Ezer Mizion

FINANCIAL STATEMENTS

DECEMBER 31, 2022

Roth&Co
BEYOND BUSINESS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Ezer Mizion
Brooklyn, New York

Opinion

We have audited the accompanying financial statements of Ezer Mizion (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ezer Mizion as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ezer Mizion and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ezer Mizion's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ezer Mizion's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about Ezer Mizion's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.
Respectfully submitted,

Roth & Company LLP

Roth & Company LLP
Brooklyn, New York
November 21, 2023

Ezer Mizion
Statement of Financial Position
December 31, 2022

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 388,581	
Contribution receivable, net	350,494	
Prepaid expenses	46,160	
TOTAL CURRENT ASSETS		$ 785,235
FIXED ASSETS		
Furniture and equipment	59,113	
Leasehold improvements	48,566	
Fixed assets at cost	107,679	
Accumulated depreciation	(88,129)	
NET FIXED ASSETS		19,550
OTHER ASSETS		
Contribution receivable restricted - long term, net	448,419	
Cash value of life insurance	24,493	
Operating right-of-use asset	306,830	
TOTAL OTHER ASSETS		779,742
TOTAL ASSETS		$ 1,584,527
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 100,312	
Lease liability - short term	48,145	
TOTAL CURRENT LIABILITIES		$ 148,457
LONG-TERM LIABILITY		
Lease liability - long term		265,088
TOTAL LIABILITIES		413,545
NET ASSETS		
Net assets with donor restrictions	664,279	
Net assets without donor restrictions	506,703	
TOTAL NET ASSETS		1,170,982
TOTAL LIABILITIES AND NET ASSETS		$ 1,584,527

Ezer Mizion
Statement of Activities and Changes in Net Assets
For The Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions and grants	$ 1,997,016	$ -	$ 1,997,016
Special events	1,851,802	-	1,851,802
Less: direct costs of special events	(1,271,011)	-	(1,271,011)
Net revenue from special events	580,791	-	580,791
Net assets released from restrictions	250,000	(250,000)	-
TOTAL REVENUES	2,827,807	(250,000)	2,577,807
OPERATING EXPENSES			
Program expenses	1,890,927	-	1,890,927
General and administrative expenses	565,117	-	565,117
Fundraising expenses	607,934	-	607,934
TOTAL OPERATING EXPENSES	3,063,978	-	3,063,978
CHANGE IN NET ASSETS FROM OPERATIONS	(236,171)	(250,000)	(486,171)
OTHER INCOME			
Other income	15,245	-	15,245
Employee Retention Credit	64,461	-	64,461
TOTAL OTHER INCOME	79,706	-	79,706
CHANGE IN NET ASSETS	(156,465)	(250,000)	(406,465)
NET ASSETS - BEGINNING	663,168	914,279	1,577,447
NET ASSETS - ENDING	$ 506,703	$ 664,279	$ 1,170,982

Ezer Mizion
Statement of Functional Expenses
For The Year Ended December 31, 2022

	Program Services	Administrative	Fundraising	Direct Costs of Special Events	Total
Salaries and wages	$ 180,366	$ 218,847	$ 150,436	$ -	$ 549,649
Payroll taxes	15,751	19,683	12,566	-	48,000
Advertising	-	-	201,861	-	201,861
Bad debt	-	25,714	-	-	25,714
Credit card fees	-	4,514	49,067	-	53,581
Depreciation	2,457	3,071	1,960	-	7,488
Grants	1,527,440	-	-	-	1,527,440
Health awareness, seminars, and meetings	19,604	-	-	-	19,604
Insurance	5,038	6,296	4,019	-	15,353
Office	11,037	44,737	8,478	-	64,252
Postage and shipping	-	-	52,012	-	52,012
Printing and publication	25,365	-	73,555	-	98,920
Professional fees	18,000	186,190	-	-	204,190
Rent	19,095	23,860	15,234	-	58,189
Supplies and promotions	4,102	5,126	21,457	-	30,685
Telephone and internet	3,815	4,767	3,044	-	11,626
Travel and entertainment	56,562	19,443	12,414	-	88,419
Utilities	2,295	2,869	1,831	-	6,995
Venue, décor, gifts, and entertainment	-	-	-	1,271,011	1,271,011
Total program and supporting services expenses	1,890,927	565,117	607,934	1,271,011	4,334,989
Less: direct costs of special events	-	-	-	(1,271,011)	(1,271,011)
TOTAL EXPENSES	$ 1,890,927	$ 565,117	$ 607,934	$ -	$ 3,063,978

