

Table to Table - Leket Israel (Reg.NPO)
Financial Statements
as of December 31, 2014

The information contained in these financial statements constitutes an unofficial translation of the financial statements published by the Company in Hebrew. The Hebrew version is the binding version. This translation was prepared for convenience purposes only.

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Financial Statements
as of December 31, 2014

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Auditor's Report to the members of the Association
of
Table - Leket Israel (Reg.NPO)

We have audited the accompanying balance sheets of Table to Table - Leket Israel (Reg. NPO) (hereinafter "the Association") as of December 31, 2014 and 2013, and the statements of activities, statements of changes in net assets and the statements of cash flows for the years then ended. These financial statements are the responsibility of the Association's executive committee 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 Israeli Auditors' Regulations (Auditor's Mode of Performance), 1973. Those standards required 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 executive committee and management of the Association, 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 Association on December 31, 2014 and 2013, and the results of its operations, changes in net assets and its cash flows for each of the years then ended, in accordance with generally accepted accounting principles in Israel (Israeli GAAP).

Stark & Stark
Certified Public Accountants (Israel)

Ra'anana, June 22, 2015

Table to Table - Leket Israel (Reg.NPO)

Balance Sheets as of December 31, 2014

		December 31	
		2014	2013
		NIS	NIS
<u>Current Assets</u>	<u>Note</u>		
Cash and cash equivalents		12,853,981	(*)9,940,798
Short-term deposits		832,186	903,706
Post-dated checks receivable		88,310	(*)286,736
Accounts receivable and other current assets	3	776,368	745,192
Income receivable	15	828,702	-
Investments in futures contracts	2g	-	107,970
		15,379,547	11,984,402
 <u>Long-term deposits</u>		 280,740	 144,840
 <u>Fixed assets, net</u>	 4	 3,566,936	 4,358,696
		19,227,223	16,487,938
 <u>Current liabilities</u>			
Suppliers and post-dated checks payable	5	2,599,998	1,531,836
Investments in futures contracts	2g	101,790	
Accounts payable and other current liabilities	6	1,631,232	1,495,760
		4,333,020	3,027,596
 <u>Net provision for severance pay</u>	 7	 418,200	 385,000
 <u>Unrestricted Net Assets</u>			
Not designated by Association institutions for activities		8,248,740	4,576,660
For fixed assets		3,566,936	4,358,696
		11,815,676	8,935,356
 <u>Temporarily restricted net assets</u>	 8	 2,660,327	 4,139,986
		14,476,003	13,075,342
		19,227,223	16,487,938

(*) Reclassified

Executive Committee member - Joseph Gitler

Executive Committee member - Stephen Provisor

The accompanying notes are an integral part of these financial statements.

Table to Table - Leket Israel (Reg.NPO)
Statement of Activities
For the year ended December 31, 2014

	<u>Note</u>	<u>For the year ended December 31</u>	
		<u>2014 NIS</u>	<u>2013 NIS</u>
<u>Income from activities</u>			
Donations in kind	9a	73,313,541	69,321,543
Donations in shekels	9b	32,162,097	24,816,299
Allocation from the Ministry of Welfare	9c	-	70,000
		<u>105,475,638</u>	<u>94,207,842</u>
Revenues from procurement project		<u>265,696</u>	<u>1,016,741</u>
Revenues released from restriction	8	<u>2,334,059</u>	<u>2,063,271</u>
		<u>108,075,393</u>	<u>97,287,854</u>
<u>Cost of activities</u>			
Salaries and related expenses		8,663,497	8,084,560
Cost of in kind food and services	10b	73,126,050	69,118,294
Direct operating expenses	10c	17,240,827	15,140,006
		<u>99,030,374</u>	<u>92,342,860</u>
Net income from activities		<u>9,045,019</u>	<u>4,944,994</u>
General and administrative expenses	11	<u>5,965,773</u>	<u>5,958,293</u>
Net income (expenses) before financing		<u>3,079,246</u>	<u>(1,013,299)</u>
Net financing expenses	12	<u>(187,411)</u>	<u>(527,867)</u>
Net income (expense) after financing expenses		<u>2,891,835</u>	<u>(1,541,166)</u>
Capital gain (loss)		<u>(11,515)</u>	<u>72,126</u>
Net income (expenses) from operating activities		<u>2,880,320</u>	<u>(1,469,040)</u>
Net income from extraordinary items	15	-	-
Net surplus (deficit) for the year		<u><u>2,880,320</u></u>	<u><u>(1,469,040)</u></u>

The accompanying notes are an integral part of these financial statements.

