

Naboth's Vineyard LTD (CC)

Financial Statements as of December 31, 2023

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, 2023 and 2022, the statements of activities and the statements 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, 2023 and 2022, 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, _____ 2024

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

		<u>As of December 31</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u>
<u>Current Assets</u>			
Cash and cash equivalents	3	168,969	252,946
Debtors and debit balances	4	18,783	24,783
		<u>187,752</u>	<u>277,729</u>
<u>Non-current Assets</u>			
Fixed assets, net	5	18,611	12,798
		<u>206,363</u>	<u>290,527</u>
<u>Current Liabilities</u>			
Bank, overdraft		-	1,498
Suppliers and service providers		2,417	-
Creditors and credit balances	6	46,943	50,104
		<u>49,360</u>	<u>51,602</u>
<u>Net Assets</u>			
<u>Unrestricted Net Assets</u>			
Used for current activities		138,385	207,292
Invested in fixed assets		18,611	12,798
		<u>156,996</u>	<u>220,090</u>
<u>Restricted Net Assets</u>		-	18,828
<u>Share Capital</u>	8	7	7
		<u>157,003</u>	<u>238,925</u>
		<u>206,363</u>	<u>290,527</u>

Date

Director

Director

The attached notes are an integral part of these statements.

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

		Year ended December 31	
	Note	2023	2022
Activities turnover	9	263,175	403,547
Cost of activities	10	293,994	364,560
Net income from activities		(30,819)	38,987
General and administrative expenses	11	35,417	32,951
Net income (deficit) before financing		(66,236)	6,036
Net financial income	12	3,142	9,599
Net income (deficit) before other expenses		(63,094)	15,635
Income due to lawsuits		-	5,493
Net income (deficit) for the year		(63,094)	21,128

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		Restricted	Share Capital	Total
	Used for Activities	Invested in fixed Assets			
Balance as of January 1, 2022	188,730	10,232	162,526	7	361,495
<u>Changes during the year</u>					
Designated donations	-	-	18,828	-	18,828
Net income for the year	21,128	-	-	-	21,128
Amounts released from restriction to activities	-	-	(162,526)	-	(162,526)
<u>Transfer of unrestricted amounts</u>					
Invested in fixed assets	(5,649)	5,649	-	-	-
To cover depreciation expenses	3,083	(3,083)	-	-	-
Balance as of December 31, 2022	207,292	12,798	18,828	7	238,925
<u>Changes during the year</u>					
Deficit for the year	(63,094)	-	-	-	(63,094)
Amounts released from restriction to activities	-	-	(18,828)	-	(18,828)
<u>Transfer of unrestricted amounts</u>					
Invested in fixed assets	(9,667)	9,667	-	-	-
To cover depreciation expenses	3,854	(3,854)	-	-	-
Balance as of December 31, 2023	138,385	18,611	-	7	157,003

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 2024.
- H. On October 7, 2023, the terrorist organization Hamas attacked the State of Israel, following which the Israeli government declared a war of "iron swords".

The impact of the outbreak of the war is evident in the Israeli economy, which is reflected, among other things, in falling rates on the stock exchange, in the devaluation of the shekel against foreign currencies, due to an increase in the levels of risk and uncertainty. The rating company lowered the credit rating forecast for the State of Israel from positive to negative.

Also, most government and philanthropic grants are directed to aid the war effort, which may harm the company's activities.

As of the date of preparing the financial statements, it is not possible to assess the possible consequences, if any, on the company's activities in particular and on the Israeli economy as a whole.

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. 40 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. Presentation of the financial statements:
 - (1) Definitions:
 - "Net assets" - the difference between the Company's assets and its liabilities.
 - "Restriction" - a restriction on the use of net assets imposed by donors or other external parties
 - "Net assets in respect of which there is no restriction" - that portion of the Company's net assets arising from donations, allowances or other income, the use of which has not been

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

Note 2 - Significant Accounting Policies (Cont.)

restricted by external parties.

(2) In accordance with the guidelines of Accounting Standard 40, all the Company's accounts are presented in the financial statements in only one comprehensive framework, classifying all fund balances under the heading "Net assets".

