

Nevet, Future Growth 2015 Ltd. (PBC)
Financial Statements
As of December 31, 2016

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Financial Statements

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Report of the Independent Accountant to the Shareholders
Of
Nevet, Future Growth 2015 Ltd. (PBC)

We have audited the accompanying Balance Sheets of Nevet, Future Growth 2015 Ltd. (PBC) (hereinafter – the Company) as of December 31, 2016 and the Statement of Activities and the Statement of Changes in Net Assets for the year ended on that date. These financial statements are the responsibility of the Company's Board of Directors and management. Our responsibility is to express an opinion on these financial statements based on our audits.

We have conducted our audits in accordance with generally accepted auditing standards, including standards set in the Auditor's Regulations (Auditor's Mode of Performance), 1973. These 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 Company's Board of Directors and management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2016 and the results of its operations and changes in its net assets for the year ended on that date, in conformity with generally accepted accounting principles (Israeli GAAP).

June 25, 2017

Signature
Stark & Stark
Accountants

Nevet, Future Growth 2015 Ltd. (PBC)

Balance Sheet

For the Year ended December 31, 2016

	<u>Note</u>	<u>December 31, 2016 NIS</u>
<u>Current assets</u>		
Cash and cash equivalents		767,791
Shareholders		7
		<u>767,798</u>
<u>Current liabilities</u>		
Checks payable		150,214
Suppliers and service providers		211,920
Accounts payable and credit balances	3	67,888
Related party	4	330,455
		<u>760,477</u>
<u>Capital stock</u>	5	<u>7</u>
<u>Net unrestricted assets:</u>		
For use in activities		<u>7,314</u>
		<u>767,798</u>

Signature

Joseph Gitler – Board Member

Signature

Joseph Mandelbaum – Board Member

The attached notes are an integral part of the financial statements.

Nebat, Future Growth 2015 Ltd. (PBC)

Statement of Activities

As of December 31, 2016

	Note	For the Year ended December 31, 2016 NIS
Revenues from activities	4	2,016,453
Cost of activities	6	(1,524,113)
Net income from activities		492,340
Administrative and general expenses	7	(485,021)
Net income before financing		7,319
Financing expenses		(5)
Net income for the year		7,314

The attached notes are an integral part of the financial statements.

Nebat, Future Growth 2015 Ltd. (PBC)
Statement of Changes in Net Assets
For the Year ended December 31, 2016

	<u>Net Unrestricted Assets</u> <u>For Use in Activities</u> <u>NIS</u>
Balance as of January 1, 2016	-
<u>Additions during the year:</u>	
Net income for the year	7,314
Balance as of December 31, 2016	<u>7,314</u>

Nevat, Future Growth 2015 Ltd. (PBC)

Notes to the Financial Statements

As of December 31, 2016

Note 1 – General

1. Nevet, Future Growth 2015 Ltd. (PBC) (hereinafter: “the Company”) was established in December 2015 and commenced significant financial operations in May 2016.
2. Company goals:
 - a. To provide breakfast to school children.
 - b. To work for the welfare of the community.
 - c. To assist the civilian population and IDF soldiers in emergency situations.
 - d. To engage in any act of kindness, charity and assistance to those in need.
3. The Company’s registration number in the Companies Registrar is: 515354793.
4. The Company is registered at the Value Added Tax Authorities as an NPO (Non-Profit Organization).
5. The Company has confirmation of submission of documents from the Registrar of Endowments in effect until December 31, 2017.
6. The Company has approval regarding donations under Section 46 of the Income Tax Ordinance, from June 12, 2017 until December 31, 2018.