Ezer Mizion
Statement of Cash Flows
For The Year Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets		$ (406,465)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	$ 7,488	
Bad debt	25,714	
Change in lease liability	6,403	
Changes in operating assets and liabilities		
Contribution receivable	149,973	
Prepaid expense	2,870	
Cash value of life insurance	(870)	
Accounts payable	50,595	
Total adjustments		242,173
NET CASH USED IN OPERATING ACTIVITIES		(164,292)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(7,165)	
NET CASH USED IN INVESTING ACTIVITIES		(7,165)
NET DECREASE IN CASH		(171,457)
CASH, BEGINNING		560,038
CASH, ENDING		$ 388,581

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization
Ezer Mizion ("the organization") is a non-profit entity formed in New York in 1988. The organization provides financial support to organizations providing assistance to individuals and their families facing health challenges such as cancer and to the elderly, handicapped and children with special needs so as to empower and assist such individuals in maintaining independence, restoring function, preserving dignity and improving quality of life. Said services, programs and activities shall include, promoting access to and facilitating stem cell testing of individuals for inclusion on the international WMDA registry; medical referrals; support and rehabilitation services; food distribution; ambulance and volunteer car transport; and the free loan of medical, pediatric development, augmentative communication and rehabilitation equipment. Operations are funded by contributions and special events.

Income Tax Status
The organization is exempt from income tax under section 501(c)(3) of the Internal Revenue Code.

Basis of Accounting
The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP) and accordingly reflect all significant receivables, payables and other assets and liabilities.

Cash and Cash Equivalents
Cash and cash equivalents consist primarily of cash on deposit, certificates of deposit, money market accounts, and investment grade commercial paper that are readily convertible into cash and purchased with original maturities of three months or less.

Fixed Assets
Fixed assets valued at more than $1,000 are recorded at cost. Improvements and replacements of property and equipment are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. Management reviews long-lived assets to determine whether there has been any permanent impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable.

If the sum of the expected future discounted cash flows is less than the carrying amount of the assets, the organization recognizes an impairment loss. No impairment losses were recognized for the year 2022.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed Assets (continued)
Amortization of leasehold improvements is provided by the straight-line method over the shorter of the term of the related lease or the estimated useful lives of the assets. Depreciation is computed using straight line depreciation over the estimated useful lives of the assets.

Contributions
Unconditional contributions, including promises to give cash or other assets, are recognized at the amount management expects to collect, or the market value, as applicable, when the contribution is received. Contributions are reported as restricted if they are received with donor stipulations that limit the use of the donated assets.

Promises receivable over more than one year are recognized at the present value of expected future cash flows. As the promise is collected, the resultant decrease in the discount is reported as contribution income.

Conditional contributions are promises to give that contain a barrier (condition) the organization must overcome or fulfill, to be entitled to the funds. In addition, the donor retains a right to recoup the funds if the conditions are not met. Conditional contributions are not recognized until the conditions have been substantially met.

Advertising and Promotions
The organization uses advertising to raise funds among the audiences it serves. Advertising costs are expensed as incurred.

Functional Presentation of Expenses
The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, which are allocated on the basis of estimated time spent on each function, as well as depreciation, insurance, office expenses, telephone, utilities which are allocated based on the percentage of salaries allocated to each program.

Use of Estimates
The preparation of financial statements in conformity with the accrual basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies, if any, at the date of the financial statements, and revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classes of Net Assets

The organization reports information regarding its financial position and activities in two classes of net assets:

Net assets without donor restrictions – net assets that are not subject to any donor-imposed stipulations.

Net assets with donor restrictions – that specify a use for a contributed asset that is more specific than the broad limits resulting from the nature of the not-for-profit entity, the environment in which it operates, or the purposes specified in its articles of incorporation or by laws or comparable documents.

Leases

The organization recognizes and measures its lease in accordance with FASB ASC 842, Leases. The organization is a lessee in a noncancellable operating lease, for office space. The organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The organization recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise the organization uses its incremental borrowing rate. The implicit rate of our lease is not readily determinable and accordingly, we use our incremental borrowing rate based on the information available at the commencement date for all leases. The organization's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Policy

In February 2016, the FASB established Topic 842, Leases, by issuing Accounting Standards Update (ASU) No. 2016-02, which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. Topic 842 was subsequently amended by ASU No. 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU No. 2018-10, Codification Improvements to Topic 842, Leases; and ASU No. 2018-11, Targeted Improvements. The new standard establishes a right-of-use model (ROU) that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases are classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement. The new standard is effective for years beginning in 2022.