Table to Table - Leket Israel (Reg.NPO)
Statement of Changes in Net Assets
For the year ended December 31, 2014

	Unrestricted Net Assets		Temporarily Restricted Net Assets	Total
	For Activities	For Fixed Assets		
	NIS	NIS		
Balance as of January 1, 2013	5,566,111	4,759,310	3,579,409	13,904,830
Surplus of expenses over revenues for the year	(1,469,040)	-	-	(1,469,040)
Donations	-	-	2,702,823	2,702,823
Sums released from restriction	-	-	(2,063,271)	(2,063,271)
Sums released from net restricted assets that for use in purchasing fixed assets	-	78,975	(78,975)	-
Sums for the purchase of fixed assets	(848,464)	848,464	-	-
Net sums from the sale of fixed assets	(65,974)	65,974	-	-
Sums transferred to cover depreciation expenses	1,262,079	(1,262,079)	-	-
Balance as of December 31, 2013	4,576,660	4,358,696	4,139,986	13,075,342
<u>Additions (reductions) during the year:</u>				
Surplus of expenses over revenues for the year	2,880,320	-	-	2,880,320
Donations	-	-	854,400	854,400
Sums released from restriction	-	-	(2,334,059)	(2,334,059)
Sums for the purchase of fixed assets	(1,063,529)	1,063,529	-	-
Net sums from the sale of fixed assets	169,934	(169,934)	-	-
Net sums from sale of fixed asset in respect of fire	456,102	(456,102)	-	-
Sums transferred to cover depreciation expenses	1,229,253	(1,229,253)	-	-
Balance as of December 31, 2014	<u>8,248,740</u>	<u>3,566,936</u>	<u>2,660,327</u>	<u>14,476,003</u>

The accompanying notes are an integral part of these financial statements.

Table to Table - Leket Israel (Reg.NPO)

Statement of Cash Flows

For the year ended December 31, 2013

	<u>For year ended December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
<u>Cash flows from operating activities</u>		
Net surplus (deficit) for the year	2,880,320	(1,469,040)
Adjustments required to present cash flows from operating activities	<u>147,953</u>	<u>(*)1,060,532</u>
Net cash provided by (used in) operating activities	<u>3,028,273</u>	<u>(2,529,572)</u>
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	(927,439)	(927,439)
Sale of fixed assets	138,100	138,100
Decrease (increase) in short-term deposit	(503,179)	(503,179)
Long-term deposit made (refunded)	<u>(144,840)</u>	<u>(144,840)</u>
Net cash used in investing activities	<u>(1,437,358)</u>	<u>(1,437,358)</u>
<u>Cash flows from financing activities</u>		
Increase in restricted net assets	<u>2,702,823</u>	<u>2,702,823</u>
Net cash provided by financing activities	<u>2,702,823</u>	<u>2,702,823</u>
Increase (decrease) in cash from activities this year	(1,002,971)	(1,264,107)
Cash balance at the beginning of year	<u>11,204,905</u>	<u>11,204,905</u>
Total cash balance at end of the year	<u>10,201,934</u>	<u>(*)9,940,798</u>

(*) Reclassified

The accompanying notes are an integral part of these financial statements.

