

COMBINED FINANCIAL STATEMENTS

NEW ISRAEL FUND

SIGNING ANEW

**FOR THE YEAR ENDED DECEMBER 31, 2006
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2005**

**NEW ISRAEL FUND
SIGNING ANEW**

CONTENTS

	PAGE NO.
INDEPENDENT AUDITORS' REPORT	2
EXHIBIT A - Combined Statement of Financial Position, as of December 31, 2006, with Summarized Financial Information for 2005	3 - 4
EXHIBIT B - Combined Schedule of Activities and Change in Net Assets for the Year Ended December 31, 2006, with Summarized Financial Information for 2005	5
EXHIBIT C - Combined Statement of Cash Flows, for the Year Ended December 31, 2006, with Summarized Financial Information for 2005	6
NOTES TO COMBINED FINANCIAL STATEMENTS	7 - 14
INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL FINANCIAL INFORMATION	15
SCHEDULE 1 - Combining Schedule of Financial Position, for the Year Ended December 31, 2006	16 - 17
SCHEDULE 2 - Combining Schedule of Activities, for the Year Ended December 31, 2006	18
SCHEDULE 3 - Combining Schedule of Change in Net Assets, for the Year Ended December 31, 2006	19
SCHEDULE 4 - Schedule of Grants, for the Year Ended December 31, 2006	20 - 27
SCHEDULE 5 - Schedule of Projects, for the Year Ended December 31, 2006	28
SCHEDULE 6 - Schedule of Functional Expenses, for the Year Ended December 31, 2006	29 - 30



GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
New Israel Fund
Signing Anew
Washington, D.C.

We have audited the accompanying combined statement of financial position of New Israel Fund and Signing Anew as of December 31, 2006, and the related combined statements of activities and change in net assets and cash flows for the year then ended. These combined financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the New Israel Fund-Israel office, located in Jerusalem, Israel, which reflect total assets of \$2,131,635, total revenue of \$2,822,326 and total expenses of \$3,973,450, and Signing Anew, an affiliate, which statements reflect total assets of \$1,116,896, total revenue of \$822,972 and total expenses of \$542,214. Those statements were audited by other auditors, whose reports dated May 10, 2007, expressed an unqualified opinion. To the extent that it relates to the amounts included for the foreign programs, our opinion is based solely on the report of other auditors. The prior year summarized comparative information has been derived from the 2005 financial statements and, in our report dated May 5, 2006, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of New Israel Fund and Signing Anew as of December 31, 2006, and their combined change in net assets and their combined cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Gelman Rosenberg & Freedman

May 10, 2007

4550 MONTGOMERY AVENUE · SUITE 650 NORTH · BETHESDA, MARYLAND 20814
(301) 951-9090 · FAX (301) 951-3570 · WWW.GRFPCA.COM

MEMBER OF CPAMERICA INTERNATIONAL, AN AFFILIATE OF HORWATH INTERNATIONAL
MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2006
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2005**

ASSETS

	2006	2005
CURRENT ASSETS		
Cash and cash equivalents	\$ 9,823,194	\$ 9,394,849
Investments (Note 2)	20,076,486	20,937,797
Prepaid expenses	93,025	45,657
Pledges receivable, current portion, net of allowance for doubtful account of \$132,760 and \$32,260 respectively (Note 3)	2,727,069	2,038,533
Advances	17,061	7,469
Other receivables	234,484	107,931
Inventory	1,490	1,490
Total current assets	32,972,809	32,533,726
FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS		
Furniture and equipment	1,550,728	1,561,433
Leasehold improvements	157,193	150,535
	1,707,921	1,711,968
Less: Accumulated depreciation and amortization	(1,165,318)	(1,150,747)
Net furniture, equipment and leasehold improvements	542,603	561,221
OTHER ASSETS		
Pledges receivable, net of current portion (Note 3)	1,010,464	36,834
Deposits	6,995	4,925
Assets held in charitable trust (Note 4)	95,488	92,653
Total other assets	1,112,947	134,412
TOTAL ASSETS	\$ 34,628,359	\$ 33,229,359

See accompanying notes to combined financial statements.

LIABILITIES AND NET ASSETS

	<u>2006</u>	<u>2005</u>
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,405,923	\$ 1,283,484
Grants payable	5,859,352	6,975,502
Liability under trust agreement, current (Note 4)	11,685	11,685
Annuities payable, current portion (Note 5)	<u>37,357</u>	<u>31,402</u>
Total current liabilities	<u>7,314,317</u>	<u>8,302,073</u>
LONG-TERM LIABILITIES		
Deferred rent abatement	122,431	134,490
Annuities payable, non-current (Note 5)	<u>314,701</u>	<u>269,840</u>
Total long-term liabilities	<u>437,132</u>	<u>404,330</u>
Total liabilities	<u>7,751,449</u>	<u>8,706,403</u>
NET ASSETS		
Unrestricted	3,406,012	3,095,407
Temporarily restricted (Note 6)	17,178,527	15,191,749
Permanently restricted (Note 8)	<u>6,292,371</u>	<u>6,235,800</u>
Total net assets	<u>26,876,910</u>	<u>24,522,956</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 34,628,359</u>	<u>\$ 33,229,359</u>

See accompanying notes to combined financial statements.

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINED SCHEDULE OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2006
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2005**

	2006			2005	
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Total</u>
REVENUE					
Contributions:					
General support (Note 10)	\$ 14,524,727	\$ 5,572,246	\$ 56,571	\$ 20,153,544	\$ 15,092,084
Donor-advised (Note 10)	6,739,972	1,240,000	-	7,979,972	6,486,457
Investment income (Note 2)	1,130,569	590,883	-	1,721,452	799,224
In-kind contributions (Note 11)	50,883	-	-	50,883	56,764
Other revenue	147,660	-	-	147,660	134,002
Net assets released from donor restrictions (Note 7)	<u>5,416,351</u>	<u>(5,416,351)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>28,010,162</u>	<u>1,986,778</u>	<u>56,571</u>	<u>30,053,511</u>	<u>22,568,531</u>
EXPENSES					
Program services:					
Grants and projects:					
Grants to Israel not-for- profit organizations	15,120,611	-	-	15,120,611	15,729,132
Grants to New Israel Fund Projects	<u>5,647,028</u>	<u>-</u>	<u>-</u>	<u>5,647,028</u>	<u>5,519,536</u>
Total grants and projects	20,767,639	-	-	20,767,639	21,248,668
Grant management	692,893	-	-	692,893	470,870
Educational activities	<u>1,649,670</u>	<u>-</u>	<u>-</u>	<u>1,649,670</u>	<u>1,549,398</u>
Total program services	<u>23,110,202</u>	<u>-</u>	<u>-</u>	<u>23,110,202</u>	<u>23,268,936</u>
Supporting Services:					
Management and general	1,882,468	-	-	1,882,468	1,977,301
Fundraising	<u>2,706,887</u>	<u>-</u>	<u>-</u>	<u>2,706,887</u>	<u>2,628,942</u>
Total supporting services	<u>4,589,355</u>	<u>-</u>	<u>-</u>	<u>4,589,355</u>	<u>4,606,243</u>
Total expenses	<u>27,699,557</u>	<u>-</u>	<u>-</u>	<u>27,699,557</u>	<u>27,875,179</u>
Change in net assets	310,605	1,986,778	56,571	2,353,954	(5,306,648)
Net assets at beginning of year	<u>3,095,407</u>	<u>15,191,749</u>	<u>6,235,800</u>	<u>24,522,956</u>	<u>29,829,604</u>
NET ASSETS AT END OF YEAR	<u>\$ 3,406,012</u>	<u>\$ 17,178,527</u>	<u>\$ 6,292,371</u>	<u>\$ 26,876,910</u>	<u>\$ 24,522,956</u>

See accompanying notes to combined financial statements.

