

Naboth's Vineyard LTD (CC)

**Financial Statements as of December 31,
2019**

Naboth's Vineyard LTD (CC)

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Auditors' Report
To the shareholders of
Naboth's Vineyard LTD (CC)

We have audited the accompanying balance sheets of Naboth's Vineyard LTD (CC) (hereinafter: "the Company") as of December 31, 2019 and 2018, the statement of activities and the statement of changes in net assets for each of the years then ended. 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 conducted our audits in accordance with generally accepted auditing standards in Israel, including those prescribed by the Auditor's Regulations (Auditor's Mode of Performance)-1973. 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 examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the 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, 2019 and 2018, the results of its activities and the changes in its net assets for each of the years then ended, in conformity with generally accepted accounting principles in Israel (Israeli GAAP).

Ben David, Shalvi, Kop
Certified Public Accountants, (Isr.)

Jerusalem, _____ 2020

Naboth's Vineyard LTD (CC)
Balance Sheets
(New Israeli Shekels)

		<u>As of December 31</u>	
	<u>Note</u>	<u>2019</u>	<u>2018</u>
<u>Current Assets</u>			
Cash and cash equivalents	3	115,502	115,682
Debtors and debit balances	4	37,181	38,250
		<u>152,683</u>	<u>153,932</u>
<u>Non-current assets</u>			
Fixed Assets, Net	5	38,403	56,535
		<u>191,086</u>	<u>210,467</u>
<u>Current Liabilities</u>			
Creditors and credit balances	6	40,881	24,666
<u>Net Assets</u>			
<u>Unrestricted Net Assets</u>			
Used for current activities		86,445	106,269
Used for fixed assets		38,403	56,535
		<u>124,848</u>	<u>162,804</u>
<u>Temporarily Restricted Net Assets</u>	8	25,350	22,990
<u>Share Capital</u>	9	<u>7</u>	<u>7</u>
		<u>150,205</u>	<u>185,801</u>
		<u>191,086</u>	<u>210,467</u>

Date

Member of the
Board

Member of the
Board

The attached notes are an integral part of these statements.

Naboth's Vineyard LTD (CC)
Statements of Activities
(New Israeli Shekels)

	<u>Note</u>	<u>Year ended December 31</u>	
		<u>2019</u>	<u>2018</u>
Activities turnover	10	404,734	341,340
Cost of activities	11	<u>365,163</u>	<u>292,789</u>
Net income from activities		39,571	48,551
General and administrative expenses	12	<u>54,315</u>	<u>32,712</u>
Net income (expenses) before financing		(14,744)	15,839
Net financial income (expenses)	13	<u>3,212</u>	<u>(1,673)</u>
Net Income (Deficit) before other expenses		(17,956)	17,512
Other expenses, net	14	<u>20,000</u>	<u>-</u>
Net income (deficit) for the year		<u>(37,956)</u>	<u>17,512</u>

The attached notes are an integral part of these statements.

Naboth's Vineyard LTD (CC)
Statement of Changes in Net Assets
(New Israeli Shekels)

	Net Assets				
	Unrestricted				Total
	Used for Activities	Used for Fixed Assets	Temporarily Restricted	Share Capital	
Balance as of January 1, 2018	72,064	73,228	20,740	7	166,039
<u>Changes during the year</u>					
Designated donations	-	-	22,990	-	22,990
Net income for the year	17,512	-	-	-	17,512
Amounts released from restriction to activities	-	-	(20,740)	-	(20,740)
<u>Transfer of unrestricted amounts</u>					
Used for fixed assets	(1,100)	1,100	-	-	-
To cover depreciation expenses	17,793	(17,793)	-	-	-
Balance as of December 31, 2018	106,269	56,535	22,990	7	185,801
<u>Changes during the year</u>					
Designated donations	-	-	25,350	-	25,350
Deficit for the year	(37,956)	-	-	-	(37,956)
Amounts released from restriction to activities	-	-	(22,990)	-	(22,990)
<u>Transfer of unrestricted amounts</u>					
To cover depreciation expenses	18,132	(18,132)	-	-	-
Balance as of December 31, 2019	86,445	38,403	25,350	7	150,205

The attached notes are an integral part of these statements.

Naboth's Vineyard LTD (CC)
Notes to the Financial Statements
(New Israeli Shekels)

Note 1 - General

- A. Naboth's Vineyard LTD (CC) (hereinafter: "the company") was established in February 2012, and began operating on January 2014.
The company's number is: 514732718.
- B. The company's goals are to explore different sides and aspects of Israel's policy in the field of land management in all territories under its control, and in particular the distribution of lands and confiscating them, the use of the lands and the supervision of the access to those lands.
- C. The company is recognized as a Not for Profit Organization by the V.A.T. Authorities and as a "public institution" as defined in section 9(2) of the Income Tax Ordinance.
- D. The Organization has a proper management confirmation form in 2020.

