



**FINANCIAL REPORT**  
**December 31, 2023**

**ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.**  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
IsraAID (US) Global Humanitarian Assistance, Inc.

### **Opinion**

We have audited the financial statements of IsraAID (US) Global Humanitarian Assistance, Inc. (Organization), which comprise the statements of financial position as of December 31, 2023 and 2022, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the Organization'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 GAAS 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 GAAS, 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 the Organization'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 the Organization'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.

*Singer Lewak LLP*

October 18, 2024

# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

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	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 14,129,720	\$ 3,061,980
Investments	22,474	2,561
Grants and contributions receivable, net	2,729,551	2,186,991
Prepaid expenses and other assets	<u>8,834</u>	<u>17,308</u>
<b>Total assets</b>	<b><u>\$ 16,890,579</u></b>	<b><u>\$ 5,268,840</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	<u>\$ 79,597</u>	<u>\$ 80,996</u>
<b>Net assets</b>		
Without donor restrictions	2,802,828	278,635
With donor restrictions	<u>14,008,154</u>	<u>4,909,209</u>
Total net assets	<u>16,810,982</u>	<u>5,187,844</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 16,890,579</u></b>	<b><u>\$ 5,268,840</u></b>

See notes to financial statements.

# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## STATEMENT OF ACTIVITIES Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and support</b>			
Grants and contributions	\$ 5,213,816	\$ 17,639,110	\$ 22,852,926
Contributed services	22,091	-	22,091
Other income	22,672	-	22,672
Net assets released from restrictions	<u>8,524,165</u>	<u>(8,524,165)</u>	<u>-</u>
 Total revenue and support	 <u>13,782,744</u>	 <u>9,114,945</u>	 <u>22,897,689</u>
<b>Expenses</b>			
Program services	10,201,002	-	10,201,002
Management and general	486,816	-	486,816
Fundraising	<u>536,733</u>	<u>-</u>	<u>536,733</u>
 Total expenses	 <u>11,224,551</u>	 <u>-</u>	 <u>11,224,551</u>
 Loss on uncollectable promises to give	 <u>34,000</u>	 <u>16,000</u>	 <u>50,000</u>
 Total expenses and losses	 <u>11,258,551</u>	 <u>16,000</u>	 <u>11,274,551</u>
 <b>Change in net assets</b>	 2,524,193	 9,098,945	 11,623,138
 <b>Net assets, beginning</b>	 <u>278,635</u>	 <u>4,909,209</u>	 <u>5,187,844</u>
 <b>Net assets, ending</b>	 <u><b>\$ 2,802,828</b></u>	 <u><b>\$ 14,008,154</b></u>	 <u><b>\$ 16,810,982</b></u>

See notes to financial statements.

# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## STATEMENT OF ACTIVITIES Year Ended December 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenue and support</b>			
Grants and contributions	\$ 1,727,007	\$ 6,516,304	\$ 8,243,311
Other income	6,848	-	6,848
Net assets released from restrictions	<u>8,530,410</u>	<u>(8,530,410)</u>	<u>-</u>
Total revenue and support	<u>10,264,265</u>	<u>(2,014,106)</u>	<u>8,250,159</u>
<b>Expenses</b>			
Program services	9,638,929	-	9,638,929
Management and general	298,991	-	298,991
Fundraising	<u>293,881</u>	<u>-</u>	<u>293,881</u>
Total expenses	<u>10,231,801</u>	<u>-</u>	<u>10,231,801</u>
Loss on uncollectable promises to give	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total expenses and losses	<u>10,251,801</u>	<u>-</u>	<u>10,251,801</u>
<b>Change in net assets</b>	12,464	(2,014,106)	(2,001,642)
<b>Net assets, beginning</b>	<u>266,171</u>	<u>6,923,315</u>	<u>7,189,486</u>
<b>Net assets, ending</b>	<u><b>\$ 278,635</b></u>	<u><b>\$ 4,909,209</b></u>	<u><b>\$ 5,187,844</b></u>

See notes to financial statements.

# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2023

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total	
Grants to affiliates	\$ 10,127,567	\$ -	\$ -	\$ -	\$ 10,127,567
Salaries, taxes, and benefits	52,665	247,219	393,104	640,323	692,988
Professional fees and services	1,118	115,114	-	115,114	116,232
Travel	4,905	6,808	77,964	84,772	89,677
Office	3,901	104,456	13,814	118,270	122,171
Program supplies and services	10,846	-	-	-	10,846
Events	-	-	13,445	13,445	13,445
Occupancy	-	11,706	8,144	19,850	19,850
Advertising, printing, and promotion	-	1,513	30,262	31,775	31,775
<b>Total expenses by function</b>	<b><u>\$ 10,201,002</u></b>	<b><u>\$ 486,816</u></b>	<b><u>\$ 536,733</u></b>	<b><u>\$ 1,023,549</u></b>	<b><u>\$ 11,224,551</u></b>

See notes to financial statements.



# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2022

	Supporting Services				Total
	Program Services	Management and General	Fundraising	Total	
Grants to affiliates	\$ 9,343,413	\$ -	\$ -	\$ -	\$ 9,343,413
Salaries, taxes, and benefits	226,334	95,326	231,134	326,460	552,794
Professional fees and services	52,179	74,344	-	74,344	126,523
Travel	32	5,362	26,952	32,314	32,346
Office	11,264	97,624	12,736	110,360	121,624
Program supplies and services	5,707	-	-	-	5,707
Events	-	3,202	574	3,776	3,776
Occupancy	-	17,516	8,208	25,723	25,723
Advertising, printing, and promotion	-	5,617	14,278	19,895	19,895
<b>Total expenses by function</b>	<b><u>\$ 9,638,929</u></b>	<b><u>\$ 298,991</u></b>	<b><u>\$ 293,881</u></b>	<b><u>\$ 592,872</u></b>	<b><u>\$ 10,231,801</u></b>

See notes to financial statements.

# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## STATEMENTS OF CASH FLOWS

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 11,623,138	\$ (2,001,642)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in discount on grants receivable	11,502	(16,890)
Loss on uncollectible promises to give	50,000	20,000
Changes in operating assets and liabilities:		
Grants and contributions receivable	(604,062)	2,067,076
Prepaid expenses and other assets	8,474	(4,322)
Accounts payable and accrued expenses	<u>(1,399)</u>	<u>54,800</u>
Net cash provided by operating activities	<u>11,087,653</u>	<u>119,022</u>
<b>Cash flows from investing activities</b>		
Purchase of investments	(19,913)	-
Sale of investments	<u>-</u>	<u>1,524</u>
Net cash provided by (used in) investing activities	<u>(19,913)</u>	<u>1,524</u>
<b>Net change cash and cash equivalents</b>	11,067,740	120,546
<b>Cash and cash equivalents, beginning</b>	<u>3,061,980</u>	<u>2,941,434</u>
<b>Cash and cash equivalents, ending</b>	<u><b>\$ 14,129,720</b></u>	<u><b>\$ 3,061,980</b></u>

See notes to financial statements.

# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 – NATURE OF ORGANIZATION

The IsraAID (US) Global Humanitarian Assistance, Inc. (Organization) is an independent 501(c)(3) organization founded in 2013 to provide lifesaving, immediate disaster relief and long-term support services for people affected by the trauma of crisis and displacement worldwide caused by natural and manmade disaster, disease and civil upheaval. This includes supporting disaster relief programs that not only respond to immediate, basic needs of affected communities, but afterwards provide training and capacity building so local communities will have the tools, skills and resilience to support themselves. In addition, the Organization educates the public on global humanitarian issues and engages professional volunteers and partners to support disaster relief activities that transform the trauma and grief of disasters through creative and effective techniques.

### NOTE 2 – SUMMARY OF ACCOUNTING POLICIES

#### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments purchased with maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

#### Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, and realized and unrealized capital gains and losses, less investment expenses.

# ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – SUMMARY OF ACCOUNTING POLICIES (Continued)

#### Grants and Contributions Receivable

The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in grants and contribution revenue in the statements of activities. The Organization determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Management determined at December 31, 2023 and 2022 that no allowance was necessary.

#### Net Assets

Net assets and revenue, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- *Net assets without donor restrictions* – net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net assets with donor restrictions* – net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

#### Contributed Services

The Organization records various types of in-kind support, including professional services and travel as contribution revenue. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services are comprised of legal services valued at the fair value of current hourly rates for similar services. The related legal expense as of December 31, 2023, amounted to \$22,091, and is included in program services professional fees and services on the accompanying statement of functional expenses. There was no donated legal expense as of December 31, 2022.

**ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 2 – SUMMARY OF ACCOUNTING POLICIES (Continued)**

Revenue Recognition

Revenue is recognized when earned.

Grants and contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional grants and contributions are reported as net assets without donor restrictions when the condition and restriction are both met in the same reporting period. As of December 31, 2023 and 2022, there were no conditional promises to give.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses that can be identified with a specific program or supporting service are charged directly to the related program or service. The majority of the Organization's expenditures are direct. Salary and related personnel costs, as well as management and general costs are allocated based on time spent on each activity.

Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code §501(c)(3). Management has analyzed the tax positions taken by the Organization, and has concluded that, as of December 31, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Concentrations of Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts.

Credit risk associated with grants and contributions receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members and foundations supportive of the Organization's mission.

For the year ended December 31, 2023, two donors comprise 77% of grants and contributions receivable and one donor provided 11% of the Organization's grants and contributions. For the year ended December 31, 2022, two donors comprise 62% of grants and contributions receivable

**ISRAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 2 – SUMMARY OF ACCOUNTING POLICIES (Continued)**

Subsequent Events

Management has evaluated subsequent events through October 18, 2024, the date which the financial statements were available to be issued.

**NOTE 3 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 14,129,720	\$ 3,061,980
Investments	22,474	2,561
Grants and contributions due in one year	1,967,864	1,578,802
Financial assets available to meet general expenditures within one year	<b>\$ 16,120,058</b>	<b>\$ 4,643,343</b>

The Organization considers grants and contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

**NOTE 4 – GRANTS AND CONTRIBUTIONS RECEIVABLE**

Grants and contributions receivable at December 31, 2023 and 2022, are estimated to be collected as follows:

	<b>2023</b>	<b>2022</b>
Within one year	\$ 1,967,864	\$ 1,578,802
In one to five years	800,000	635,000
	2,767,864	2,213,802
Less discount at net present value (1.90% - 5.03%)	(38,313)	(26,811)
	<b>\$ 2,729,551</b>	<b>\$ 2,186,991</b>

**ISRAAID (US) GLOBAL HUMANITARIAN ASSISTANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS**

As of December 31, 2023 and 2022, net assets with donor restrictions are restricted for the following purposes or periods:

	<b>2023</b>	<b>2022</b>
<i>Subject to expenditure for a specified purpose</i>		
International Aid	\$ 11,558,902	\$ 3,092,053
U.S. Operations	<u>294,565</u>	<u>346,966</u>
	11,853,467	3,409,019
<i>Subject to the passage of time</i>		
Promises to give that are not restricted by donors, but which are unavailable for expenditures until due	<u>2,154,687</u>	<u>1,470,190</u>
	<b><u>\$ 14,008,154</u></b>	<b><u>\$ 4,909,209</u></b>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or through the passage of time as follows for the years ended December 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
<i>Satisfaction of purpose restriction</i>		
International Aid	\$ 7,560,574	\$ 6,413,334
U.S. Operations	<u>52,401</u>	<u>-</u>
	7,612,975	6,393,334
 Expiration of time restrictions	 <u>911,190</u>	 <u>2,117,076</u>
	<b><u>\$ 8,524,165</u></b>	<b><u>\$ 8,530,410</u></b>

**NOTE 6 – RELATED PARTY TRANSACTIONS**

The Organization is an independent affiliate of IsraAID GLOBAL, an international humanitarian assistance organization. One member of the governing board of IsraAID GLOBAL serves on the board of directors of the Organization. In 2023 and 2022, the Organization made grants totaling \$10,127,567 and \$9,343,413, respectively, to IsraAID GLOBAL affiliates.

In 2023, the Organization entered into an agreement with IsraAID GLOBAL to process payments on a cost reimbursable basis for the IsraAID GLOBAL CEO in support of fundraising efforts in the U.S.A. As of December 31, 2023, the Organization had a receivable from IsraAID GLOBAL of \$56,108.

In 2023 and 2022, the Organization also received \$450,100 and \$340,550, respectively, in contributions from board members.