The new standard provides a number of optional practical expedients in transition. The organization elected the 'package of practical expedients', which permits us not to reassess under the new standard our prior conclusions about lease identification, lease classification and initial direct costs. The organization has elected all of the new standard's relevant transition practical expedients.

Upon adoption, the organization recognized additional operating liabilities of approximately $313,233, with corresponding ROU assets of the same amount based on the present value of the remaining minimum rental payments under current leasing standards for existing operating leases.

The new standard also provides practical expedients for an entity's ongoing accounting. The organization has elected the short-term lease recognition exemption for all leases that qualify. This means, for those leases that qualify, ROU assets or lease liabilities will not be recognized, and this includes not recognizing ROU assets or lease liabilities for existing short-term leases of those assets in transition. The organization also elected the practical expedient to not separate lease and non-lease components for all of our leases.

NOTE 2 CONTRIBUTIONS RECEIVABLE

Contribution receivable expected to be received in less than one year from December 31, 2022 is $350,494 (net of an allowance for uncollectible of $65,714). Contribution receivable expected to be collected within one to five years from December 31, 2022 totaled $500,000 (net of present value discount of $51,581 using a discount rate of 1.8%).

NOTE 3 LEASES

The organization has obligations as a lessee for office space, with initial noncancelable terms in excess of one year. The lease is with 5225 New Utrecht, LLC. The organization classified this lease as an operating lease. This lease contains a renewal option for five years. Because the organization is not reasonably certain to exercise this renewal option, the optional periods are not included in determining the lease term, and associated payments under this renewal option are excluded from lease payments. The organization's lease does not include termination option for either party to the lease or restrictive financial or other covenants. Payments due under the lease contracts include fixed payments plus variable payments. The organization's office space leases require it to make variable payments for the organization's proportionate share of the building's property taxes, insurance, and common area maintenance. These variable lease payments are not included in lease payments used to determine lease liability and are recognized as variable costs when incurred.

The components of lease cost for the year ended December 31, 2022, are as follows:

Operating lease cost	$ 58,189
Short term lease cost	48,145
Total lease cost	$ 106,334

Amounts reported in the consolidated balance sheet as of December 31, 2022, were as follows:

Operating leases:	
Operating lease ROU assets	$ 306,830
Operating lease liabilities	313,233

Other information related to leases as of December 31, 2022, was as follows:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flow from operating leases	$ 6,403
Weighted average remaining lease term:	
Operating leases	67 months
Weighted average discount rate:	
Operating leases	2 %

NOTE 3 LEASES (continued)

Future minimum lease payments and reconciliation to the consolidated statement of financial position at December 31, 2022, are as follows:

Year ending December 31,	Amount
2023	$ 53,886
2024	56,580
2025	59,406
2026	62,376
2027	65,496
Thereafter	33,546
Total future undiscounted cash flows	331,290
Less: present value discount	(18,057)
Total lease liability	$ 313,233

NOTE 4 CONCENTRATIONS OF CREDIT RISK

Cash

At times, the organization maintains cash balances in excess of the Federal Deposit Insurance Corporation’s insured limits. The organization has not experienced any losses in such accounts and does not believe it is exposed to any significant risk of loss on cash.

Contributions Receivable and Income

Four donors’ pledge accounted for more than 47% of the organization’s assets and 20% of the organization’s income as of and for the year ended December 31, 2022.

NOTE 5 LIQUIDITY AND AVAILABLITIY

The organization's discretionary grants to others represent around 50% of expenditures. Liquidity is managed by disbursing grants as funds are available.

As of December 31, 2022, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

Cash	$388,581
Contribution receivable, net	350,494
Total	$739,075

NOTE 6 IMPACT OF COVID-19

The CARES Act provides an employee retention credit ("ERC"), which is a refundable tax credit against certain employment taxes of up to $5,000 per employee for eligible employers. The tax credit is equal to 50% of qualified wages paid to employees during a quarter, capped at $10,000 of qualified wages per employee through December 31, 2020. Additional relief provisions were passed by the United States government, which extend and slightly expand the qualified wage caps on these credits through December 31, 2021. Based on these additional provisions, the tax credit is now equal to 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee has been increased to $10,000 of qualified wages per quarter. The organization qualifies for the tax credit under the CARES Act. During the year ended December 31, 2022, the organization recognized income of $64,461 for ERC.

NOTE 7 SUBSEQUENT EVENTS

The organization has evaluated subsequent events through November 21, 2023, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.