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2006
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2005**

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,353,954	\$ (5,306,648)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation and amortization	194,199	209,606
Unrealized loss (gain) on investments	(605,470)	190,252
Realized gain on investments	(264,041)	(255,552)
Donated stock	(359,836)	(422,217)
Loss on disposal of equipment	76,788	10,855
Proceeds from sale of equipment	-	-
Bad debt expense	100,500	(50,985)
Contributions restricted for long term investments	(56,571)	(108,574)
(Increase) decrease in:		
Prepaid expenses	(47,368)	86,129
Pledges receivable	(1,672,059)	678,711
Advances	(9,592)	(2,581)
Other receivables	(126,553)	16,798
Inventory	-	-
Deposits	(2,070)	64
Assets held in charitable trust	2,835	(4,504)
Increase (decrease) in:		
Accounts payable and accrued liabilities	122,443	24,049
Grants payable	(1,116,150)	2,224,502
Deferred rent abatement	(12,059)	(1,300)
Liability under trust agreement	-	(6,300)
Annuities payable	<u>(50,816)</u>	<u>29,996</u>
Net cash used by operating activities	<u>(1,471,866)</u>	<u>(2,687,699)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of furniture and equipment	(229,977)	(299,464)
Purchase of investments	(2,174,866)	(8,931,707)
Proceeds from sale investments	4,265,524	10,698,775
Proceeds from sale of furniture and equipment	<u>(17,041)</u>	<u>-</u>
Net cash provided by investing activities	<u>1,843,640</u>	<u>1,467,604</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for long-term investments	<u>56,571</u>	<u>108,574</u>
Net cash provided by financing activities	<u>56,571</u>	<u>108,574</u>
Net increase (decrease) in cash and cash equivalents	428,345	(1,111,521)
Cash and cash equivalents at beginning of year	<u>9,394,849</u>	<u>10,506,370</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 9,823,194</u>	<u>\$ 9,394,849</u>

See accompanying notes to combined financial statements.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The New Israel Fund (the Fund) is a publicly-supported not-for-profit organization whose purpose is to provide grants and technical assistance to organizations in Israel that are dedicated to strengthening democracy and achieving positive social change in Israel and to provide public education in North America and Israel in support of these goals.

The Fund has established an office in Israel. Included in the accompanying financial statements are the amounts from financial statements for the New Israel Fund - Israel office that were audited by other auditors whose reports have been furnished to us. At December 31, 2006, the audited financial statements of the New Israel Fund - Israel office have been combined with the accounts of the New Israel Fund. All significant intercompany transactions have been eliminated.

Signing Anew, an affiliate, is a public institution whose goals include the creation of an educational and ethical value change in the State of Israel, assistance to recognized educational bodies to further their work, and to reduce the educational gaps in Israeli society. The New Israel Fund and Signing Anew have related Board members such that the New Israel Fund has oversight of Signing Anew. At December 31, 2006, the audited financial statements of Signing Anew have been combined with the accounts of the New Israel Fund. All significant intercompany transactions have been eliminated.

Basis of presentation -

The accompanying financial statements have been prepared on a combining basis for the year ended December 31, 2006, and include the assets, liabilities, net assets, support, revenue, gains, expenses and losses of New Israel Fund - U.S. office, New Israel Fund - Israel office, and Signing Anew. All intercompany transactions have been eliminated during combination.

The Organizations' combined financial statements have been prepared using the the accrual basis of accounting. As such, revenue is recognized when earned and expenses when incurred.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2005, from which the summarized information was derived.

Cash and cash equivalents -

Cash and cash equivalents include cash on hand and other highly liquid instruments with maturities of less than three months.

At times during the year, the Fund and Signing Anew maintain cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits. The Fund has an agreement with the financial institutions whereby excess cash deposits are reinvested in a repurchase agreement of government securities on an overnight basis. Management believes the risk in these situations to be minimal.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Foreign operations -

The financial statements include the New Israel Fund - Israel office and Signing Anew. The accounting records are maintained in the functional currency of the foreign country, which is the Israeli Shekel.

Assets and liabilities denominated in the functional currency are converted into U.S. dollars at year-end exchange rates, and revenue and expense accounts are translated at the average rates in effect during the year. Exchange gains and losses are reported in the Combining Schedule of Activities.

Grant expenses -

Grants are recorded as expenses and liabilities at the time the Board approves the specific grant.

Furniture, equipment and leasehold improvements -

Furniture and equipment costing in excess of \$1,000 are capitalized and depreciated over the life of the asset ranging from three to seven years. Leasehold improvements are capitalized and amortized over the life of the lease.

Contributions -

Contributions are recorded as revenue in the year notification is received from the donor. Contributions received with donor-imposed restrictions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the restrictions. Donor-restricted contributions received in excess of expenses are shown as temporarily restricted net assets in the accompanying financial statements.

Accounts receivable -

Accounts receivable are stated at their net realizable value. Management considers all accounts to be collectible.

Pledges receivable -

Outstanding pledges at December 31, 2006 are for the general support of the organization and for donor-advised gifts. Management has established an allowance for doubtful accounts in the amount of \$132,760 at December 31, 2006.

Inventory -

Inventory, consisting of books, videotapes, brochures and other resource materials held for resale, is stated at the lower of cost or net realized value. Cost is determined on the first-in, first-out basis.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Investments -

Investments are presented in the financial statements at their market value. Interest and dividend income is recorded as revenue when earned. Realized and unrealized gains and losses from investments are reflected in the Combining Schedule of Activities.

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Organizations.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Organizations and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Combining Schedule of Activities as net assets released from restrictions.
- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in-perpetuity by the Organizations.

Income taxes -

The Fund is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Fund is not a private foundation.

Signing Anew is registered as an Amuta (Association) under the provisions of the Law of Amutot (Association). The Amuta is classified as a public institution pursuant to Section 9(2) of the Income Tax Ordinance. In February 1999 the Amuta received status from the Israel Income Tax Authorities, under Article 46(A), such that contributions made to it entitle the contributor to certain tax credits as determined by law.

Contributions -

Contributions are recorded as revenue in the year notification is received from the donor. Contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying combined financial statements.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Combining Schedule of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of estimates -

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

2. INVESTMENTS

The investments are recorded at market value. Investments at December 31, 2006 are as follows:

Money market funds	\$ 1,490
Mutual funds	8,426,404
Securities	1,114,190
Government bonds	<u>10,534,402</u>
	<u>\$ 20,076,486</u>

Investment income for the year ended December 31, 2006 is as follows:

Unrealized gain	\$ 605,470
Realized gain	264,041
Interest and dividends	<u>851,941</u>
	<u>\$ 1,721,452</u>

3. PLEDGES RECEIVABLE

Pledges receivable at December 31, 2006 are comprised of the following:

General support	\$ 3,058,366
Donor-advised and special projects	<u>679,167</u>
	<u>\$ 3,737,533</u>

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

3. PLEDGES RECEIVABLE (Continued)

Pledges that are long term have been discounted using an interest rate of 6%. Following is a summary of maturities of pledges receivable at December 31, 2006:

Year Ended December 31,

2007	\$ 2,727,069
2008	357,779
2009	335,848
2010	<u>316,837</u>
	<u>\$ 3,737,533</u>

4. CHARITABLE REMAINDER TRUST

The Fund was named the trustee and remainderman of a charitable remainder annuity trust. Under the terms of the trust, the Fund is required to pay an annual annuity of \$6,300 to the income beneficiaries for their lives. For the year ended December 31, 2006, the asset held in trust was \$95,488 and the liability based on the trust agreement was \$11,685, which was recorded as a current liability.

