

New Israel Fund Australia Foundation

ABN 70 151 140 377

Annual Report - 31 December 2016

**New Israel Fund Australia Foundation
Directors' report
31 December 2016**

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2016.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Irving Harry Wallach
Ric Samuel Benjamin
Mandi Katz (resigned 27 May 2016)
Lee Ann Bassar (resigned 8 June 2016)
Ilona Lee (resigned 14 December 2016)
Karen Loblay
Steven Lewis
Steven Glass
Dalit Kaplan
Elysheva Ellass (appointed August 21 2016)

Objectives

The principal purpose of the company is to relieve the distress, poverty, hardship, suffering, helplessness, disability or misfortune of people living in and around Israel through, among other things:

- advancing and promoting access to justice, education and affordable housing and health care;
- advancing and promoting inclusion, tolerance for diversity, equality of opportunity and antidiscrimination;
- advancing community and social welfare;
- reducing repression and isolation;
- promoting reconciliation, conflict resolution, religious and racial harmony and mutual respect; and
- doing all other things ancillary to, or necessary for, the achievement of the purposes listed above.

Strategy for achieving the objectives

To achieve its stated objectives, the company has adopted the following strategies:

- Attract and retain staff and volunteers who are committed to working towards the advancement of our objectives. This strategy will ensure that the organisation's key objectives remain the motivator for all our programs and initiatives. This strategy will be measured by the rate of staff/volunteer turnover.
- To increase the number of relevant program areas. This strategy will ensure that the organisation is taking a holistic view of our objectives by looking at issues of appropriate funding, the type and scope of educational programs. This strategy will be measured by the creation of programs addressing these issues and stakeholder feedback as to their efficacy and relevance.
- To increase the number of collaborations. This strategy will enable the organisation to demonstrate the bi-directional benefits of collaboration in the promotion of our objectives. This strategy will be measured by the number of collaborations and stakeholder feedback as to their efficacy and relevance.

Principal activities

- raising financial and other resources to support its programmes and priorities and those of the New Israel Fund;
- increasing the awareness and interest of individuals, communities, business and government of the importance of, and issues pertaining to human rights, equality, tolerance, diversity, reconciliation and peace.
- stimulating and fostering desire by individuals and communities to do right in the world, to combat human rights abuses, racism and racial stereotyping, and to contribute to social inclusion, respect, and dignity of each other and of others less fortunate;
- sharing learning (both domestic and international) on how to combat and reduce human rights abuses and the effects of such abuse;
- advancing education about the natural environment and cooperation to protect it;
- cooperating with other organisations that share a common purpose with the company; and
- providing internships, seminars, study tours and exchange opportunities

New Israel Fund Australia Foundation

Directors' report

31 December 2016

Information on directors

Name: Irving Wallach
Title: NIFAF board member
Qualifications: Bachelor of Laws (LL. B.)
Experience and expertise:

Name: Ric Samuel Benjamin
Title: NIFAF Hon Treasurer, member of fundraising committee
Qualifications: BA, Dip Ed, MBA (Executive)
Experience and expertise:

Name: Mandi Katz
Title: NIFAF board member (resigned 27 May 2016)
Qualifications: BA LLB
Experience and expertise:

Name: Lee Ann Bassar
Title: NIFAF board member (resigned 8 June 2016)
Qualifications: LLM (Lond) LLB (Mon) BA (Mon)
Experience and expertise:

Name: Ilona Lee
Title: NIFAF board member (resigned 14 December 2016)
Qualifications: BA, Grad Dip. Adult Ed.
Experience and expertise:

Name: Karen Loblay
Title: NIFAF board member
Qualifications: Master of Architectural Design
Experience and expertise:

Name: Steven Lewis
Title: Board member
Qualifications: Bachelor of Arts (Macquarie) Diploma in Urban Studies (Macquarie) Bachelor of Laws (University of technology, Sydney) Graduate Diploma in Legal Practice (University of technology, Sydney)
Experience and expertise:

Name: Ilana Snyder
Title: President
Qualifications: PhD Monash University (1990), MEd University of Houston (1976), DipEd LaTrobe University (1970), BA University of Melbourne (1969)
Experience and expertise:

Name: Steven Glass
Title: Vice-President
Qualifications: BSc LLB (UNSW) LLM (USyd)
Experience and expertise:

Name: Dalit Kaplan
Title: Board member
Qualifications: BA LLB LLM
Experience and expertise:

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

New Israel Fund Australia Foundation
Directors' report
31 December 2016

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



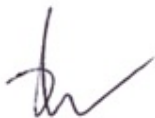
25 May 2017

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

As lead auditor for the audit of New Israel Fund Australia Foundation for the year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of New Israel Fund Australia Foundation.



George Georgiou FCA
25 May 2017
Melbourne, Victoria

New Israel Fund Australia Foundation

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General information

The financial statements cover New Israel Fund Australia Foundation as an individual entity. The financial statements are presented in Australian dollars, which is New Israel Fund Australia Foundation's functional and presentation currency.

New Israel Fund Australia Foundation is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 May 2017. The directors have the power to amend and reissue the financial statements.