Table to Table - Leket Israel (Reg.NPO)

Statement of Cash Flows

For the year ended December 31, 2013

Adjustments required to present cash flows from operating activities

	For year ended Dec. 31	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
<u>Income not related to cash flows</u>		
Depreciation	1,229,253	1,262,079
Increase (decrease) in reserve for severance pay	33,200	(18,000)
Capital gain (loss) on sale of fixed assets	467,617	(72,126)
Sums released from temporarily restricted net assets	<u>(2,334,059)</u>	<u>(2,063,271)</u>
	<u>(603,989)</u>	<u>(891,318)</u>
<u>Changes in assets and liabilities</u>		
Decrease (increase) in investments in futures contracts	209,760	(107,970)
Decrease (increase) in post-dated checks receivable	198,426	(*)(131,356)
Increase in accounts receivable and other current assets	(31,176)	(53,830)
Increase in trade accounts payable and post-dated checks payable	1,068,162	25,001
Increase in accounts payable and other current liabilities	135,472	98,941
Increase in income receivable	<u>(828,702)</u>	<u>-</u>
	<u>-- 751,942</u>	<u>- (169,214)</u>
	<u>147,953</u>	<u>(1,060,532)</u>
	<u>=====</u>	<u>=====</u>

(*) Reclassified.

The accompanying notes are an integral part of these statements.

Table to Table - Leket Israel (Reg.NPO)
Notes to the Financial Statements as of December 31, 2014

Note 1 – General

- A. Table to Table - Leket Israel (NPO) (hereinafter "the Association") is a non-profit institution (registration number 580407633) registered in accordance with the Associations Law on March 18, 2003.
On November 16, 2009, the Association changed its name from Table to Table to Table to Table – Leket Israel (NPO).
- B. During 2009, the Association absorbed the operations of Leket Food Bank to Israel, which was dissolved voluntarily. The transfer of operations included among other things, the activities of the organization, assumption of certain liabilities and taking on employees and assets of the Leket Food Bank to Israel.
- C. The Association's goals are:
1. To collect leftover food products, as well as cooked foods from events, army bases, hotels and cafeterias, that under other circumstances would be thrown away, and to distribute the food to existing organizations that assist the needy.
 2. To collect dry foods from businesses and distribute them to organizations assisting the needy.
 3. To collect agricultural products from farmers and retailers for distribution to the needy.
 4. To assist civilians and Israel Defense Force soldiers as needed during times of emergency. In this context, emergency periods refer to war, military operations, and any other period in which the civilian population is under any kind of threat by virtue of its being a civilian population.
 5. The collection, acquisition and distribution of food to the needy to promote solutions to the problem of food shortages in Israeli society.
 6. To be engaged in any act of kindness, charity, and aid to those in need.
- D. The Association has been recognized as a public institution by the Israeli tax authorities in accordance with Section 9 (2) of the Income Tax Ordinance.
- E. The Association has approval under Section 46 of the Income Tax Ordinance until the end of 2017.
- F. On April 24, 2012, the Association received approval from the tax authorities to sell products to organizations not approved under Section 46 of the Income Tax Ordinance under certain conditions. The approval is valid from November 1, 2011 to December 31, 2014. This project was discontinued in early 2013.
- G. The management practices of the Association are certified by the Registrar of Associations until the end of 2015.
- H. Amendment to the Associations Law (Amendment No. 11) – 2008
During the fiscal year, the Association did not receive contributions from a foreign political entity for its operations.

Table to Table - Leket Israel (Reg.NPO)
Notes to the Financial Statements as of December 31, 2014

Note 2 - Significant Accounting Policies

A. Reporting Principles

The financial statements have been prepared in accordance with generally accepted accounting principles and in accordance with Opinion No. 69 issued by the Institute of Certified Public Accountants in Israel, in regards to accounting and financial reporting principles for nonprofit organizations and as prescribed in Accounting Standard No. 5 published by the Israeli Accounting Standards Board.

B. Financial Reports in Nominal NIS

1. The Association applies the provisions of Accounting Standard No. 12 of the Israel Accounting Standards Board - "Discontinuance of Adjustment of Financial Statements".
2. The non-monetary asset amounts do not necessarily represent realization or updated economic value, but rather the reported amounts of those assets.
3. In the financial statements, "cost" means cost in reported amounts.

C. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities disclosed in the financial statements and the amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

D. Cash and cash equivalents:

The Association views highly liquid assets, including short-term bank deposits with an original term to maturity of up to three months, as cash equivalents.

E. Fixed assets

- 1) Depreciation is calculated using the straight-line depreciation method at annual rates considered sufficient to depreciate the assets over their estimated useful lives.
- 2) Improvements and enhancements are capitalized to the cost of the assets while repairs and maintenance are expensed as incurred.
- 3) Annual depreciation rates are as follows:

	<u>%</u>
Vehicles	15-20
Furniture equipment and computers	6-33
Leasehold improvements	7-10

F. Employee Benefits

Liabilities for short-term employee benefits:

Short-term employee benefits include salaries, vacation and National Insurance Institute contributions and are recognized as expenses upon the provision of services.

Liabilities for employee termination benefits:

The Association's liabilities for employee termination benefits are recorded in appropriate obligations under law, agreement, practice, and management expectations.

Table to Table - Leket Israel (Reg.NPO)

Notes to the Financial Statements as of December 31, 2014

Note 2 - Significant Accounting Policies (cont.)

G. Futures contracts

The investment in futures contracts not intended for hedging are presented in the financial statements in accordance with Israel Accounting Standard No. 22, at their fair value. Fair value fluctuations are recognized in the financing item in the statement of activities in the period they occurred.

H. Recognition of income and expenses

The Association reports its income and expenses by the accrual basis.

I. Donations in kind

Since 2011, the Association has begun to manage the food inventory and its distribution using a computerized system for the precise recording of quantities of dry food, cooked food and agricultural produce arriving at the Association's warehouses as donations. The value of the donations is recorded on the Association's books on the cost basis. See Note 13.

J. The Amutot Law (Amendment No. 11) - 2008:

During the fiscal year, the Association did not receive contributions from a foreign political entity for its operations.

Note 3 – Accounts Receivable and Other Debit Balances

	<u>As of December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
"Israel Toremet" company and "Back Office"	462,945	521,380
Advances to suppliers	1,244	5,818
Prepaid expenses	310,179	215,994
Other	16,387	16,387
Provision for doubtful debts	<u>(14,387)</u>	<u>(14,387)</u>
	<u>776,368</u>	<u>745,192</u>

Table to Table - Leket Israel (Reg.NPO)

Notes to the Financial Statements as of December 31, 2014

Note 4 – Fixed Assets, net

	As of December 31					<u>2013</u>
	2014					
	<u>Leasehold</u>		<u>Furniture and</u>		<u>Total</u>	
<u>Improvements</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Computers</u>	<u>Total</u>	<u>Total</u>	
	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>	<u>NIS</u>
<u>Cost:</u>						
Balance at beginning of year	674,812	5,129,227	2,413,609	1,304,857	9,522,505	9,060,818
Additions during the year	30,511	749,609	226,161	57,248	1,063,529	927,439
Disposals during the year	<u>(362,009)</u>	<u>(497,424)</u>	<u>(272,465)</u>	-	<u>(1,131,898)</u>	<u>(465,752)</u>
Balance at end of year	<u>343,314</u>	<u>5,381,412</u>	<u>2,367,305</u>	<u>1,362,105</u>	<u>9,454,136</u>	<u>9,522,505</u>
 <u>Accumulated depreciation</u>						
Balance at beginning of year	234,055	2,962,948	1,375,630	591,176	5,163,809	4,301,508
Year's depreciation	50,326	772,512	239,245	167,170	1,229,253	1,262,079
Depreciation of year's disposals	<u>(107,563)</u>	<u>(327,490)</u>	<u>(70,809)</u>	-	<u>(505,862)</u>	<u>(399,778)</u>
Balance at end of year	<u>176,818</u>	<u>3,407,970</u>	<u>1,544,066</u>	<u>758,346</u>	<u>5,887,200</u>	<u>5,163,809</u>
<u>Depreciated cost:</u>	<u>166,496</u>	<u>1,973,442</u>	<u>823,239</u>	<u>603,759</u>	<u>3,566,936</u>	<u>4,358,696</u>
 <u>Annual depreciation rates</u>	<u>7%-10%</u>	<u>15%-20%</u>	<u>6%-15%</u>	<u>15%-33%</u>		