The balances included in the net assets group are sorted with a distinction between:

- Net assets for which there is no restriction.
- Net assets for which there is a restriction.

Net assets for which there is no restriction are presented with a distinction between:

- Net assets used for activities - not designated by non-profit institutions.
- Net assets used for activities - Designated by non-profit institutions.
- Net assets invested in fixed assets.

(3) The report on the activities and the report on the changes in net assets:

The statement of activities includes all income and expenses during the reporting period.

"Income" includes all income received and accrued in the period without any restriction on their use as well as amounts released from groups of net assets for which there is a restriction following the existence, or cancellation, of the restrictions imposed on the use of those net assets.

"Expenses" also include expenses financed from sources restricted by their giver.

The statement of changes in net assets, including in addition to the net result transmitted from the statement of activities, also all the sources obtained while restricting their use and the amounts released from restrictions. Amounts released from restrictions due to use for operations or acquisition of fixed assets that can be used are transferred as income to the statement of activities.

D. 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.

E. 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 - 25%

F. 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	
	2023	2022
US Dollar	3.627	3.519
Euro	4.011	3.753

G. Statement of Changes of Cash Flow

The financial statements do not include a statement of cash flow as such a statement would not add significant financial information.

Note 3 - Cash and cash equivalents

	As of December 31	
	2023	2022
Cash in the bank - Israeli currency	28,593	217,244
Cash in the bank - foreign currency	37,876	35,702
Deposits	102,500	-
	168,969	252,946

Note 4 - Debtors and debit balances

	As of December 31	
	2023	2022
Prepaid expenses	18,000	24,000
Credit companies	783	783
	18,783	24,783

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, 2023	5,699	88,707	94,406
Additions during the year	9,667	-	9,667
Balance as of December 31, 2023	15,366	88,707	104,073
<u>Accumulated Depreciation</u>			
Balance as of January 1, 2023	5,699	75,909	81,608
Depreciation for the year	585	3,269	3,854
Balance as of December 31, 2023	6,284	79,178	85,462
Fixed Assets, Net as of December 31, 2023	9,082	9,529	18,611
Fixed Assets, Net as of December 31, 2022	-	12,798	12,798

Note 6 - Creditors and credit balances

	<u>As of December 31</u>	
	<u>2023</u>	<u>2022</u>
Provision for legal expenses	30,000	30,000
Employees and related institutions	8,753	13,084
Expenses payable	8,190	7,020
	46,943	50,104

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.

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

Note 8 - Share Capital

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

Note 9 - Activities turnover

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Donations from abroad	197,819	146,876
Donations in Israel	46,528	94,145
Amounts released from restriction for activities	18,828	162,526
	<u>263,175</u>	<u>403,547</u>

Note 10 - Cost of activities

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Salaries and related expenses	98,832	144,869
Publication and dissemination of information	86,293	104,920
Tours and transportation	74,485	66,221
Mapping and photography	30,800	47,099
Petitions for freedom information	3,584	1,451
	<u>293,994</u>	<u>364,560</u>

Note 11 - General and administrative expenses

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Professional fees	21,360	22,590
Maintenance	8,988	4,208
Depreciation	3,854	3,083
Fees	1,215	1,162
Salaries and related expenses	-	1,908
	<u>35,417</u>	<u>32,951</u>

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Notes to the Financial Statements
(New Israeli Shekels)

Note 12 - Financing income, net

	Year ended December 31	
	2023	2022
Income from exchange rate differentials	1,363	11,049
Interest income from deposit	2,689	-
Bank fees	(910)	(1,450)
	3,142	9,599

Note 13 - Details of Donations from a foreign political entity

Bellow in the List donations received during the year 2023 by a foreign state entity:

Name of Donor	Amount
1 Medico International	81,372
2 Rosa Luxemburg fund	37,400
	118,772

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Notes to the Financial Statements
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Note 14 - Breakdown of donations over NIS 20,000

Below is the list of donations received during the year 2023 over NIS 20,000

Name of donor`	Amount
2 Medico International	81,372
4 Rosa Luxemburg Fund	37,400
5 Dunn Family Charitable Foundation	36,270
3 Foundation for ME Peace	35,804
	<u>190,846</u>