5. ANNUITIES PAYABLE

In 1996, the Fund established a charitable gift annuity with a market value of \$39,263. In return, the Fund has agreed to pay the donor an annual annuity totaling \$2,631. At December 31, 2006, the present value of the annuity is \$20,585, of which \$1,733 is recorded as a current liability and \$18,852 is recorded as a long-term liability.

In 1997, the Fund established two charitable gift annuities with a market value totaling \$26,091. In return, the Fund has agreed to pay the donors annual annuities totaling \$1,905. At December 31, 2006, the present value of the annuities is \$14,158 of which \$1,289 is recorded as a current liability and \$12,869 is recorded as a long-term liability.

In 1998, the Fund established four charitable gift annuities with a market value totaling \$158,056. In return, the Fund has agreed to pay the donors annual annuities totaling \$13,714. At December 31, 2006, the present value of the annuities is \$69,325, of which \$10,775 is recorded as a current liability and \$58,550 is recorded as a long-term liability.

In 1999, the Fund established four charitable gift annuities with a market value totaling \$50,541. In return, the Fund has agreed to pay the donors annual annuities totaling \$3,934. At December 31, 2006, the present value of the annuities was \$26,661, of which \$2,780 is recorded as a current liability and \$23,881 is recorded as a long-term liability.

In 2000, the Fund established two charitable gift annuities with a market value totaling \$50,992. In return, the Fund has agreed to pay the donors annual annuities totaling \$3,878. At December 31, 2006, the present value of the annuities was \$29,455, of which \$2,596 is recorded as a current liability and \$26,859 is recorded as a long-term liability.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

5. ANNUITIES PAYABLE (Continued)

In 2003, the Fund established three charitable gift annuities with a market value totaling \$22,254. In return, the Fund has agreed to pay the donors annual annuities totaling \$4,185. At December 31, 2006, the present value of the annuities is \$22,254, of which \$3,237 is recorded as a current liability and \$19,017 is recorded as a long-term liability.

In 2004, the Fund established three charitable gift annuities with a market value totaling \$171,714. In return, the Fund has agreed to pay the donors annual annuities totaling \$13,079. At December 31, 2006 the present value of the annuities is \$100,293, of which \$8,711 is recorded as a current liability and \$91,582 is recorded as a long-term liability.

In 2006, the Fund established two charitable gift annuities with a market value totaling \$106,025. In return, the Fund has agreed to pay the donors annual annuities totaling \$9,250. At December 31, 2006 the present value of the annuities is 69,327, of which \$6,236 is recorded as a current liability and \$63,091 is recorded as a long-term liability.

6. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2006:

Contributions and pledges - NIF-U.S.	\$ 2,174,874
Programs and projects - NIF-U.S.	11,214,166
Programs and projects - Signing Anew	931,792
Programs and projects - NIF-Israel	<u>2,857,695</u>
	<u>\$ 17,178,527</u>

7. NET ASSETS RELEASED FROM RESTRICTIONS

The following temporarily restricted net assets were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors:

Contributions - NIF-U.S.	\$ 4,856,821
Endowment projects - NIF-U.S.	80,391
Restricted contributions - Signing Anew	<u>479,139</u>
	<u>\$ 5,416,351</u>

8. PERMANENTLY RESTRICTED NET ASSETS

At December 31, 2006, permanently restricted net assets are restricted to investment in perpetuity, the income from which is expendable to support the following:

SHATIL	\$ 1,000,000
Association for Civil Rights in Israel	1,130,815
Ford Endowment Fund	2,000,000
Grants and projects	<u>2,161,556</u>
	<u>\$ 6,292,371</u>

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

9. LEASE COMMITMENTS

The Fund entered into an office lease in Washington, D.C., commencing March 20, 2000 and expiring March 31, 2011. The lease agreement specified that annual rent will be \$264,137 per year with an annual adjustment agreed upon by both parties and stipulated in the lease agreement.

The Fund entered into an office lease in New York, New York, commencing on February 1, 2004 and expiring January 31, 2015. The lease agreement specified that annual rent will be \$62,400 per year with an annual adjustment agreed upon by both parties and stipulated in the lease agreement.

The Fund entered into an office lease in San Francisco, California, commencing on April 1, 2006 and expiring March 31, 2009. The lease agreement specified that annual rent will be \$1,939 per month

Future minimum lease payments are as follows:

Year Ended December 31,

2007	\$ 411,746
2008	420,143
2009	416,332
2010	418,680
2011	165,294
Thereafter	<u>450,855</u>
	<u>\$ 2,283,050</u>

Rent expense for office space, including escalation and maintenance charges, was \$348,279 in 2006. The Fund entered into a sublease agreement in 2003.

The future minimum sublease payments to be received are as follows:

Year Ended December 31,

2007	\$ 102,931
2008	104,990
2009	107,089
2010	109,232
2011	<u>27,442</u>
	<u>\$ 451,684</u>

10. CONTRACTUAL AGREEMENTS

NIF entered into agreements with the N.I.F. Canadian Charitable Trust (NIFC) and the New Israel Fund in Great Britain (NIFGB) whereby NIF acts as their agent in supporting certain projects and making certain grants in Israel. Total amounts received from NIFC and NIFGB for the year ending December 31, 2006 were \$189,980 and \$1,136,151, respectively.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2006**

11. IN-KIND CONTRIBUTIONS

In-kind contributions consist of tuition fellowships of the Washington College of Law at the American University as part of the Israel-U.S. Civil Liberties Law Program.

12. PENSION PLAN

NIF-US has a company paid 401 (a) money purchase plan. After a two year vesting period, employees accrue five percent of their salary that is tax free until withdrawn. The actual percentage can be changed, based on the financial results each year, and is approved by the Board of Directors. Pension expense for the year ended December 31, 2006 was \$79,824.

NIF-Israel has recorded a liability reflecting the difference between the total obligation for severance pay less the amounts that have been deposited in pension and provident funds and management insurance policies.

The designated funds reflect amounts deposited in a central severance pay fund. The balance presented in the NIF-Israel balance sheet is the difference between the liability and the amounts deposited in the central severance pay fund, and reflects the amount NIF-Israel needs to cover from its own sources for severance pay.

NIF-Israel has an accrued severance liability of \$169,043 payable to the director in Israel upon termination of employment.



GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON
SUPPLEMENTAL FINANCIAL INFORMATION**

To the Board of Directors
New Israel Fund
Signing Anew
Washington, D.C.

Our report on our audit of the basic combined financial statements of the New Israel Fund and Signing Anew as of December 31, 2006 appears on page 2. The audit was made for the purpose of forming an opinion on the basic combined financial statements taken as a whole. The information contained in Schedules 1 through 6 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic combined financial statements and in our opinion, is fairly stated in all material respects in relation to the basic combined financial statements taken as a whole.