Note 2 - Significant Accounting Policies

- A. The financial statements were prepared according to generally accepted accounting principles for non profit organizations and in accordance with Standard No. 5 of the Israeli Accounting Standard Board, regarding "accounting principles and financial reporting by nonprofit organizations."
- B. Historical Cost Convention
The financial statements were prepared on the basis of the historical cost convention and do not include the effect of changes in the general purchasing power of the Israeli currency on the results of the activities.
- C. Cash and Cash Equivalents
The company considers all highly liquid investments, including short-term bank deposits (up to three months from date of deposit) that are not restricted as to withdrawal or use, to be cash equivalents.
- D. Fixed Assets
Fixed assets are stated at cost less accumulated depreciation. The depreciation was calculated by the straight-line method over the estimated useful lives of the assets, as follows:

Computers	33%
Electronic equipment	15%
- E. Indexation to Foreign Currency
Balances in or indexed to foreign currency are recorded at the exchange rate on the balance sheet. The dollar exchange rates for the dates of the financial statement are as follows:

Naboth's Vineyard LTD (CC)
Notes to the Financial Statements
(New Israeli Shekels)

Note 2 - Significant Accounting Policies (Cont.)

	As of December 31	
	2019	2018
US Dollar	3.456	3.748
Euro	3.878	4.292

F. **Statement of Changes in Cash Flow**

The financial statements do not include a statement of cash flow, as such a statement would not add significant financial information to that already included in the financial statements.

Note 3 - Cash and cash equivalents

	As of December 31	
	2019	2018
Cash in the bank - Israeli currency	80,925	115,682
Cash in the bank - foreign currency	34,577	-
	115,502	115,682

Note 4 - Debtors and debit balances

Credit companies	37,181	2,583
Prepaid expenses	-	35,667
	37,181	38,250

Naboth's Vineyard LTD (CC)
Notes to the Financial Statements
(New Israeli Shekels)

Note 5 - Fixed Assets, Net

	<u>Computers</u>	<u>Electronic equipment</u>	<u>Total</u>
<u>Cost</u>			
Balance as of January 1, 2019	5,699	75,558	81,257
Additions during the year	-	-	-
Balance as of December 31, 2019	5,699	75,558	81,257
<u>Accumulated Depreciation</u>			
Balance as of January 1, 2019	4,623	20,099	24,722
Depreciation for the year	363	17,769	18,132
Balance as of December 31, 2019	4,986	37,868	42,854
Fixed Assets, Net as of December 31, 2019	713	37,690	38,403
Fixed Assets, Net as of December 31, 2018	1,076	55,459	56,535

Note 6 - Creditors and credit balances

	<u>As of December 31</u>	
	<u>2019</u>	<u>2018</u>
Employees and related institutions	12,491	15,604
Expenses payable	8,390	9,062
Provision for legal expenses *	20,000	-
	40,881	24,666

* See note 14.

Note 7 - Reserve for severance pay

The Company's payments for severance pay apply the terms of section 14 of the severance pay law, 1963, according to which the Company's current deposits in pension funds and policies in insurance companies exempt it from any further obligation to its employees, therefore, no reserve for severance pay was recorded in the financial statements.

Note 8 - Temporarily Restricted Net Assets

Temporarily restricted donations from an external donor for specific activities.

Naboth's Vineyard LTD (CC)
Notes to the Financial Statements
(New Israeli Shekels)

Note 9 - Share Capital

	<u>Registered</u>	<u>Issued and Paid</u>
Regular shares at 1 NIS par value	<u>100</u>	<u>7</u>

Note 10 - Activities turnover

	<u>Year ended December 31</u>	
	<u>2019</u>	<u>2018</u>
Donations in Israel	214,180	142,502
Donations from abroad	167,564	178,098
Amounts released from restriction for activities	22,990	20,740
	<u>404,734</u>	<u>341,340</u>

Note 11 - Cost of activities

	<u>Year ended December 31</u>	
	<u>2019</u>	<u>2018</u>
Salaries and related expenses	132,130	155,280
Publication and dissemination of information	85,540	68,031
Tours and transportation	67,683	43,970
Mapping and photography	50,000	9,420
Depreciation	16,088	16,088
Petitions for freedom information	13,722	-
	<u>365,163</u>	<u>292,789</u>

Naboth's Vineyard LTD (CC)
Notes to the Financial Statements
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Note 12 - General and administrative expenses

	Year ended December 31	
	2019	2018
Professional fees	21,518	21,420
Legal advice	16,380	-
Salaries and related expenses	8,128	5,312
Maintenance	5,112	3,155
Depreciation	2,044	1,705
Fees	1,133	1,120
	54,315	32,712

Note 13 - Net financial income (expenses)

	Year ended December 31	
	2019	2018
Exchange rate differentials	(737)	2,716
Bank fees	(2,475)	(1,043)
	(3,212)	1,673

Note 14 - Other expenses, net

The Company accrued a total of NIS 20,000 for expected legal expenses.

Note 15 - Details of Donations from a foreign political entity

The following is a list of donations received during the year 2019 by a foreign political entity:

<u>Donor name</u>	<u>Amount</u>
1. Broederlijk Delen	50,440
2. Medico	57,450
3. Diakonia	24,588
4. Rosa Luxemburg	46,856
5. Haqel	34,414
6. ICRC	5,000

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