

**NEVET, FUTURE GROWTH 2015 LTD. (PBC)**  
**FINANCIAL STATEMENTS**  
**FOR YEAR ENDING DECEMBER 31, 2023**

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**Table of Contents**

Auditor's Report to Shareholders .....	3
Statement of Financial Position 31 December 2023 .....	4
Statement of Activity 31 December 2023 .....	5
Statement of Changes in Net Assets December 31 2023 .....	6
Notes to the Financial Statements.....	7-11

## AUDITOR'S REPORT TO SHAREHOLDERS

### NEVET, FUTURE GROWTH 2015 LTD (PBC)

We audited the attached statement of the financial position of Nevet, Future Growth 2015 Ltd. (Public Benefit Company) (hereinafter: the **Company**) for year ending December 31, 2023, from December 31, 2022 and the statement of activities and the statement of the 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 state an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, including standards set forth in the Accountants (Manner of Operation of an Accountant) Regulations, 5733-1973. According to these standards, we are required to plan the audit and perform it in order to obtain a reasonable degree of assurance that the financial statements do not contain material misrepresentations. An audit includes a sample examination of evidence supporting the amounts and information in the financial statements. An audit also includes an assessment of the accounting policies implemented and the significant accounting estimates made by the Company's Board of Directors and Management, as well as an evaluation of the appropriateness of the overall presentation of the financial statements. We believe that our review provides an adequate basis for our opinion.

In our opinion, the above financial statements adequately reflect, in all material respects, the Company's financial position for the year ending December 31, 2023, from December 31, 2022 and the results of its operations and changes in net assets for the year ended on those dates, in accordance with Israeli Generally Accepted Accounting Policies (GAAP).

June 26, 2024

Stark & Stark  
Certified Public Accountants

**NEVET, FUTURE GROWTH 2015 LTD. (PBC)**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2023**

		<u>As of December 31</u>	
		<u>2023</u>	<u>2022</u>
	<u>Note</u>	<u>ILS</u>	
<b><u>Fixed assets</u></b>			
Cash and cash equivalents		3,504,531	2,853,522
Short-term deposits		2,773,278	1,532,138
Receivables and debit balances	3	37,059	1,103,064
		<u>6,314,868</u>	<u>5,488,724</u>
<b><u>Noncurrent assets</u></b>			
Long-term deposit		103,381	
Fixed assets, net	4	243,587	209,961
		<u>6,661,836</u>	<u>5,698,685</u>
<b><u>Current liabilities</u></b>			
Vendors and service providers		212,123	224,663
Payables and credit balances	5	692,846	984,326
		<u>904,969</u>	<u>1,208,989</u>
<b><u>Share capital</u></b>	6	<u>7</u>	<u>7</u>
<b><u>Unrestricted net assets</u></b>			
For use in operations		3,166,273	3,337,728
Designated by the PBC's institutions	7	2,347,000	942,000
Invested in fixed assets		243,587	209,961
		<u>5,756,860</u>	<u>4,489,689</u>
		<u>6,661,836</u>	<u>5,698,685</u>

\_\_\_\_\_  
Yosef Mandelbaum  
Chairman of the Board

\_\_\_\_\_  
Yael Elad  
Director

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

**NEVET, FUTURE GROWTH 2015 LTD. (PBC)**

**STATEMENT OF ACTIVITY**

**DECEMBER 31, 2023**

		<b>for year ending:</b>	
		<b>December 31</b>	
		<b>2023</b>	<b>2022</b>
	<b>Note</b>	<b>ILS</b>	
<b><u>Operations' turnover</u></b>			
Donations and participations	8	6,134,900	5,657,690
Money-equivalent goods and services	9	2,746,401	2,424,444
Ministry of Welfare support		1,000,000	1,002,000
		<u>9,881,301</u>	<u>9,084,134</u>
Cost of operations	10	<u>(7,690,958)</u>	<u>(*)(6,407,819)</u>
<b>Net revenues from operations</b>		2,190,343	2,673,114
Administrative and general expenses	11	(844,730)	(*) (776,227)
Public relations and fundraising expenses		(187,866)	(399,151)
Other revenues		<u>(3,827)</u>	<u>-</u>
<b>Net revenues before financing</b>		1,153,920	1,500,937
Financing income, net		113,251	32,081
<b>Net revenue in the year</b>		<u><u>1,267,171</u></u>	<u><u>1,533,018</u></u>