Gelman Rosenberg & Freedman

May 10, 2007

4550 MONTGOMERY AVENUE · SUITE 650 NORTH · BETHESDA, MARYLAND 20814
(301) 951-9090 · FAX (301) 951-3570 · WWW.GRFCPA.COM

MEMBER OF CPAMERICA INTERNATIONAL, AN AFFILIATE OF HORWATH INTERNATIONAL
MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2006**

ASSETS

	<u>New Israel Fund - U.S.</u>	<u>New Israel Fund - Israel Office</u>	<u>Total New Israel Fund</u>	<u>Signing Anew</u>	<u>Eliminations</u>	<u>Combined</u>
CURRENT ASSETS						
Cash and cash equivalents	\$ 8,445,852	\$ 1,094,796	\$ 9,540,648	\$ 282,546	\$ -	\$ 9,823,194
Investments	19,323,632	-	19,323,632	752,854	-	20,076,486
Prepaid expenses	92,376	-	92,376	649	-	93,025
Pledges receivable	2,640,301	86,768	2,727,069	-	-	2,727,069
Advances	17,061	-	17,061	-	-	17,061
Other receivables	684	156,518	157,202	77,282	-	234,484
Intercompany/affiliate receivable	-	416,290	416,290	-	(416,290)	-
Inventory	-	-	-	1,490	-	1,490
Total current assets	<u>30,519,906</u>	<u>1,754,372</u>	<u>32,274,278</u>	<u>1,114,821</u>	<u>(416,290)</u>	<u>32,972,809</u>
FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS						
Furniture and equipment	395,575	1,153,078	1,548,653	2,075	-	1,550,728
Leasehold improvements	<u>157,193</u>	<u>-</u>	<u>157,193</u>	<u>-</u>	<u>-</u>	<u>157,193</u>
Sub total	552,768	1,153,078	1,705,846	2,075	-	1,707,921
Less: Accumulated depreciation and amortization	<u>(389,503)</u>	<u>(775,815)</u>	<u>(1,165,318)</u>	<u>-</u>	<u>-</u>	<u>(1,165,318)</u>
Net furniture, equipment and leasehold improvements	<u>163,265</u>	<u>377,263</u>	<u>540,528</u>	<u>2,075</u>	<u>-</u>	<u>542,603</u>
OTHER ASSETS						
Pledges receivable	1,010,464	-	1,010,464	-	-	1,010,464
Deposits	6,995	-	6,995	-	-	6,995
Assets held in charitable trust	<u>95,488</u>	<u>-</u>	<u>95,488</u>	<u>-</u>	<u>-</u>	<u>95,488</u>
Total other assets	<u>1,112,947</u>	<u>-</u>	<u>1,112,947</u>	<u>-</u>	<u>-</u>	<u>1,112,947</u>
TOTAL ASSETS	<u>\$ 31,796,118</u>	<u>\$ 2,131,635</u>	<u>\$ 33,927,753</u>	<u>\$ 1,116,896</u>	<u>\$ (416,290)</u>	<u>\$ 34,628,359</u>

LIABILITIES AND NET ASSETS

	<u>New Israel Fund - U.S.</u>	<u>New Israel Fund - Israel Office</u>	<u>Total New Israel Fund</u>	<u>Signing Anew</u>	<u>Eliminations</u>	<u>Combined</u>
CURRENT LIABILITIES						
Accounts payable and accrued liabilities	\$ 258,691	\$ 1,094,230	\$ 1,352,921	\$ 79,677	\$ (26,675)	\$ 1,405,923
Grants payable	5,859,352	-	5,859,352	-	-	5,859,352
Intercompany/affiliate payable	377,603	-	377,603	12,012	(389,615)	-
Liability under trust agreement, current	11,685	-	11,685	-	-	11,685
Annuities payable	<u>37,357</u>	<u>-</u>	<u>37,357</u>	<u>-</u>	<u>-</u>	<u>37,357</u>
Total current liabilities	<u>6,544,688</u>	<u>1,094,230</u>	<u>7,638,918</u>	<u>91,689</u>	<u>(416,290)</u>	<u>7,314,317</u>
LONG-TERM LIABILITIES						
Deferred rent abatement	122,431	-	122,431	-	-	122,431
Annuity payable	<u>314,701</u>	<u>-</u>	<u>314,701</u>	<u>-</u>	<u>-</u>	<u>314,701</u>
Total long-term liabilities	<u>437,132</u>	<u>-</u>	<u>437,132</u>	<u>-</u>	<u>-</u>	<u>437,132</u>
Total liabilities	<u>6,981,820</u>	<u>1,094,230</u>	<u>8,076,050</u>	<u>91,689</u>	<u>(416,290)</u>	<u>7,751,449</u>
NET ASSETS						
Unrestricted	5,132,887	(1,820,290)	3,312,597	93,415	-	3,406,012
Temporarily restricted	13,389,040	2,857,695	16,246,735	931,792	-	17,178,527
Permanently restricted	<u>6,292,371</u>	<u>-</u>	<u>6,292,371</u>	<u>-</u>	<u>-</u>	<u>6,292,371</u>
Total net assets	<u>24,814,298</u>	<u>1,037,405</u>	<u>25,851,703</u>	<u>1,025,207</u>	<u>-</u>	<u>26,876,910</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 31,796,118</u>	<u>\$ 2,131,635</u>	<u>\$ 33,927,753</u>	<u>\$ 1,116,896</u>	<u>\$ (416,290)</u>	<u>\$ 34,628,359</u>

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>New Israel Fund - U.S.</u>	<u>New Israel Fund - Israel Office</u>	<u>Total New Israel Fund</u>	<u>Signing Anew</u>	<u>Eliminations</u>	<u>Total</u>
UNRESTRICTED REVENUE						
Contributions:						
General support	\$ 13,474,076	\$ 982,551	\$ 14,456,627	\$ 68,100	\$ -	\$ 14,524,727
Donor-advised	6,739,972	-	6,739,972	-	-	6,739,972
Income to Israel	-	2,174,892	2,174,892	-	(2,174,892)	-
Investment income	1,125,578	-	1,125,578	4,991	-	1,130,569
In-kind contributions	50,883	-	50,883	-	-	50,883
Other revenue	-	147,660	147,660	-	-	147,660
Net assets released from donor restrictions	<u>5,580,593</u>	<u>17,166,804</u>	<u>22,747,397</u>	<u>479,139</u>	<u>(17,810,185)</u>	<u>5,416,351</u>
Total unrestricted revenue	<u>26,971,102</u>	<u>20,471,907</u>	<u>47,443,009</u>	<u>552,230</u>	<u>(19,985,077)</u>	<u>28,010,162</u>
EXPENSES	<u>25,519,389</u>	<u>21,623,031</u>	<u>47,142,420</u>	<u>542,214</u>	<u>(19,985,077)</u>	<u>27,699,557</u>
Change in unrestricted net assets	<u>1,451,713</u>	<u>(1,151,124)</u>	<u>300,589</u>	<u>10,016</u>	<u>-</u>	<u>310,605</u>
TEMPORARILY RESTRICTED REVENUE						
Contributions:						
General support	3,721,338	19,203,980	22,925,318	457,113	(17,810,185)	5,572,246
Donor-advised	1,240,000	-	1,240,000	-	-	1,240,000
Investment income	478,737	-	478,737	112,146	-	590,883
Net assets released from donor restrictions	<u>(5,580,593)</u>	<u>(17,166,804)</u>	<u>(22,747,397)</u>	<u>(479,139)</u>	<u>17,810,185</u>	<u>(5,416,351)</u>
Change in temporarily restricted net assets	<u>(140,518)</u>	<u>2,037,176</u>	<u>1,896,658</u>	<u>90,120</u>	<u>-</u>	<u>1,986,778</u>
PERMANENTLY RESTRICTED REVENUE						
Contributions	<u>56,571</u>	<u>-</u>	<u>56,571</u>	<u>-</u>	<u>-</u>	<u>56,571</u>
Change in permanently restricted net assets	<u>56,571</u>	<u>-</u>	<u>56,571</u>	<u>-</u>	<u>-</u>	<u>56,571</u>
CHANGE IN NET ASSETS	<u>\$ 1,367,766</u>	<u>\$ 886,052</u>	<u>\$ 2,253,818</u>	<u>\$ 100,136</u>	<u>\$ -</u>	<u>\$ 2,353,954</u>