Table to Table - Leket Israel (Reg.NPO)

Notes to the Financial Statements as of December 31, 2014

Note 5 - Suppliers and postdated checks payable

	<u>As of December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
Post-dated checks payable	1,136,718	619,784
Suppliers and service providers	<u>1,463,280</u>	<u>912,052</u>
	<u>2,599,998</u>	<u>1,531,836</u>

Note 6 – Accounts Payable and Other Current Liabilities

	<u>As of December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
Credit card companies	40,909	37,327
Advances from customers	-	5,000
Employees	658,698	584,746
Payroll institutions	365,568	309,861
Accrued expenses	201,407	198,976
Provision for vacation	359,100	356,000
Other	<u>5,550</u>	<u>3,850</u>
	<u>1,631,232</u>	<u>1,495,760</u>

Note 7 - Provision for Severance pay

Reserves for severance pay cover the balance due to employees beyond the portion of the liabilities covered by managers' insurance.

Table to Table - Leket Israel (Reg.NPO)

Notes to the Financial Statements as of December 31, 2013

Note 8 - Temporarily restricted net assets

Following are details of donations received/released in the report year:

1. In 2012, a donation in the amount of NIS 1,482 thousand was received from a donor, earmarked for use toward salary expenses of the Association's Executive Director for the years 2013 - 2015. During the report year, a total of NIS 494 thousand was released.
2. In 2011, a donation of NIS 3,082 thousand was received from a donor, earmarked for use in the "Nahalal" project for the years 2011 - 2014. NIS 528 thousand of this amount was released for activities in the report year.
3. In 2012, a donation of NIS 513 thousand was received from a donor, earmarked for use in the "Sandwich" project in 2013. The sum was released in 2013.
4. In 2013, a donation of NIS 1,424 thousand was received from a donor, earmarked for use in the "Sandwich" project in the years 2014-2015. The sum of NIS 712 thousand was released in the report year.
5. In the report year, a donation of NIS 1,200 thousand was received from a donor, earmarked for use in the "Table to Table" project in the years 2014-2015. The sum of NIS 600 thousand was released in the report year.
6. In 2013, a donation of NIS 79 thousand was received from a donor to acquire a tractor. The tractor was purchased during 2013 and the donation was included in net assets used to acquire fixed assets.
7. In the report year, a donation of NIS 855 thousand was received to cover expenses incurred in respect of the fire that occurred in the Association's warehouse in Ra'anana in August 2014. The Association utilized these monies subsequent to the fiscal year.

Table to Table - Leket Israel (Reg.NPO)

Notes to the Financial Statements as of December 31, 2014

Note 9 – Donations

	<u>For the year ended December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
A. <u>Donations in kind:</u>		
Food in kind (Notes 2h and 13)	66,364,615	64,106,367
Value of food and services (Note 13d)	3,521,872	1,939,026
Income value of volunteer services (Note 14)	<u>3,427,054</u>	<u>3,276,150</u>
	<u>73,313,541</u>	<u>69,321,543</u>
B. <u>Monetary donations:</u>		
Current donations	26,464,169	20,466,996
Leket Project	1,431,551	1,023,458
Sandwich Project	2,079,058	756,016
Holidays Project	488,456	587,764
Gala event	1,264,2563	1,599,691
Night Project	-	162,373
Infrastructure for Associations Project	27,000	90,095
Year-end Project	32,611	129,926
Aid for Southern Communities Project	<u>374,989</u>	<u>-</u>
	<u>32,162,097</u>	<u>24,816,299</u>
C. <u>Allocation from Ministry of Welfare</u>	<u>-</u>	<u>70,000</u>