Note 2 – Significant Accounting Policies

- a. Reporting principles

The financial statements were presented in accordance with Opinion no. 69 of the Institute of Certified Public Accountants in Israel, in accordance with the Accounting Standard no. 5 of the Israel Accounting Standards Board, and in accordance with Accounting Standard no. 36, which includes amendments and clarifications to Opinion 69 and Standard no. 5.
- b. Financial statements in reported amounts

The financial statements are prepared in reported amounts in accordance with the provisions of Standard no. 12 of the Israel Accounting Standards Board regarding the discontinuance of the adjustment of financial statements.
- c. The financial statements do not include a statement of cash flows since it does not add significant information to the information presented.
- d. Cash and cash equivalents

Cash and cash equivalents include short-term bank deposits and negotiable government bonds, the period up to the redemption date, at the time of the investment, did not exceed three months.

Nebat, Future Growth 2015 Ltd. (PBC)

Notes to the Financial Statements

As of December 31, 2016

Note 2 – Significant Accounting Policies (continued)

- e. Recognition of income and expenses
Income and expenses, assets and liabilities and changes in net assets are included in the financial statements on an accrual basis.
- f. Use of estimates
Preparation of the financial statements in accordance with generally accepted accounting principles requires management to use estimates and valuations that have an effect on the reported data regarding assets and liabilities that were given value in the financial statements, as well as income and expense data in the reporting periods. It should be noted that the actual results could differ from these estimates.
- g. Amendment to the Amutot Law (Amendment no. 11), 2008
In accordance with Amendment no. 11 to the Amutot Law, 2008, during the accounting year, the Company did not receive donations from a foreign political entity for its activities.
- h. Related parties
As defined in Opinion 29 of the Institute of Certified Public Accountants in Israel.

Note 3 – Accounts Payable and Credit Balances

	As of December 31, 2016
	NIS
Employees and institutions for wages	39,888
Expenses payable	28,000
	67,888

Note 4 – Related Party

- a. **Credit balance with related party**

	As of December 31, 2016
	NIS
Table to Table – Leket Israel (Registered Amuta)	330,455

Nebat, Future Growth 2015 Ltd. (PBC)

Notes to the Financial Statements

As of December 31, 2016

Note 4 – Related Party (continued)

b. Transactions with related party – Table to Table – Leket Israel (Registered Amuta):

	For the Year Ended December 31, 2016
	NIS
Income	<u>2,016,453</u>
Expenses	<u>(966,907)</u>

1. The company was established in December 2015 and its goals are, among other things, the provision of breakfast to school children (hereinafter: “the Sandwich Project”). The Sandwich Project was operated by Table to Table - Leket Israel Registered Amuta) (hereinafter: “Leket”) for about a decade.
2. During the reporting year, the Sandwich Project was gradually transferred from Leket to the Company, and as of May 2016, most of the expenses for the project were incurred through the Company. Project revenues were transferred accordingly.
3. Leket incurred both direct expenses of purchases and employee wages until the date of transfer of their employment to the Company and indirect expenses (bookkeeping services, fundraising, public relations and more). Consequently, mutual accounting was done between the entities.

Note 5 – Capital Stock

Composition as of December 31, 2016:

	Listed	Issued and Paid
	Number of Shares	
Capital stock of NIS 1 PV each	<u>100</u>	<u>7</u>

Nebat, Future Growth 2015 Ltd. (PBC)

Notes to the Financial Statements

As of December 31, 2016

Note 6 – Cost of Activities

	For the Year Ended December 31, 2016
	NIS
Salaries and related expenses	75,868
Purchase of products for preparing sandwiches	1,054,800
Rent, operations and logistics	252,699
Advertising and printing	22,461
Deliveries	118,285
	1,524,113

Note 7 – Administrative and General Expenses

	For the Year Ended December 31, 2016
	NIS
Salaries and related expenses	186,815
Accounting services and personnel	130,497
Rent and maintenance	5,675
Office expenses	1,500
Professional services	55,120
Fundraising	9,616
Vehicle maintenance	94,080
Fees	1,488
Bank fees	230
	485,021

Note 8 – Value of Volunteers

The Company is assisted by volunteers for no consideration, who sometimes provide their private vehicles for the Sandwich Project operations.

No expression was given in the financial statements for these volunteer hours.