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINING SCHEDULE OF CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>New Israel Fund - U.S.</u>	<u>New Israel Fund - Israel Office</u>	<u>Total New Israel Fund</u>	<u>Signing Anew</u>	<u>Eliminations</u>	<u>Total</u>
UNRESTRICTED NET ASSETS						
Net assets at beginning of year	\$ 3,681,174	\$ (669,166)	\$ 3,012,008	\$ 83,399	\$ -	\$ 3,095,407
Change in unrestricted net assets	<u>1,451,713</u>	<u>(1,151,124)</u>	<u>300,589</u>	<u>10,016</u>	<u>-</u>	<u>310,605</u>
UNRESTRICTED NET ASSETS AT END OF YEAR	<u>\$ 5,132,887</u>	<u>\$ (1,820,290)</u>	<u>\$ 3,312,597</u>	<u>\$ 93,415</u>	<u>\$ -</u>	<u>\$ 3,406,012</u>
TEMPORARILY RESTRICTED NET ASSETS						
Net assets at beginning of year	\$ 13,529,558	\$ 820,519	\$ 14,350,077	\$ 841,672	\$ -	\$ 15,191,749
Change in temporarily restricted net assets	<u>(140,518)</u>	<u>2,037,176</u>	<u>1,896,658</u>	<u>90,120</u>	<u>-</u>	<u>1,986,778</u>
TEMPORARILY RESTRICTED NET ASSETS AT END OF YEAR	<u>\$ 13,389,040</u>	<u>\$ 2,857,695</u>	<u>\$ 16,246,735</u>	<u>\$ 931,792</u>	<u>\$ -</u>	<u>\$ 17,178,527</u>
PERMANENTLY RESTRICTED NET ASSETS						
Net assets at beginning of year	\$ 6,235,800	\$ -	\$ 6,235,800	\$ -	\$ -	\$ 6,235,800
Change in permanently restricted net assets	<u>56,571</u>	<u>-</u>	<u>56,571</u>	<u>-</u>	<u>-</u>	<u>56,571</u>
PERMANENTLY RESTRICTED NET ASSETS AT END OF YEAR	<u>\$ 6,292,371</u>	<u>\$ -</u>	<u>\$ 6,292,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,292,371</u>
TOTAL NET ASSETS AT END OF YEAR	<u>\$ 24,814,298</u>	<u>\$ 1,037,405</u>	<u>\$ 25,851,703</u>	<u>\$ 1,025,207</u>	<u>\$ -</u>	<u>\$ 26,876,910</u>

**NEW ISRAEL FUND
SIGNING ANEW**

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
12 Heshvan: Promoting Tolerance in an Orthodox Context	\$ -	\$ 30,000	\$ -	\$ 30,000
A-Sabil Association	3,000	(3,000)	-	-
Abraham Foundation	-	10,500	10,500	-
Absorption of Immigrants from the Caucasus Region	3,000	80,000	45,500	37,500
Access Israel	25,000	27,612	25,386	27,226
Adalah: Legal Center for Arab Minority Rights in Israel	34,700	429,746	249,946	214,500
Adam Institute for Democracy & Peace	17,500	35,000	35,000	17,500
Adam TevaV'Din: Israel Union for Environmental Defense	21,900	125	21,900	125
Adva Center	125,000	160,000	230,000	55,000
Afaq-Almothalat - Association for Research and Development	4,000	10,000	10,000	4,000
African Refugees Development Center	-	6,000	3,000	3,000
Agenda: The Israeli Center for Strategic Communication	280,000	165,000	405,000	40,000
Al-Ahali Association	-	40,000	40,000	-
Al-Amar	-	55,000	55,000	-
Al-Beit	10,000	-	10,000	-
Al-Jamahir: Association for the Social Advancement of the Arab-Bedouin-Jewish Sector	7,500	5,000	5,000	7,500
EDOUIN-JEWISH SECTOR	15,000	40,000	40,000	15,000
Al-Rabbata: League for the Arabs of Jaffa	15,000	40,000	40,000	15,000
Al-Syndianah Association	3,000	6,000	9,000	-
Al-Yater Association for Promoting Culture and Social Development	10,000	20,000	15,000	15,000
Al-Zahraa: Organization for Women	16,000	33,000	33,000	16,000
Aljana-Center for Cultural and Social Development	-	8,500	8,500	-
Alma Teachers College	-	27,500	25,000	2,500
Alternative Voice in the Galilee	-	14,000	11,500	2,500
Alqindel Assn. of Arab Lecturers & Investigators in Higher Education	-	9,000	9,000	-
Arab Association for Human Rights	40,000	-	40,000	-
Arab Center for Alternative Planning	182,500	20,000	202,500	-
Arab Psychological Association Israel	-	9,000	9,000	-
Association for Advancement of the Ethiopian Family and Child (Almaya)	50,000	85,735	60,110	75,625
Association for the Advancement of Community Centers in Israel	3,000	-	3,000	-
Association for Arab Youth	-	20,000	12,500	7,500
Association for Art in the Community & Cross-Cultural Dialog	-	9,000	-	9,000
Association for Civil Rights in Israel (ACRI)	29,629	992,383	941,401	80,610
Association for Community Development, ACRE	16,500	(3,000)	13,500	-
Association for Elderly - LOD	-	13,247	13,247	-
Association for Eternal Rest (Menuha Nekhona)	20,000	30,000	20,000	30,000
Association for the Promotion of the Arab Education System	14,000	31,000	31,000	14,000
Association for the Protection of Mixed Family Rights	8,750	61,000	39,250	30,500
Association of Bedouin Women to Promote Education	42,500	101,250	105,250	38,500
Association of Forty For Recognition of Arab Villages	500	(500)	-	-
Association of Rape Crisis Centers	20,000	60,200	60,700	19,500

