

NATIONAL JEWISH OUTREACH PROGRAM INC.

FINANCIAL STATEMENTS

JUNE 30, 2023

WASSER BRETTLER KLAR & LIPSTEIN, LLP

CERTIFIED
PUBLIC
ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
National Jewish Outreach Program Inc.

Opinion

We have audited the financial statements of National Jewish Outreach Program Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of 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 accompanying financial statements present fairly, in all material respects, the financial position of National Jewish Outreach Program Inc. as of June 30, 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 (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 National Jewish Outreach Program Inc. 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 National Jewish Outreach Program Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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 National Jewish Outreach Program Inc.'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 National Jewish Outreach Program Inc.'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

Wasser, Brettler, Klar & Lipstein, LLP

WASSER, BRETTLER, KLAR & LIPSTEIN, LLP
Certified Public Accountants

New York, New York
May 13, 2024

**NATIONAL JEWISH OUTREACH PROGRAM INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023**

ASSETS

Cash and cash equivalents	\$1,572,635	
Marketable securities	398,616	
Promises to give (net of allowances)	250,691	
Prepaid expenses	12,646	
Fixed assets (Net of accumulated depreciation of \$239,744)	<u>6,831</u>	

Total Assets

\$2,241,419

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	<u>\$ 185,117</u>	
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Total Liabilities

\$ 185,117

Net Assets

Not subject to donor restrictions	1,556,302	
Subject to donor restrictions	<u>500,000</u>	

Total Net Assets

2,056,302

Total Liabilities and Net Assets

\$2,241,419

See independent auditor's report and accompanying notes to the financial statements.

**NATIONAL JEWISH OUTREACH PROGRAM INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Not subject to Donor Restrictions</u>	<u>Subject to Donor Restrictions</u>	<u>Total</u>
Revenues and Support			
Contributions and grants	\$ 421,948	\$ -0-	\$ 421,948
Legacies and bequests	0	-0-	0
Dinner and special events (net of direct costs of \$41,448)	693,169	-0-	693,169
Investment income (loss)	222	46,966	47,188
	<u>1,115,339</u>	<u>46,966</u>	<u>1,162,305</u>
Total Revenues and Support			
	1,115,339	46,966	1,162,305
Expenses			
Program related expenses	793,269	-0-	793,269
Management and general expenses	205,027	-0-	205,027
Fund raising expenses	173,699	-0-	173,699
	<u>1,171,995</u>	<u>-0-</u>	<u>1,171,995</u>
Total Expenses			
	1,171,995	-0-	1,171,995
Increase (Decrease) in Net Assets	(56,656)	46,966	(9,690)
Assets released from restrictions	46,966	(46,966)	-0-
Net Assets - Beginning of year	<u>1,565,992</u>	<u>500,000</u>	<u>2,065,992</u>
Net Assets - End of year	<u><u>\$1,556,302</u></u>	<u><u>\$500,000</u></u>	<u><u>\$2,056,302</u></u>

See independent auditor's report and accompanying notes to the financial statements.

NATIONAL JEWISH OUTREACH PROGRAM INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Expenses</u>
Compensation	\$602,791	\$159,218	\$111,332	\$ 873,341
Program development and funding	69,312	-0-	-0-	69,312
Payroll taxes	37,720	11,338	2,191	51,249
Printing	23,530	-0-	23,530	47,060
Fringe benefits	19,377	3,875	15,502	38,754
Information technology	20,516	-0-	2,280	22,796
Professional fees	-0-	21,494	-0-	21,494
Postage	3,964	1,322	14,083	19,369
Advertising and promotion	5,928	-0-	-0-	5,928
Insurance	4,084	511	511	5,106
Filing fees	-0-	3,750	-0-	3,750
Fundraising	-0-	-0-	3,666	3,666
Telephone	1,979	396	264	2,639
Bank fees and service charges	-0-	2,287	-0-	2,287
Supplies	1,756	219	219	2,194
Depreciation	883	110	110	1,103
Office expenses	487	486	-0-	973
Public relations	758	-0-	-0-	758
Interest expenses	184	21	11	216
Total Expenses	<u>\$793,269</u>	<u>\$205,027</u>	<u>\$173,699</u>	<u>\$1,171,995</u>

See independent auditor's report and accompanying notes to the financial statements.