(\*) reclassification

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

**NEVET, FUTURE GROWTH 2015 LTD. (PBC)**

**STATEMENT OF CHANGES IN NET ASSETS**

**DECEMBER 31, 2023**

	<u>Unrestricted</u>			
	<u>Net assets used for operations</u>	<u>Designated by the PBC's institutions</u>	<u>Net assets invested in fixed assets</u>	<u>Total</u>
	<u>ILS</u>			
Balance as of January 1, 2022	1,592,839	1,200,000	163,832	2,956,671
<b><u>Additions (deductions) in the year:</u></b>				
Net income in the year	1,533,018	-	-	1,533,018
Amounts designated in prior periods by the PBC's executive institutions and used for their intended purpose.	258,000	(258,000)	-	-
Amounts invested in fixed assets	(79,204)	-	(79,204)	-
Amounts transferred to cover depreciation expenses	33,075	-	(33,075)	-
<b>Balance as of December 31, 2022</b>	<u>3,337,728</u>	<u>942,000</u>	<u>209,961</u>	<u>4,489,689</u>
<b><u>Additions (disposals) during the year:</u></b>				
Net income for the year	1,267,171	-	-	1,267,171
Amounts designated by the PBC's executive institutions	(1,650,000)	1,650,000	-	-
Amounts designated in prior periods by the PBC's executive institutions and used for their intended purpose	245,000	(245,000)	-	-
Amounts invested in fixed assets	(95,938)	-	95,938	-
Amounts transferred for covering depreciation expenses	58,485	-	(58,485)	-
Amounts designated for fixed assets	<u>3,827</u>	<u>-</u>	<u>(3,827)</u>	<u>-</u>
<b>Balance as of December 31, 2023</b>	<u><u>3,166,273</u></u>	<u><u>2,347,000</u></u>	<u><u>243,587</u></u>	<u><u>5,756,860</u></u>

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

## NEVET, FUTURE GROWTH 2015 LTD. (PBC)

### NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

#### Note 1 - General

1. Nevet, Future Growth 2015 (PBC) (hereinafter: the "Company" or "PBC") is a non-profit company for the benefit of the public. The Company's registration number is 515354793.
2. The purposes of the Company are to:
  - a) provide breakfasts to students in schools.
  - b) act for the benefit of the community.
  - c) assist the civilian population and IDF soldiers in times of emergency.
  - d) engage in any act of kindness, charity and help to the needy.
3. The company is registered with the value added tax authorities as a non-profit institution.
4. The company has a proper administration certificate in effect through December 31, 2025.
5. The Company has a donation certificate under Section 46 of the Income Tax Ordinance, in effect through December 31, 2024.

#### Note 2 - Principles of Accounting Policy

##### A. Reporting rules

The financial statements are prepared in accordance with generally accepted accounting principles and as set forth in the updated (November 2021) Accounting Standard No. 40, published by the Israel Accounting Standards Board, consolidating the accounting rules and financial reporting applying to non-profit institutions.

##### B. Financial statements in reported amounts

The financial statements are prepared in reported amounts in accordance with the provisions of Standard 12 of the Israel Accounting Standards Board regarding the discontinuation of adjustments of financial statements. For tax purposes, the nominal data correspond to the reported data as the company began its operations after Standard 12 was implemented.

##### C. Cash and cash equivalents

Cash and cash equivalents include short-term deposits in banks and marketable government loans, whose maturity period, when invested is made in them, did not exceed three months.

##### D. Fixed assets

Fixed assets are shown by cost. Depreciation on the cost of the assets is calculated according to the straight-line depreciation method, at rates that are considered sufficient to amortize the assets during the estimated period of their use.

##### E. Recognition of revenues and expenses

Revenue is included on the basis of accruals. Donations are recognized as income or as an addition to net assets that have been restricted according to Accounting Standard No. 40. Donations of non-monetary assets are presented at fair value at the time of their receipt. Expenses are included in the financial statements on the basis of accruals.

##### F. Use of estimates

In preparing the financial statements in accordance with GAAP, the Company's management is required to use estimates and assessments that affect the reported data of the assets and liabilities given value in the financial statements, and of revenues and expenses data in the reporting periods. The actual results may differ from these estimates.

##### G. Employee benefits

The Company's employees have signed Section 14 of the Severance Pay Act from the beginning of their employment.

NEVET, FUTURE GROWTH 2015 LTD. (PBC)

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**Note 2 – Principles of Accounting Policy (continued)**

A. Amendment to the Associations Act (Amendment No. 11), 5768-2008

Pursuant to Amendment No. 11 of the Associations Act, 5768-2008, the Company did not receive donations from a foreign political entity for the purposes of its activities during the financial year.

B. Assets and services received without consideration

Volunteers' value revenues and expenses were included in the financial statements in accordance with the assessment of the Company's management and in accordance with the provisions of Accounting Standard No. 40, published by the Israel Accounting Standards Board. See also Note 9.

C. Statement of Activities

In presenting the Statement of Activities, no classification was made per the substance of the expenses, as this would not have added any significant information beyond its presentation per the nature of the activity.