NEW ISRAEL FUND
SIGNING ANEW

SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
Association of Women, Rahat	\$ -	\$ 6,000	\$ 3,000	\$ 3,000
Association to Promote the Wadi Naim Village	9,000	20,000	27,000	2,000
A-Tur	-	10,000	10,000	-
Atta - Women's Organization Zlafa	6,000	-	-	6,000
Awareness for You	3,000	8,000	7,000	4,000
Ayam-Recognition and Dialogue		11,000	6,000	5,000
B'Tselem: Israel Information Center for Human Rights	5,380	288,073	185,567	107,886
Bar Ilan University (Ayala Center)	40,000	-	40,000	-
Bat Hamidbar	-	7,000	6,000	1,000
Bat Shalom	-	5,204	5,204	-
Battered Women's Hotline-Haifa	-	4,000	2,000	2,000
Beit Almusica	-	12,100	-	12,100
Beit Tikvat Em Habanim Smechah	2,000	-	2,000	-
Bimkom: Planners for Planning Rights	175,000	239,500	344,000	70,500
BINA (at Merchavim Chevra Lechinuch Vetarbut)	10,000	73,623	54,623	29,000
Birthright Israel International	-	50,000	50,000	-
Bizchut: Center for Human Rights for Persons with Disabilities	6,280	293,860	211,847	88,293
Born to Live Proudly	6,000	11,047	11,047	6,000
Breaking the Silence	15,435	61,046	59,881	16,600
Brit Tzedek V'Shalom	75,000	-	75,000	-
Center Against Racism and Defamation	10,000	20,000	20,000	10,000
Center for Jewish-Arab Economic Development	66,850	200,522	149,072	118,300
Center for Women's Justice	13,500	96,721	71,721	38,500
Centurian	-	17,850	17,850	-
Children of Abraham	10,000	5,000	15,000	-
Citizens Build a Community	-	10,000	5,000	5,000
Citizens for the Environment in Galilee	2,500	86,000	2,500	86,000
Collot in the Negev: Institution for Education, Community and Culture	7,500	20,000	7,500	20,000
College for All	-	41,018	41,018	-
Commitment to Peace and Social Justice	25,000	63,500	61,000	27,500
Committee for Educational Guidance	15,000	24,000	21,000	18,000
Community Advocacy - Genesis Israel	22,500	114,892	113,300	24,092
Community for Learning Women	5,000	28,000	20,500	12,500
Council for Peace and Security	50,000	-	50,000	-
Council of Arab Women	5,000	(5,000)	-	-
Counseling Center for Women	3,110	29,416	18,526	14,000
Crisis Center for Religious Women	-	5,000	5,000	-
Discourse in the Panhandle	7,500	250	7,500	250
Duroob	12,500	25,000	25,000	12,500
Economic Cooperation Foundation	170,000	-	170,000	-
Economic Empowerment for Women	-	94,000	83,500	10,500
Efshari	-	6,000	-	6,000
Eichut Ha Hayim: Quality of Life for Everyone	12,500	-	12,500	-
Ein-Bustan		7,862	5,000	2,862
El-Hawashle for Education and Welfare	6,000	21,200	23,200	4,000
Elul Center	-	400	400	-

**NEW ISRAEL FUND
SIGNING ANEW**

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
El-Sabar Association	\$ -	\$ 27,000	\$ 27,000	\$ -
Eran Center	-	56,754	29,773	26,981
Eretz Acheret: A Different Land	15,000	250	15,250	-
Esh David	18,750	16,500	22,750	12,500
Etgarim:Israel Outdoor Sports & Recreation Association for the Disabled	21,017	94,729	94,146	21,600
Etza: Israel Self-Help Center	-	28,379	28,379	-
FHAO	-	23,100	23,100	-
Fidel: Assn. for Education and Social Integration of Ethiopian Jews	150,400	233,954	193,900	190,454
Follow-up Committee for Arab Education	95,000	15,000	80,000	30,000
Forum of Directors of Social Welfare Departments Serving the Arab Population	26,750	-	26,750	-
Forum of Representatives of Ethiopian Jewish Community Organizations for the Ethiopian National Project (ENP)	-	50,120	50,120	-
Freddie Krivine Association (Committee for Coexistence and Equal Opportunity)	22,649	228,817	176,082	75,384
Friends of Kedma School	43,888	58,100	79,488	22,500
Friendship and Cooperation	-	52,000	34,000	18,000
Friendship Village	-	930	930	-
Future of the Ethiopian Community in Israel	4,000	4,000	5,500	2,500
Galilee Society of Health Research and Services	102,000	45,000	147,000	-
Gesher Hinuchi	-	50,000	12,500	37,500
Gemach Terufot Rosh Haayin	-	250	-	250
Gisha:Center for the Legal Protection of Freedom of Movement	276	14,929	14,705	500
Givat Haviva Jewish Arab Center for Peace	500	2,050	1,550	1,000
Granit: Assn for Aid to Women Before, During and After Divorce Proceeding	-	1,000	1,000	-
Green Action	10,000	-	10,000	-
Green Environment Fund	410,000	1,211,017	1,208,628	412,389
Haifa Women's Crisis Shelter	17,000	20,400	37,400	-
Hamakom	1,800	-	1,800	-
Hamasa El Zion	-	2,000	2,000	-
Hamoked: Center for Defense of the Individual	4,750	254,481	138,772	120,459
Ha'Amuutah Le-Kidom Hasport Hameshutaf Mevaseret-Abu Gosh	-	6,962	4,962	2,000
Hanan Aynor Fund	2,500	-	2,500	-
Hand in Hand: Center for Jewish-Arab Education in Israel	10,972	10,500	10,972	10,500
Hebrew University - in Public Policy	335,000	60,000	395,000	-
HEMDAT: THE FORUM FOR FREEDOM OF CHOICE IN MARRIAGE	(42,000)	40,000	20,000	(22,000)
HEMDAT	58,200	4,000	19,200	43,000
Hillel: Association for Jews Leaving Ultra-Orthodoxy	23,500	29,144	29,644	23,000
Hiwar for Alternative-Democratic Education	-	45,000	30,000	15,000
Hiyot	-	20,310	12,810	7,500
Hotline for Migrant Workers	51,500	141,200	142,700	50,000

**NEW ISRAEL FUND
SIGNING ANEW**

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
Idan Hadash (New Era)	\$ -	\$ 37,300	\$ 37,300	\$ -
E'ELAM: MEDIA CENTER FOR ARAB PALESTINIANS IN ISRAEL	15,500	-	-	15,500
I'LAM-MEDIA CTR FOR ARAB PALESTINIANS IN ISRAEL	14,500	174,000	36,000	152,500
Immigrants for Successful Absorption	-	33,300	33,300	-
Immigrant Scientists Association of Israel	3,000	10,000	8,000	5,000
Indimage	-	30,000	15,000	15,000
Institute for the Advancement of Deaf Persons in Israel	3,468	3,954	3,468	3,954
Institute of International Education	200,000	-	200,000	-
Inter-Religious Coordinating Council	5,530	38,928	38,458	6,000
Interfaith Encounter Association	1,000	1,214	2,214	-
Ir-Amim	50,000	385,583	292,420	143,163
Isha L'isha: Haifa Feminist Organization	7,000	29,285	36,285	-
Israel Aids Task Force	3,000	20,000	21,000	2,000
Israel Association for the Advancement of Women's Health	1,000	-	1,000	-
Israel Association for Ethiopian Jews	70,000	181,710	201,710	50,000
Israel Cancer Association	1,000	-	1,000	-
Israel Center for the Treatment of Psycho Trauma	-	15,500	15,500	-
Israel Family Planning Association	60,000	85,000	80,000	65,000
Israel Festival, Jerusalem	-	15,000	15,000	-
Israel Movement Against House Demolitions	66	(66)	-	(0)
Israel Palestine Center for Research and Information (IPCRI)	-	7,730	7,730	-
Israel Religious Action Center	195,000	273,361	281,611	186,750
Israel Venture Network	-	40,000	40,000	-
Israel Women's Network (IWN)	25,350	47,018	56,465	15,903
Israeli Association for Immigrant Children (IAIC)	55,500	112,300	82,300	85,500
Israeli Center for Social Justice	5,167	25,000	17,667	12,500
Jerusalem Business Development Center: MATI	2,000	12,000	13,000	1,000
Jerusalem Open House for Pride and Tolerance	174,300	182,450	282,925	73,825
Jerusalem Venture Partners	25,000	-	25,000	-
Karamah - For Human Rights	-	28,000	-	28,000
Karev for Involvement in Education	-	52,845	52,845	-
Kayan - ("Being")	2,000	36,500	32,000	6,500
Kehilat Shira Chadasha	7,090	14,930	15,036	6,984
Kehillat Yedidya	200	1,150	1,100	250
Keren Klita	-	2,531	2,531	-
Keshet: Information, Guidance, and Counseling Center	-	24,000	8,000	16,000
Kfar Qassim Society for Informal Culture and Education	25,000	(25,000)	-	-
Kol Ha'isha: Jerusalem Women's Center	100	55,900	25,575	30,425
Kol Haneshama	10,075	1,275	11,175	175
Kolot	-	10,557	8,757	1,800
Kolot: Tehuda	30,000	-	20,000	10,000
Laborer's Voice (Sut El-Amel)	25,000	75,000	75,000	25,000
Lagiya: Association for the Improvement of the Status of Women	12,500	55,000	67,500	-
Lasova	-	1,000	1,000	-

