,351	10,249
<b>Total Current assets</b>	<b>137,608</b>	<b>151,883</b>
<b>Fixed Assets</b>		
Expenditure	27,630	27,630
Accumulated depreciation allowance	(17,701)	(11,466)
<b>Total Fixed Assets</b>	<b>9,929</b>	<b>16,164</b>
<b>Total Assets</b>	<b>147,537</b>	<b>168,047</b>
<b>Current Liabilities</b>		
Predated checks to suppliers	15,916	4,301
Deducted income tax	39	0
<b>Total Liabilities</b>	<b>15,955</b>	<b>4,301</b>
<b>Net capital</b>		
Start of the year net capital	<b>163,746</b>	<b>155,043</b>
(Deficit) surplus from activities during financial year	<b>(32,164)</b>	<b>8,703</b>
End of year net capital	<b>131,582</b>	<b>163,746</b>
<b>Total Liabilities and Capital</b>	<b>147,537</b>	<b>168,047</b>

Mirjam Hadar  
Chairperson

Oshra Bar  
Member

**NEW PROFILE**

**Activities Statement**  
**(In New Israeli Shekels- NIS)**

	clarifi cation	<b>Year ended December. 31</b>	
		<b>2007</b>	<b>2006</b>
<b>Activities turnover</b>			
Contributions from abroad		168,608	369,576
Contributions from within Israel		59,006	66,775
Contributions from the "Bread for the world" Organization	4	88,385	0
<b>Total activities turnover</b>		<b>315,999</b>	<b>436,351</b>
<b>Activities expenditure</b>			
Organizing summer camp for youth		112,639	132,307
Working with youth groups		62,546	21,588
Legal Services		54,197	77,301
Exhibits, seminars, conferences, and workshops expenses		32,297	81,030
Participation in international conferences		29,848	25,029
Internet maintenance expenses		16,954	18,116
Total activities expenditure		<b>308,481</b>	<b>355,371</b>
<b>Gross profit</b>		<b>7,518</b>	<b>80,980</b>
<b>Administrative and general expenses</b>			
Professional services		9,933	9,863
Advertising and Publishing		9,105	33,245
Depreciation of Fixed assets		6,235	5,555
Travel expenses		6,022	6,783
Postal service and communications		5,134	5,990
Toll and membership fees		1,103	6,213
Office maintenance		394	2,613
Total administrative and general expenses		<b>37,927</b>	<b>70,262</b>
Net (Deficit) surplus before financing costs		<b>(30,408)</b>	<b>10,718</b>
Financing costs		1,756	2,015
<b>Balance of activities in the reported year</b>		<b>(32,164)</b>	<b>8,703</b>

**Cash Flow Statement**  
(In New Israeli Shekels -NIS)

	<b>Year ended December. 31</b>	
	<b>2007</b>	<b>2006</b>
<b>Cash flow from operating activities</b>		
(Deficit) surplus from activities in the reported year	<b>(32,164)</b>	<b>8,703</b>
<b>Necessary adjustments for displaying cash flow</b>		
Depreciation of Fixed Assets	6235	5,555
Predated checks to suppliers	11,615	4,301
Deducted income tax	39	0
Total necessary adjustments	<b>17,889</b>	<b>9,856</b>
<b>Cash flow from ongoing activities</b>	<b>(14,275)</b>	<b>18,559</b>
<b>Cash flow for investment activities</b>		
Investment in Fixed Assets	0	(6,321)
<b>Cash flow resulting from investment activity</b>	<b>0</b>	<b>(6,321)</b>
Total (decrease) increase in cash surplus and cash in the reported year	<b>(14,275)</b>	<b>12,238</b>
Cash surplus at the start of the year	151,883	139645
<b>Ending Cash Balance</b>	<b>137,608</b>	<b>151,883</b>

**Report on Changes in Net Capital**  
**(In New Israeli Shekels -NIS)**

	<b>Unconstrained capital Capital assigned for activities</b>
Balance in net capital as of January 1, 2006	155,043
Increase in net capital in report year 2006	
<b>surplus from activities in report year 2006</b>	8,703
Balance in net capital on January 1, 2007	163,746
Reduction in net capital in report year 2007	
(Deficit) from activities in report year 2007	(32,164)
<b>Net capital as of 31 December 2007</b>	131,582

**Clarifications to the Financial Reports**  
(In New Israeli Shekels -NIS)

**Clarification 1- General**

The organization was established and started to operate in 1998.

The main objectives for its establishment were:

- (a) To act and support, by all possible legal means, the advancement of a civil society in Israel. This is to be achieved by means of education for peace and tolerance and by advocating non-violent conflict resolutions.
- (b) To raise public awareness of civil society advancement in Israel by means of educational activities and through training teachers in the public education system and outside it.
- (c) To organize study days and study groups aiming at extending public awareness of a civil, free and equal view in Israeli society; to organize workshops in order to develop listening abilities towards each others needs.
- (d) To act towards increasing public awareness in Israel of the right of women and men to expression and participation in society
- (e) To act towards creating a support and aid network for those who are prepared to contribute to the Israeli society through civic service.

**Clarification 2- Accounting principals used in financial reports**

The accounting principles used in making these financial reports consistent with those used in the previous year – are based on the recommendations made in Statement 69 of the Israeli Bureau of Accountants and on Standard 5 of the Institute of Accounting Standards.

**Clarification 3- The organization's activities during the reported year**

The organization's incomes are derived from contributions in the form of private and organizational donations. Most of the contributions come from outside Israel.

The organization's activities during this year specifically included, among other things, the following:

- Organization of a summer camp for youth.
- Legal aid for conscientious objectors.
- Initiating and organizing conferences, meetings and training days
- Participation in international conferences

## NEW PROFILE

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- Maintenance of the organization's information center and internet site.

### **Clarification 4 - Contributions from "Bread for the world"**

For the first time this year, the organization a contributions of 21,130 dollars received from the international organization "Bread of the world". The amount that was approved for the year 2007 is 35,000 dollar. The purpose of this contribution is for regular organization activities especially working with youths.

## NEW PROFILE

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**Profit and Loss Statement for the year ending on 31 December 2007**  
**– according to Income Tax regulations**  
**(reports to be submitted by a public institution)**  
**(In New Israeli Shekels -NIS)**

(Deficit) from activities in report year 2007, according to the activities report	(32,164)
<u>Added:</u> loss that can't be deducted for the need of income tax	32,164
Net loss forward as of 31 December 2007	<b>0</b>

### **Accountant's statement**

I have examined the income and expenditure of **New Profile** (NPO Registration No. 58-034-612-0) for the year ending on 31 December 2007. I hereby confirm that to the best of my knowledge all of the organization's revenues are exempted from taxation. The organization did not possess any finances that were taxable according to paragraph 3 (g) organizations.

Amnon Shoham  
Accountant

Tel Aviv,  
Sunday, July 20, 2008