

**Ezer Mizion**

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**FINANCIAL  
STATEMENTS**

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**DECEMBER 31, 2023**



## 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, 2023, 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, 2023, 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.

### *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 the 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  
September 30, 2024



**Ezer Mizion**  
**Statement of Financial Position**  
**December 31, 2023**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 479,868	
Contributions receivable	361,467	
<b>TOTAL CURRENT ASSETS</b>		<b>\$ 841,335</b>

**FIXED ASSETS**

Leasehold improvements	48,566	
Furniture and equipment	59,113	
Fixed assets at cost	107,679	
Accumulated depreciation	(94,008)	
<b>NET FIXED ASSETS</b>		<b>13,671</b>

**OTHER ASSETS**

Contributions receivable, long-term	510,000	
Cash value of life insurance	24,759	
Operating right-of-use asset	252,890	
<b>TOTAL OTHER ASSETS</b>		<b>787,649</b>

<b>TOTAL ASSETS</b>		<b>\$ 1,642,655</b>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 91,040	
Lease liability, short-term	51,839	
<b>TOTAL CURRENT LIABILITIES</b>		<b>\$ 142,879</b>

**LONG-TERM LIABILITY**

Lease liability, long-term		213,249
<b>TOTAL LIABILITIES</b>		<b>356,128</b>

**NET ASSETS**

Net assets with donor restrictions	770,000	
Net assets without donor restrictions	516,527	
<b>TOTAL NET ASSETS</b>		<b>1,286,527</b>

<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>\$ 1,642,655</b>
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**Ezer Mizion**

**Statement of Activities and Changes in Net Assets**  
**For the Year Ended December 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES</b>			
Contributions	\$ 2,432,532	\$ -	\$ 2,432,532
Special events	\$ 3,124,524		
Direct costs of special events	<u>(645,428)</u>		
Net income from special events	2,479,096	20,000	2,499,096
Net assets released from restriction	<u>250,000</u>	<u>(250,000)</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>5,161,628</u>	<u>(230,000)</u>	<u>4,931,628</u>
<b>OPERATING EXPENSES</b>			
Program	3,107,369	-	3,107,369
General and administrative	744,187	-	744,187
Fundraising	<u>964,527</u>	<u>-</u>	<u>964,527</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>4,816,083</u>	<u>-</u>	<u>4,816,083</u>
<b>CHANGES IN NET ASSETS</b>	345,545	(230,000)	115,545
<b>NET ASSETS - BEGINNING</b>	<u>170,982</u>	<u>1,000,000</u>	<u>1,170,982</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 516,527</u>	<u>\$ 770,000</u>	<u>\$ 1,286,527</u>

**Ezer Mizion**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2023**

	<u>Program Services</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Direct Costs of Special Events</u>	<u>Total</u>
Grants	\$ 2,258,000	\$ -	\$ -	\$ -	\$ 2,258,000
Salaries and wages	162,797	331,613	83,301	-	577,711
Payroll taxes	12,331	25,650	6,048	-	44,029
Advertising and promotions	26,660	-	125,189	-	151,849
Bank and credit card fees	-	85,877	-	-	85,877
Depreciation	1,647	3,424	808	-	5,879
Health awareness, seminars, and meetings	94,025	-	-	-	94,025
Office	16,876	145,008	29,493	-	191,377
Professional fees	146,300	64,578	391,604	-	602,482
Rent	16,715	34,768	8,198	-	59,681
Supplies	3,742	6,051	104,885	-	114,678
Telephone and utilities	4,939	10,274	2,422	-	17,635
Travel	69,080	36,944	8,710	-	114,734
Venue, décor, gifts, and entertainment	294,257	-	203,869	645,428	1,143,554
Total program and supporting services expenses	<u>3,107,369</u>	<u>744,187</u>	<u>964,527</u>	<u>645,428</u>	<u>5,461,511</u>
Direct costs of special events	<u>-</u>	<u>-</u>	<u>-</u>	<u>(645,428)</u>	<u>(645,428)</u>
<b>TOTAL EXPENSES</b>	<u><u>\$ 3,107,369</u></u>	<u><u>\$ 744,187</u></u>	<u><u>\$ 964,527</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,816,083</u></u>