New Israel Fund Australia Foundation
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2016

	Note	2016 \$	2015 \$
Revenue	3	504,313	412,578
Expenses			
Audit, legal and consulting		(20,976)	(1,268)
Communication expenses		(20,528)	(18,635)
Fundraising and administration expenses		(34,277)	(30,343)
Disbursement of funds		(253,748)	(196,290)
Education and engagement expenses		(111,949)	(131,308)
Other expenses		(34,309)	(13,127)
		<hr/>	<hr/>
Surplus before income tax expense		28,526	21,607
Income tax expense		<hr/> -	<hr/> -
Surplus after income tax expense for the year attributable to the members of New Israel Fund Australia Foundation		28,526	21,607
Other comprehensive income for the year, net of tax		<hr/> -	<hr/> -
Total comprehensive income for the year attributable to the members of New Israel Fund Australia Foundation		<hr/> <u>28,526</u>	<hr/> <u>21,607</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

New Israel Fund Australia Foundation
Statement of financial position
As at 31 December 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	4	213,079	181,345
Trade and other receivables	5	1,836	1,602
Total current assets		<u>214,915</u>	<u>182,947</u>
Total assets		<u>214,915</u>	<u>182,947</u>
Liabilities			
Current liabilities			
Trade and other payables	6	16,363	12,921
Total current liabilities		<u>16,363</u>	<u>12,921</u>
Total liabilities		<u>16,363</u>	<u>12,921</u>
Net assets		<u>198,552</u>	<u>170,026</u>
Equity			
Retained surpluses		<u>198,552</u>	<u>170,026</u>
Total equity		<u>198,552</u>	<u>170,026</u>

The above statement of financial position should be read in conjunction with the accompanying notes

New Israel Fund Australia Foundation
Statement of changes in equity
For the year ended 31 December 2016

	Retained profits \$	Total equity \$
Balance at 1 January 2015	148,419	148,419
Surplus after income tax expense for the year	21,607	21,607
Other comprehensive income for the year, net of tax	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	21,607	21,607
	<hr/>	<hr/>
Balance at 31 December 2015	<u>170,026</u>	<u>170,026</u>
	<hr/>	<hr/>
	Retained profits \$	Total equity \$
Balance at 1 January 2016	170,026	170,026
Surplus after income tax expense for the year	28,526	28,526
Other comprehensive income for the year, net of tax	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	28,526	28,526
	<hr/>	<hr/>
Balance at 31 December 2016	<u>198,552</u>	<u>198,552</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

New Israel Fund Australia Foundation
Statement of cash flows
For the year ended 31 December 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from donations, bequests and raffles		552,724	450,877
Payments to suppliers and employees		<u>(522,614)</u>	<u>(427,920)</u>
Interest received		30,110 <u>1,624</u>	22,957 <u>1,949</u>
Net cash from operating activities	8	<u>31,734</u>	<u>24,906</u>
Cash flows from investing activities			
Net cash from investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		31,734	24,906
Cash and cash equivalents at the beginning of the financial year		<u>181,345</u>	<u>156,439</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>213,079</u></u>	<u><u>181,345</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

New Israel Fund Australia Foundation
Notes to the financial statements
31 December 2016

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Comparatives

When required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-Profits Commission Act 2012 requirements to prepare and distribute financial statements to the members of New Israel Fund Australia Foundation. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of New Israel Fund Australia Foundation.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Charitable and other revenue

Charitable and other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 1. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 December 2016. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

New Israel Fund Australia Foundation
Notes to the financial statements
31 December 2016

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Note 3. Revenue

	2016	2015
	\$	\$
<i>Sales revenue</i>		
Charitable income and fundraising	488,560	407,331
Other income	14,129	3,298
	<u>502,689</u>	<u>410,629</u>
<i>Other revenue</i>		
Interest	1,624	1,949
Revenue	<u>504,313</u>	<u>412,578</u>

Note 4. Current assets - cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank	<u>213,079</u>	<u>181,345</u>

Note 5. Current assets - trade and other receivables

	2016	2015
	\$	\$
Trade receivables	-	815
BAS receivable	1,836	787
	<u>1,836</u>	<u>1,602</u>

Note 6. Current liabilities - trade and other payables

	2016	2015
	\$	\$
Other payables	<u>16,363</u>	<u>12,921</u>

Note 7. Events after the reporting period

No matter or circumstance has arisen since 31 December 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

New Israel Fund Australia Foundation
Notes to the financial statements
31 December 2016

Note 8. Reconciliation of surplus after income tax to net cash from operating activities

	2016	2015
	\$	\$
Surplus after income tax expense for the year	28,526	21,607
Change in operating assets and liabilities:		
Increase in trade and other receivables	(234)	(1,602)
Increase in trade and other payables	3,442	4,901
	<u>31,734</u>	<u>24,906</u>
Net cash from operating activities	<u><u>31,734</u></u>	<u><u>24,906</u></u>

New Israel Fund Australia Foundation
Directors' declaration
31 December 2016

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-Profit Commission Act 2012 requirements to prepare and distribute financial statements to the members of New Israel Fund Australia Foundation;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the directors



25 May 2017

INDEPENDENT AUDITOR'S REPORT TO MEMBERS

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of New Israel Fund Australia Foundation, which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and comprehensive income for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities' declaration.

Responsible Entities' Responsibility for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the responsible entities' preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial report of New Israel Fund Australia Foundation has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the registered entity's financial position as at 31 December 2016 and of its financial performance and cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.

A handwritten signature in blue ink, appearing to be 'G. Georgiou'.

George Georgiou FCA
25 May 2017
Melbourne, Victoria