**NEW ISRAEL FUND
SIGNING ANEW**

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
Latet	\$ 10,144	\$ 268	\$ 5,412	\$ 5,000
Law in the Service of the Elderly	15,000	30,000	22,500	22,500
Leo Baeck Educational Center	180	-	180	-
Life and Environment	-	10,000	10,000	-
Local Committee Bir Hadaj	5,000	-	-	5,000
MA'AN: The Forum of Bedouin Women's Organization	20,000	50,000	37,000	33,000
Maala-Business for Social Responsibility	100,000	-	50,000	50,000
Mada Al-Carmel - Arab Center for Applied Social Research	12,500	225,000	137,500	100,000
Mahapach: Education, Housing, and Livelihood	11,862	104,497	101,359	15,000
Mahut Center	-	8,000	8,000	-
Masar Institution for Ontosophical Education	-	7,500	7,500	-
Masorti (Conservative) Movement: Religious Affairs Bureau	35,000	20,000	35,000	20,000
Massua	15,000	32,500	32,500	15,000
Mavoi Satum ("Dead End")	-	3,345	2,872	473
Mazrah: Association to Promote Education and Society	-	10,000	3,100	6,900
Megama Yeruka (Green Course)	11,000	1,000	11,000	1,000
Meir Panim - Mifal Chaim	-	2,000	2,000	-
Meitar: College of Pluralistic Judaism	10,000	27,000	27,500	9,500
Merhavim - Institute for Multicultural & Democratic Education for Israel	20,000	22,723	22,723	20,000
Merkaz Hashachar-Kibbutz K'Tura	0.00	42,033	41,053	980
Midreshet Kama	-	25,000	12,500	12,500
Midreshet Iyun	5,000	-	5,000	-
Mifne Center	-	21,276	21,276	-
Mimizrach Shemesh - The Jewish Social Leadership Center	30,000	31,000	31,000	30,000
Mossawa	196,250	125,120	251,270	70,100
Movement for Dignified Living	3,000	13,000	8,000	8,000
Movement for Israeli Urbanism	-	5,000	-	5,000
Movement for Progressive Judaism:	18,750	-	18,750	-
Movement for Quality Government	-	500	500	-
Natal: Israel Trauma Center for Victims of Terror and War	-	25,000	25,000	-
National Committee for Arab Local Authorities in Israel	200,000	7,500	132,500	75,000
National Council for the Child	-	12,005	12,005	-
Nazareth Nurseries Institute	75,200	35,000	110,200	-
Ne'Emanei Torah Va'Avodah	30,000	60,000	40,000	50,000
Negev Coexistence Forum	55,000	35,000	63,750	26,250
Negev Institute for Strategies of Peace and Development	6,500	50,200	31,500	25,200
Neighbors for Joint Development in the Galilee	15,000	55,958	27,500	43,458
Netivei Ahva (Friendship's Way)	68,550	12,858	77,818	3,590
Neve Shalom/Wahat Al-Salam(NS/WAS)	22,531	29,519	29,975	22,075
New Discourse (Democratic Mizrahi Rainbow)	-	58,000	48,750	9,250
New Family	20,000	45,000	47,500	17,500
New Initiative for Women	-	4,246	4,246	-
Nisan: Young Women Leaders	-	28,998	28,998	-
Nishmat: The Jerusalem Center for Advanced Jewish Study Tour for Women	-	221,452	221,452	-
One in Nine: Women for Women Victims of Cancer	-	500	500	-
One Plus One	15,000	50,000	35,000	30,000

NEW ISRAEL FUND
SIGNING ANEW

SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
One Voice	\$ -	\$ 75,621	\$ 75,621	\$ -
Oranim: Hamidrasha Center for Study Fellowship	36,000	55,000	61,000	30,000
Oranim (Shdemot)	12,500	15,000	20,000	7,500
Organization for Housing Rights	10,000	30,000	25,000	15,000
Organization for the Advancement of the Ethiopian Community in Ashdod	1,000	(1,000)	-	-
Oz V'shalom/Netivot Shalom	280	596	526	350
Panim	25,100	87,000	75,100	37,000
Parent's Circle: Bereaved Parents	1,000	926	1,926	-
Parent's Involvement Center	10,000	-	10,000	-
Peace Child	4,400	3,886	8,086	200
Pelech School	1,854	5,000	1,854	5,000
Physicians for Human Rights	80,234	227,817	194,726	113,325
Pinat Shorashim	500	375	525	350
Political Council for Gay Rights in Israel - (PCGRI)	16,750	(16,750)	-	-
Public Committee Against Torture	9,000	20,046	24,046	5,000
Qasr Alsir (Alhawshleh) Association	-	7,000	3,500	3,500
R.E.M. - Abu-Grinat	-	7,000	7,000	-
Rabbis for Human Rights	76,815	184,295	175,110	86,000
Rabbis for Human Rights - North America	75,000	-	75,000	-
Radio all for Peace	-	10,000	10,000	-
Rahat: Tza'ad Kadima Association for the Advancement of Education	37,500	65,200	55,200	47,500
Rape Crisis Center - Hasharon	1,000	2,900	2,400	1,500
Rape Crisis Center - Jerusalem	16,181	4,436	17,528	3,089
REGIONAL COUNCIL FOR UNRECOGNIZED ARAB VILLAGES-AL-AUNA	145,350	-	81,850	63,500
RELIGIOUS WOMAN'S FORUM	35,000	70,000	35,000	70,000
ReE'UT - A Religious Pluralistic Community	10,500	600	10,500	600
Re'ut Institute for Vision to Policy	107,050	125,500	232,550	-
RE'UT/Sadaka: Jewish-Arab Youth Movement for Peace and Equality	300	38,712	25,962	13,050
Realistic Religious Zionism	15,000	30,046	15,000	30,046
Reut Shchenin	-	15,000	15,000	-
SELAH- Israel Crisis Management Center for New Immigrants	-	51,000	26,000	25,000
Self Respect for Women	-	15,850	15,850	-
Shilo: Pregnancy Advisory Service	550	31,856	19,406	13,000
Shiluv Institute	-	38,000	18,500	19,500
Shiluv: Integration	-	22,000	11,000	11,000
Sidreh	40,000	74,000	72,000	42,000
Sikkuy: Israel Association for the Advancement of Equal Opportunity	27,500	44,200	32,500	39,200
Sister for Women in Israel	17,500	35,000	35,000	17,500
Social Development Committee - Haifa	-	20,000	-	20,000
Social Economic Association-SEA	12,500	60,000	60,000	12,500
Society for Protection of Personal Rights	1,800	200	1,800	200
Source of Information	-	10,000	10,000	-