D. Statement of Cash Flow

The statement of cash flow is not included in the financial statements as it does not add significant information to the information contained in the financial statements.

**Note 3 – Receivables and Debit balances**

	<b>As of December 31</b>	
	<b>2023</b>	<b>2022</b>
	<b>ILS</b>	
“Israel Donates” Company	4,981	52,860
Receivables	-	1,002,000
Others	32,078	48,204
	<u>37,059</u>	<u>1,103,064</u>



**Note 4 – Fixed Assets, Net**

	As of December 31			
	2023		2022	
	Leasehold Improvements	Furniture, Equipment and Computers ILS	Total	Total
<b>Cost</b>				
Balance at beginning of year	151,957	127,149	279,106	199,902
Purchases during the Year	24,827	71,111	95,938	79,204
Disposals for remaining of year	-	(4,874)	(4,874)	-
Balance at end of year	176,784	193,386	370,170	279,106
<b>Accrued depreciation</b>				
Balance at beginning of year	40,172	28,973	69,145	36,070
Depreciation for the year	17,435	41,050	58,485	33,075
Disposals for remaining of year	-	(1,074)	(1,047)	-
Balance at the end of the year	57,607	68,976	126,583	69,145
<b>Amortized cost</b>	119,177	124,410	243,587	69,145
	10%	7%-33%		

**Note 5 - Payables and Credit Balances**

	As of December 31	
	2023	2022
	ILS	
Prepared revenues	362,237	743,672
Employees and institutions in respect of wages	193,355	137,702
Payable expenses	34,423	25,611
Provision for leave	64,000	46,000
Others	38,831	31,341
	692,846	984,326

**Note 6 - Share Capital**

Composition as of December 31, 2023, and 2022:

	Registered capital	Issued and Paid-up
	Number of Shares	
Ordinary shares of ILS 1 p.v. each	100	7

### **Note 7 - Amounts Designated by the PBC's institutions**

According to the company's decision, below is the breakdown of the remaining funds designated for December 31, 2023, totaling ILS 2,347,000:

1. ILS 697,000 for use until the end of 2025 for:

A. Technology infrastructure development project.

B. A field project for the supervision and monitoring of the schools participating in the project.

2. ILS 1,650,000 for improving the nutritional value of breakfasts provided by the company, aimed at assisting disadvantaged populations and soldiers due to the security situation in the country, with an emphasis on children from vulnerable populations.

### **Note 8 - Donations and Participations**

	<b>For the Year ending December 31</b>	
	<b>2023</b>	<b>2022</b>
	<b>ILS</b>	
Israeli and foreign donations	3,271,497	2,986,998
Participation by educational institutions and local councils	2863,403	2,670,692
	<b>6,134,900</b>	<b>5,657,690</b>

### **Note 9 – Volunteers Value**

The Company is assisted by volunteers who work without compensation for the purpose of the Company.

In 2023, the Company made use 91,052 volunteer hours with a monetary value of ILS 2,746,000 (in 2022, 83,257 volunteer hours were rendered with a monetary value of ILS 2,424,000). This amount is included in the Statement of Operations of the Company as revenues and expenses. The monetary value is calculated at the minimum wage.

### **Note 10 - Cost of Activities**

		<b>For the Year ending December 31</b>	
		<b>2023</b>	<b>2022</b>
		<b>ILS</b>	
	<b>Note</b>		
Ingredients for sandwiches		2,973,481	2,523,363
Value volunteers	9	2,746,401	2,424,444
Transport		341,646	223,447
Wages and ancillary		1,027,036	776,062
Rent, operations and logistics		396,292	199,654
Depreciation		48,065	33,075
Advertising and printing		158,037	230,975
		<u>7,690,958</u>	<u>6,411,020</u>

### **Note 11 – Administrative and General Expenses**

		<b>For the Year ending December 31</b>	
		<b>2023</b>	<b>2022</b>
		<b>ILS</b>	
Wages and ancillary		509,306	476,221
Rent, maintenance and office		173,036	141,841
Vehicle maintenance		68,046	65,717
Professional services		80,460	86,425
Official fees		1,343	1,162
Bank		2,119	1,660
Depreciation		10,420	3,201
		<u>844,730</u>	<u>776,227</u>

### **Note 12 - Significant events during this Financial Year.**

On October 7, 2023, a surprise attack on the State of Israel led to the outbreak of the "Iron Swords" war. The war had wide-ranging effects on the Israeli economy, which were felt and anticipated. Following the outbreak of the war and the closure of educational systems, the Company adjusted its activities to the special situation that arose and mobilized to assist displaced populations, allocating resources for emergency food distribution.

As of the financial report approval date, the Company anticipates a decrease in anticipated donations and government support. The Company is monitoring these impacts, and it is estimated that as of the financial report approval date, it cannot fully mitigate this effect.