Table to Table - Leket Israel (Reg.NPO)

Notes to the Financial Statements as of December 31, 2014

Note 10 – Cost of activities

	<u>For the year ended December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
A. <u>Salaries and related expenses</u>	8,663,497.	8,084,560
B. <u>Cost of in kind food and services</u>		
In kind food (Notes 2 h, 13)	66,364,615	64,106,366
In kind food and services (Note 13d)	3,521,872	1,939,026
Value of volunteer services (Note 14)	<u>3,239,563</u>	<u>3,072,902</u>
	<u>73,126,050</u>	<u>69,118,294</u>
C. <u>Direct operating expenses</u>		
Procurement project	356,015	1,062,767
Leket project	3,627,252	3,595,142
Night project	265,265	133,273
Sandwich project	2,344,511	2,112,064
Border Police and Holocaust Survivors project	269,524	125,509
Aid to Southern Communities – Operation Protective Edge	1,430,433	-
Nahalal project	1,158,804	1,562,395
Holidays project	151,464	152,391
Infrastructure for Associations	382,269	137,613
Gala events	425,997	796,026
Communications	218,463	158,943
Rental fees	896,254	701,581
Maintenance	888,355	715,837
Insurance	65,349	57,358
Travel and deliveries	434,808	199,674
Advertising, printing and continuing education	34,297	20,652
Vehicle maintenance	4,184,840	3,480,861
Depreciation	50,326	65,408
Taxes and fees	<u>56,601</u>	<u>62,512</u>
	<u>17,240,827</u>	<u>15,140,006</u>
	<u>92,342,860</u>	<u>92,342,860</u>

Table to Table - Leket Israel (Reg.NPO)
Notes to the Financial Statements as of December 31, 2014

Note 11 - General and administrative expenses

	<u>Note</u>	<u>For the year ended</u>	
		<u>December 31</u>	
		<u>2014</u>	<u>2013</u>
		<u>NIS</u>	<u>NIS</u>
Salaries and benefits		3,172,725	3,304,640
Value of volunteer services	14	187,491	203,248
Rental fees		91,277	108,256
Maintenance expenses		223,920	157,129
Communications		76,825	69,949
Office expenses		354,685	207,104
Legal expenses		58,375	29,005
Professional services		269,761	268,925
Insurance		11,813	12,711
Travel abroad		163,748	157,016
Vehicle maintenance		245,356	214,350
Banking		45,300	28,926
Taxes and fees		14,210	12,340
Advertising and public relations		475,088	457,900
Transport and deliveries		29,495	135,907
Fundraising		139,289	160,642
Depreciation		<u>406,415</u>	<u>430,245</u>
		<u>5,965,773</u>	<u>5,958,293</u>

(*) Reclassified.

Note 12 – Financing income (expenses), net

	<u>For the year ended</u>	
	<u>December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
Interest income (expenses)	824	(*)2,906
Exchange-rate fluctuations	<u>(188,235)</u>	<u>(*) (530,773)</u>
	<u>(187,411)</u>	<u>(527,867)</u>

(*) Reclassified

Table to Table - Leket Israel (Reg.NPO)
Notes to the Financial Statements as of December 31, 2014

Note 13 - Food and in kind donations

A. Dry foods

During 2014, the Association received donations of dry foods, such as dairy products, puddings, bread, etc., having a monetary value of NIS 5,912 thousand and in 2013 in the sum of NIS 9,001 thousand.

The major donors are the following firms: Strauss, Tara, Super-Sol and others. The food value was calculated based on the market price of the food in the donor's supermarket chains, net of a 30% discount, after clarifications with the supermarket chains' managers.

The market value of the food donated during the report year is NIS 8,445 thousand and during 2013 is NIS 12,859, based on the price to the consumer at leading supermarket chains.

B. Cooked food

During 2014, the Association received donations of cooked food having a monetary value of NIS 22,499 thousand and during 2013 of NIS 15,518 thousand.

The major donors of these donations are Pelephone, Partner, the Israel Electric Corporation, IBM as well as hotels and others.