**NEW ISRAEL FUND
SIGNING ANEW**

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
South Wing to Zion	\$ 42,500	\$ 82,500	\$ 82,500	\$ 42,500
Supporting Community	-	35,750	18,750	17,000
Syncopa Community	-	5,000	5,000	-
Talea' Al-Mostkabal	-	6,000	3,000	3,000
Tashbetz	6,000	(6,000)	-	-
Tech-Careers - Computer Training for Ethiopian Israelis	-	3,702	3,702	-
ETHIOPIAN IMMIGRANT CENTER FOR LEGAL AND COMMUNITY ADVOCACY	(13,500)	-	-	(13,500)
Tebeka-Center for Legal Aid and Advocacy for Ethiopian Jewish in Israel	27,500	118,036	92,000	53,536
Telah	16,750	(17,750)	8,000	(9,000.00)
Tel Aviv University	165,000	-	100,000	65,000
The Arab Youth Movement	-	38,000	29,000	9,000
The Association to Support Arab Minors	12,000	24,500	36,000	500
The Bedouin Association for Education & Health Development	-	10,000	-	10,000
The Coalition of Women for Peace	100,168	243,194	230,805	112,557
The Coalition for Public Health	-	35,000	35,000	-
The Committee for Planning and Protecting the Arabs' Rights in the Negev-Assiraj Fund	-	25,000	15,000	10,000
The Citizens Accord Forum Between Jews&Arabs in Israel (CAF)	-	10,000	10,000	-
The Development Towns Center	-	-	-	-
The Eben Seena Society for Education & Health Promotion in Arraba Village	4,000	8,000	8,000	4,000
The Freedom of Information Association	22,500	90,000	97,500	15,000
The Foundation in Memory of Eyal Yoel	-	1,000	1,000	-
The Heschel Center for Environmental Learning and Leadership	-	107,500	107,500	-
The Institute of Jewish - Secular Rites	43,000	12,500	21,500	34,000
The Israeli Association for Distributive Justice, LTD	15,000	150,000	90,000	75,000
The Organization for Promoting Long School Day	12,500	30,000	27,500	15,000
The Young Israeli Forum for Cooperation (YIFC)	-	1,000	-	1,000
The Yaacov Herzog Center for Jewish Studies	12,000	15,000	12,000	15,000
Tiberias Hotel Association	-	25,000	25,000	-
Trust of Programs for Early Childhood, Family and Community Education	35,000	122,500	125,000	32,500
ULPANIT - REHOVOT	-	2,500	2,500	-
Um Batin Local Committee	5,000	4,000	3,000	6,000
Upper Galilee Rape Crisis Center	-	1,100	-	1,100
Van Leer Jerusalem Institute	-	65,000	65,000	-
Voice of the Child	-	5,000	5,000	-
Windows Magazine for Children	447	52,326	-	52,773
Woman to Woman-Jerusalem Battered Women's Shelter	50,850	5,620	53,295	3,175
Women Against Violence - Nazareth	118,500	103,800	181,300	41,000
Women Against Violence: Working Group for Equality in Personal Status Issues	-	32,000	32,000	-
Women and Horizons - Nis'a V'afek	-	27,000	6,750	20,250
Women for Women-Haifa Battered Women's Shelter	4,225	4,500	6,725	2,000
Women Lawyers for Social Change	-	134,200	126,700	7,500

NEW ISRAEL FUND
SIGNING ANEW

SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2006

Vendor Name	Grants Payable 12/31/2005	Grant Authorized	Grants Disbursed	Grants Payable 12/31/2006
Women's Fund for Human Rights	\$ 350	\$ 42,775	\$ 41,569	\$ 1,555
WUJS - World Union of Jewish Students	-	35,000	35,000	-
Worker's Hotline: Kav La-Oved	81,250	65,000	139,750	6,500
Yad L'Isha	13,500	40,000	29,000	24,500
Yedid Association	133,000	557,281	588,000	102,281
Yeladenu Be'tnufa	-	100	-	100
Yesh Din	-	57,182	39,057	18,125
Yesodot	-	53,856	53,856	-
	\$ 6,975,502	\$ 15,120,611	\$ 16,236,762	\$ 5,859,352

**NEW ISRAEL FUND
SIGNING ANEW**

**SCHEDULE OF PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

SHATIL EMPOWERMENT AND TRAINING CENTER FOR SOCIAL CHANGE ORGANIZATIONS IN ISRAEL	\$ 4,935,384
OTHER NEW ISRAEL FUND PROJECTS	
Israel-U.S. Civil Liberties Law Program	181,876
Open Space Conference	5,392
State Budget Project	42,700
New Voice in the Stadium	73,979
Publications	775
Signing Anew	382,281
Other projects and publications	<u>24,641</u>
TOTAL PROJECTS	\$ <u>5,647,028</u>
TOTAL GRANTS (Schedule 4)	\$ <u>15,120,611</u>
TOTAL GRANTS AND PROJECTS	\$ <u>20,767,639</u>

**NEW ISRAEL FUND
SIGNING ANEW**

**SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Program Services			
	Grants and Projects	Grant Management	Educational Activities	Total Program Services
Grants/allocations	\$ 13,538,643	\$ 467,920	\$ 1,114,048	\$ 15,120,611
Compensation of officers	74,477	2,574	6,128	83,179
Other salaries	2,966,955	102,172	243,255	3,312,382
Pension plan	28,656	987	2,349	31,992
Other employee benefits	103,893	3,578	8,518	115,989
Payroll taxes	55,376	1,907	4,540	61,823
Professional fundraiser fees	-	-	-	-
Accounting fees	-	-	-	-
Legal fees	-	-	-	-
Supplies	89,360	3,077	7,326	99,763
Telephone	134,237	4,623	11,006	149,866
Postage and shipping	31,789	1,095	2,606	35,490
Occupancy	271,505	9,350	22,260	303,115
Equipment rental/maintenance	123,247	4,244	10,105	137,596
Printing/publications	184,484	6,353	15,126	205,963
Travel	216,370	7,451	17,740	241,561
Conferences/meetings	68,041	2,343	5,579	75,963
Interest	-	-	-	-
Depreciation	111,526	3,841	9,144	124,511
Programs (SHATIL/Other)	558,133	19,220	45,760	623,113
Regional programs/activities	268,798	9,256	22,038	300,092
Staff training	31,562	1,087	2,588	35,237
Other retained services	1,770,167	38,685	92,104	1,900,956
Hospitality	29,418	1,013	2,412	32,843
Other operating expenses	111,002	2,117	5,038	118,157
Bank fees	-	-	-	-
TOTAL	\$ 20,767,639	\$ 692,893	\$ 1,649,670	\$ 23,110,202

Supporting Services			
Management and General	Fundraising	Total Supporting Services	Total Expenses
\$ -	\$ -	\$ -	\$ 15,120,611
83,180	41,590	124,770	207,949
961,026	1,503,435	2,464,461	5,776,843
19,930	27,902	47,832	79,824
72,258	101,161	173,419	289,408
38,514	53,919	92,433	154,256
-	296,520	296,520	296,520
65,562	-	65,562	65,562
11,871	-	11,871	11,871
16,157	29,907	46,064	145,827
23,473	39,714	63,187	213,053
17,687	35,375	53,062	88,552
81,588	151,244	232,832	535,947
18,767	28,056	46,823	184,419
53,666	100,931	154,597	360,560
39,890	72,935	112,825	354,386
37,858	75,716	113,574	189,537
50,786	-	50,786	50,786
27,271	42,417	69,688	194,199
-	-	-	623,113
-	-	-	300,092
3,296	4,944	8,240	43,477
160,677	-	160,677	2,061,633
16,368	32,736	49,104	81,947
34,192	68,385	102,577	220,734
48,451	-	48,451	48,451
\$ 1,882,468	\$ 2,706,887	\$ 4,589,355	\$ 27,699,557