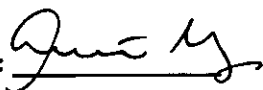


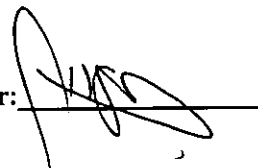
Tsad Kadima
The Association For Conductive Education
Peto Method
BALANCE SHEET

		<u>December 31</u>	
		<u>2010</u>	<u>2009</u>
		<u>NIS</u>	<u>NIS</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents		3,454,120	4,243,091
Designated assets		385,073	3,338,878
Deposits in foreign currency		2,251,181	1,006,381
Checks receivable, prepaid expenses, accrued income, employee loans		255,109	284,684
		<u>6,345,483</u>	<u>8,873,034</u>
LONG TERM INVESTMENTS			
Investment in equities		<u>3,258,270</u>	<u>3,083,990</u>
FIXED ASSETS, NET		<u>8,120,790</u>	<u>3,386,235</u>
	Total assets	<u><u>17,724,543</u></u>	<u><u>15,343,259</u></u>
<u>LIABILITIES AND NET ASSETS</u>			
CURRENT LIABILITIES			
Checks & accounts payable		861,159	298,239
Current installments		1,796	54,181
Employees		1,576,480	1,445,757
Deferred income		582,563	1,181,505
Accrued expenses			20,455
		<u>3,021,998</u>	<u>3,000,137</u>
LONG TERM COMMITMENTS			
Employee termination rights		1,046,439	1,027,961
Long term loans			1,788
	Total liabilities	<u>4,068,437</u>	<u>4,029,886</u>
NET ASSETS			
Unrestricted used for operations			
Not destined by the association		561,983	
Destined by the association		<u>4,588,260</u>	<u>4,588,260</u>
		5,150,243	4,588,260
Unrestricted used for fixed assets		<u>8,120,790</u>	<u>3,386,235</u>
Total unrestricted net assets		<u>13,271,033</u>	<u>7,974,495</u>
Temporarily restricted net assets		<u>385,073</u>	<u>3,338,878</u>
	Total net assets	<u>13,656,106</u>	<u>11,313,373</u>
	Total liabilities and net assets	<u><u>17,724,543</u></u>	<u><u>15,343,259</u></u>

Chairman :



Managing Director:



Tsad Kadima

The Association For Conductive Education
Peto Method

STATEMENT OF OPERATIONS

	For the year ended	
	December 31	
	2010	2009
	<u>NIS</u>	<u>NIS</u>
CYCLE OPERATIONS		
Government & Public offices	10,228,821	11,024,045
Contributions in Israel & Foundations	1,400,565	1,352,497
Contributions from 'Friends of...' associations abroad	939,273	1,080,835
Parents participation	466,213	546,917
Amounts released from restricted net income	79,250	84,182
Other Income	28,607	36,058
	<u>13,142,729</u>	<u>14,124,534</u>
Cost of operations		
Expenses of education centers	8,180,572	8,184,655
Complementary education expenses	2,019,043	1,920,198
Student training expenses	827,310	894,707
Depreciation	213,508	154,002
	<u>11,240,433</u>	<u>11,153,562</u>
Net deficit before financing income	<u>1,902,296</u>	<u>2,970,972</u>
Fundraising expenses	373,925	333,330
General and administrative expenses	114,364	110,173
Net income (net expenses) before finance	<u>384,722</u>	<u>1,535,908</u>
Financing income, net	120,428	237,300
net income for the year	<u>505,150</u>	<u>1,773,208</u>