The food's value was calculated based on the number of donated meals multiplied by a price per meal of NIS 15.

The price of a meal consists of the cost of the meal according to data provided by various catering companies.

In the report year, the market price of the meals is estimated at NIS 37,498 thousand, and in 2013 totaled NIS 25,863 in market value based on the price of a meal to the consumer of NIS 25.

C. "Leket" Project

This is a project to collect agricultural products from farmers and resellers. The Association's volunteers harvest and package the agricultural produce. This produce is then distributed to soup kitchens and charities that provide food to the needy.

During 2014, the Association received donations of agricultural produce from farmers and resellers totaling NIS 37,954 thousand, and during 2013 totaled NIS 39,587 thousand. The value of the agricultural produce was calculated according to the "recorded price" – national wholesale vegetable price, calculated based on average data of different quality levels, multiplied by the number of kilograms received. The value of agricultural produce received as donations totaled NIS 60,027 thousand according to a market value based on the retail price in the leading supermarket chains, and in 2013 amounted to NIS 68,614 thousand.

D. Value of food and services:

During 2014, the Association received food donations from the following suppliers: Strauss, Yotvata, Tel Aviv Hilton Hotel and others totaling NIS 3,522 thousand.

In 2013, food donations totaled NIS 1,765 thousand and donations of shipping services totaling NIS 174 thousand for which tax invoices and receipts were issued.

Table to Table - Leket Israel (Reg.NPO)
Notes to the Financial Statements as of December 31, 2014

Note 14 – Volunteers

The Association is assisted by volunteers working for no compensation, some of whom use their own private vehicles to collect and distribute food to the needy.

During 2013, the Association received the support of 141,702 volunteer hours at a monetary value of NIS 3,276,150 by volunteers in projects and in management and administrative positions. This amount is included in the Association's statement of activities. (In 2012, the volunteer hours had a monetary value of NIS 2,411,160).

This income and these expenses are included in the financial statements in accordance with the estimates of the Association's management and as provided in Opinion No. 69 of Institute of Certified Public Accountants in Israel and Accounting Standard No. 5 published by the Israel Accounting Standards Board.

Note 15 – Net income from extraordinary items

In August 2014, a fire occurred in the logistics center rented by the Association in Ra'anana. As a result of the fire, the Association transferred its logistics center to a temporary building in Ramot Hashavim. During 2014, the Association and property owner (hereinafter: "the insured") filed a claim with The Phoenix Insurance Company Ltd. (hereinafter: "the insurer") in order to reach a final and absolute arrangement exhausting all of their rights pursuant to the insurance policy. On December 25, 2014, a deed for final settlement between the insured and the insurer was signed, whereby the insured will receive the total, final sum of NIS 2.65 million. This sum was transferred to the Association on January 12, 2015, subsequent to the balance sheet date.

On the signing date of this deed, the Association signed an agreement with the property owner, pursuant to which the Association will transfer to the property owner the sum of NIS 1.475 million for the purpose of rehabilitating the structure. This sum was transferred to the property owner on February 4, 2015.

As of the signing date of the financial statements, the Association is in negotiations with the property owner regarding the remainder of the sums to be transferred to him. Since there is uncertainty regarding the sums to be transferred by the Association in 2015 for the property owner's share of the receipts from the insurer, a provision for income receivable was recognized at the level of the expenses actually incurred in the report year alone, totaling NIS 828,702, for covering the damages from the fire's costs.

At the balance sheet date, all of the costs incurred as a result of the fire were not yet complete.

Presented below is a summary of the income and expenses resulting from the fire incident in the report year:

	<u>As of December 31</u>	
	<u>2014</u>	<u>2013</u>
	<u>NIS</u>	<u>NIS</u>
Income from insurance company in respect of the fire	828,702	-
Capital loss for damage sustained to fixed assets due to fire	(456,102)	-
Current expenses in respect of the fire	<u>(372,600)</u>	<u>-</u>
	-	-
	=====	=====