**NATIONAL JEWISH OUTREACH PROGRAM INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023**

Cash Flows From Operating Activities

Increase in Net Assets		(\$ 9,690)
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
Depreciation expense	\$ 1,103	
Unrealized gain (net) on investments in marketable securities	(29,006)	
Increase in promises to give	(99,852)	
Decrease in loans and exchanges	30,517	
Increase in prepaid expenses	(1,948)	
Increase in accounts payable and accrued expenses	4,082	

Total Adjustments		<u>(95,104)</u>
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Net Cash Provided By Operating Activities		(104,794)
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Cash Flows From Investing Activities

Purchase of marketable securities	(6,783)	
Purchase of fixed assets	(1,198)	

Net Cash Used by Investing Activities		(7,981)
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Cash Flows From Financing Activities

Net Cash Used in Financing Activities		<u>0</u>
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Net Decrease in Cash and Cash Equivalents		(112,775)
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Cash and Cash Equivalents -Beginning of year		<u>1,685,410</u>
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Cash and Cash Equivalents - End of Year		<u><u>\$1,572,635</u></u>
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SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash Paid During the Year for:

Interest		<u><u>\$216</u></u>
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See independent auditor's report and accompanying notes to the financial statements.

NATIONAL JEWISH OUTREACH PROGRAM INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - ORGANIZATION

National Jewish Outreach Program Inc. ("NJOP") is a not for profit Organization and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Its primary purpose is to develop and coordinate programs of instruction in basic Judaism, predominately in the United States. NJOP is supported by donations from the general public

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

A. Financial Statement Presentation

In accordance with Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities, Presentation of Financial Statements, the Institution is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Grants and donations of cash and other assets are reported as subject to 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, these net assets are reclassified to net assets not subject to donor restrictions and reported in the statement of changes in net assets as assets released from restrictions. Grants and other contributions whose donor-imposed restrictions are met in the same reporting period as that in which the grants or contributions were received are reported as increases in net assets not subject to donor restrictions. In addition, the Organization is required to present a statement of cash flows

B. Basis of Accounting

The books and records of the Organization are maintained on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

C. Promises to Give

Under FASB ASC Topic 958, the Organization records promises to give as income at the time an unconditional promise to give is made by the donor.

D. Allowance for Doubtful Accounts

An allowance for uncollectible receivables has been established based upon management's estimate of future collections. As of June 30, 2023 the allowance for doubtful accounts was \$266,709.

E. Cash and Cash Equivalents

NJOP considers all short term investments purchased with a maturity of three months or less to be cash equivalents.

See independent auditor's report.

NATIONAL JEWISH OUTREACH PROGRAM INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Marketable Securities

In accordance with ASC Topic 958 Subtopic 320, Investments – Debt and Equity Securities – Not-for-Profit Entities, the Organization carries investments in marketable securities and investments in debt securities at their fair market values in the statement of financial position. Unrealized gains and losses are included in investment income (losses) in the statement of activities.

G. Depreciation

Depreciation of fixed assets is provided on a straight-line method based on the estimated useful lives as follows:

Equipment	7-10 years
Furniture and fixtures	10 years

Expenditures for maintenance and repairs are charged to operations as incurred. Significant renovations and replacements, which improve and extend the life of the asset are capitalized. Depreciation expenses related to fixed assets for the year totaled \$1,103.

H. Concentration of Credit Risk

The Organization's cash balances are maintained in various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per financial institution. At certain times during the year balances exceeded these amounts.

I. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates and assumptions include allowances for uncollectible receivables and the allocation of expenses to functional classifications.

J. Subsequent Events

Management has evaluated subsequent events through May 13, 2024, the date the financial statements were available to be issued.

NOTE 3 – MARKETABLE SECURITIES

This represents the fair market value of endowment assets invested through a brokerage account in marketable securities. The balance as of June 30, 2023 was \$398,616.

See independent auditor's report.

**NATIONAL JEWISH OUTREACH PROGRAM INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 - FIXED ASSETS

Fixed assets consisted of the following at June 30, 2023:

Furniture and fixtures	\$ 5,760
Machinery and equipment	<u>240,815</u>
	246,575
Less, accumulated depreciation	<u>(239,744)</u>
Net Fixed Assets	<u>\$ 6,831</u>

NOTE 5 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the Institution's various activities have been summarized on a functional basis in the Statement of Activities as required by ASC Topic 958.

Management has allocated expenses based on an estimated analysis of each expense. As an example, depreciation was allocated based on usage of property.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Compensation and benefits	Time and Effort
Insurance	Square Footage
Occupancy	Square Footage
Professional services	Full Time Equivalent
Printing	Full Time Equivalent
Telephone	Full Time Equivalent

NOTE 6 - COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Organization currently has no rental agreements.

NOTE 7 – NET ASSETS SUBJECT TO DONOR RESTRICTIONS

This represents assets donated to the Institution as a permanent endowment of \$500,000. The Organization is permitted to release funds from restriction when the endowment exceeds \$500,000.

See independent auditor's report.