**Ezer Mizion**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2023**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Changes in net assets		\$ 115,545
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation	\$ 5,879	
Change in carrying amount of right-of-use asset and lease liability	5,795	
Changes in operating assets and liabilities		
Contributions receivable	(72,554)	
Prepaid expenses	46,160	
Cash value of life insurance	(266)	
Accounts payable	<u>(9,272)</u>	
Total adjustments		<u>(24,258)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		91,287
 <b>CASH AT BEGINNING OF YEAR</b>		 <u>388,581</u>
 <b>CASH AT END OF YEAR</b>		 <u><u>\$ 479,868</u></u>

**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.

***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 ended December 31, 2023.

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.



**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

***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.

Contributions receivable over more than one year are recognized at the present value of expected future cash flows. As the contribution 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 wages, which are allocated on the basis of estimated time spent on each function, as well as payroll taxes, depreciation, office, rent, supplies, telephone and utilities, and travel which are allocated based on the percentage of salaries allocated to each function.

***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 – net assets subject to donor-imposed restrictions on their use. These restrictions may be met by actions of the organization or by the passage of time, or the donor-imposed or other legal restrictions may require that the principal be maintained permanently by the organization.

Contributions restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished) in the reporting period in which the revenue is recognized. The organization does not recognize an implied restriction on donations of long-lived assets. Rather, such donations are recorded without donor restrictions. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

*Leases*

For any new or modified rental agreement, the organization determines at the inception of the contract whether a contract is or contains a lease. The organization records right-of-use assets and lease liabilities for its operating leases, which are initially recognized based on the discounted future lease payments over the term of the lease. As the rate implicit in the organization's leases is not easily determinable, the risk-free rate is used in calculating the present value of the sum of the lease payments.

The lease term is defined as the noncancelable period of the lease plus any options to extend or terminate the lease when it is reasonably certain that the organization will exercise the option. The organization elected to not recognize right-of-use assets and lease liabilities for its short-term leases, which are defined as leases with an initial term of 12 months or less.

**NOTE 2      CONTRIBUTIONS RECEIVABLE**

The balance of contributions receivable at December 31, 2023 is as follows:

Current	\$ 361,467
Due in one to five years	<u>510,000</u>
Total receivables	<u>\$ 871,467</u>

**Ezer Mizion**  
**Notes to the Financial Statements**  
**December 31, 2023**

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**NOTE 3 NATURE OF RESTRICTED ASSETS**

Net assets with donor restrictions consist of net assets whose use has been restricted by donors to a specific time period.

**NOTE 4 LEASES**

The organization has an obligation as a lessee for office space under a long-term noncancelable operating agreement. This lease does not contain renewal or early termination options.

The organization's weighted-average remaining lease term relating to its operating lease is 4.5 years, with a weighted-average discount rate of 2%. The lease cost and operating cash flows from the lease for the year ended December 31, 2023 is:

<u>Lease Cost</u>	<u>Amount</u>
Operating lease cost	\$ 59,681

The following table presents information about the amount, timing and uncertainty of cash flows arising from the organization's operating lease as of December 31, 2023:

<u>Year</u>	<u>Amount</u>
2024	\$ 56,580
2025	59,406
2026	62,376
2027	65,496
2028	<u>33,546</u>
Total undiscounted cash flows	277,404
Present value discount	<u>(12,316)</u>
Total lease liabilities	<u>\$ 265,088</u>

**NOTE 5 LIQUIDITY AND AVAILABILITY**

The organization's discretionary grants to others represent approximately 43% of expenditures. Liquidity is managed by disbursing grants as funds are available.

As of December 31, 2023, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

Cash	\$ 479,868
Contributions receivable	<u>361,467</u>
Total	<u>\$ 841,335</u>

**NOTE 6      CONCENTRATIONS OF CREDIT RISK**

***Cash***

The organization maintains cash balances with federally insured institutions. Accounts at federally insured institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank. At December 31, 2023, the organization held \$338,889 in uninsured accounts. The organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash.

***Contributions Receivable***

One donor's contribution receivable balance accounted for approximately 46% of the organization's assets for the year ended December 31, 2023.

**NOTE 7      SUBSEQUENT EVENTS**

The organization has evaluated subsequent events through September 30, 2024, 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.