
EZRA INTERNATIONAL
A Non-Profit Corporation

Financial Statements

For the Years Ended December 31, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Ezra International

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ezra International, which comprise the statements of financial position as of December 31, 2023, and 2022, and 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 Ezra International 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 Ezra International 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 Ezra International'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 Ezra International'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 Ezra International'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.



Montesano, WA
April 25, 2024

EZRA INTERNATIONAL
A Washington Non-Profit Corporation
Statement of Financial Position

Year Ended December 31,	2023	2022
ASSETS		
<u>Current Assets</u>		
Cash	\$ 2,506,043	\$ 2,812,494
Foreign Currency Holdings	3,216	3,216
Prepaid	1,129	1,238
Total Current Assets	2,510,388	2,816,948
<u>Furniture and Equipment, Net</u>	10,216	7,288
Total Assets	\$ 2,520,604	\$ 2,824,236
LIABILITIES & NET ASSETS		
<u>Current Liabilities</u>		
Accounts Payable	\$ 5,362	\$ 10,161
Credit Cards Payable	1,844	2,419
Total Current Liabilities	7,206	12,580
Without Donor Restrictions	2,295,729	2,248,816
With Donor Restrictions	217,669	562,840
Total Net Assets	2,513,398	2,811,656
Total Liabilities & Net Assets	\$ 2,520,604	\$ 2,824,236

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

EZRA INTERNATIONAL
A Washington Non-Profit Corporation
Statement of Activities and Changes in Net Assets

Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2023 Total</u>
<u>Support and Revenue</u>			
Contributions	\$ 2,193,019	\$ -	\$ 2,193,019
Miscellaneous Income	557	-	557
Interest Income	1,012	-	1,012
Gain on Disposal of Asset	5,000	-	5,000
Net Assets Released from Restriction	345,171	(345,171)	-
Total Support and Revenue	2,544,759	(345,171)	2,199,588
<u>Expenses</u>			
Program Services	2,320,659	-	2,320,659
Management and General	141,882	-	141,882
Fundraising	35,305	-	35,305
Total Expenses	2,497,846	-	2,497,846
Change in Net Assets	46,913	(345,171)	(298,258)
Net Assets, Beginning of Year	2,248,816	562,840	2,811,656
Net Assets, End of Year	\$ 2,295,729	\$ 217,669	\$ 2,513,398

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

EZRA INTERNATIONAL
A Washington Non-Profit Corporation
Statement of Activities and Changes in Net Assets

Year Ended December 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2022 Total</u>
<u>Support and Revenue</u>			
Contributions	\$ 2,845,191	\$ 477,227	\$ 3,322,418
Miscellaneous Income	1,815	-	1,815
Interest Income	12	-	12
Total Support and Revenue	<u>2,847,018</u>	<u>477,227</u>	<u>3,324,245</u>
<u>Expenses</u>			
Program Services	2,311,397	-	2,311,397
Management and General	186,094	-	186,094
Fundraising	158,271	-	158,271
Total Expenses	<u>2,655,762</u>	<u>-</u>	<u>2,655,762</u>
Change in Net Assets	191,256	477,227	668,483
Net Assets, Beginning of Year	<u>2,057,560</u>	<u>85,613</u>	<u>2,143,173</u>
Net Assets, End of Year	<u><u>\$ 2,248,816</u></u>	<u><u>\$ 562,840</u></u>	<u><u>\$ 2,811,656</u></u>

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

EZRA INTERNATIONAL
A Washington Non-Profit Corporation
Statement of Cash Flows

Year Ended December 31,	2023	2022
<u>Cash Flows From Operating Activities</u>		
Change in Net Assets	\$ (298,258)	\$ 668,483
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) from Operating Activities:		
Depreciation	6,722	11,949
Loss on Disposal of Asset	526	-
(Increase) Decrease In:		
Prepaid	109	(142)
Increase (Decrease) In:		
Accounts Payable	(4,799)	632
Credit Cards Payable	(575)	(7,638)
Net Cash Provided by Operating Activities	<u>(296,275)</u>	<u>673,284</u>
<u>Cash Flows From Investing Activities</u>		
Purchase of capital assets	<u>(10,176)</u>	<u>(1,564)</u>
<u>Cash Flows From Financing Activities</u>		
	<u>-</u>	<u>-</u>
Net Increase in Cash & Cash Equivalents	(306,451)	671,720
Cash at Beginning of Year	<u>2,812,494</u>	<u>2,140,774</u>
Cash at End of Year	<u>\$ 2,506,043</u>	<u>\$ 2,812,494</u>
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Year for Interest	<u>\$ -</u>	<u>\$ -</u>

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

EZRA INTERNATIONAL
A Washington Non-Profit Corporation
Statement of Functional Expenses

Year Ended December 31, 2023

	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 51,500	\$ 50,532	\$ -	\$ 102,032
Payroll Taxes	3,940	3,923	-	7,863
Insurance (other than health)	2,696	1,196	-	3,892
Office Supplies	765	5,197	-	5,962
Postage	622	4,962	2,832	8,416
Printing & Copying	-	4,935	15,993	20,928
Professional Fees	190,954	31,808	15,600	238,362
Travel	14,027	344	-	14,371
Rent Expense	-	80	-	80
Utilities	-	5,596	-	5,596
Donor & Email Database	80	14,018	880	14,978
Website	-	3,503	-	3,503
Repairs & Maintenance	501	-	-	501
Licenses & Permits	-	130	-	130
Dues & Subscriptions	1,641	1,108	-	2,749
Depreciation	-	6,722	-	6,722
Bank Service Charges	4,600	7,828	-	12,428
Direct Mission Support	2,049,333	-	-	2,049,333
Total Expenses	<u>\$ 2,320,659</u>	<u>\$ 141,882</u>	<u>\$ 35,305</u>	<u>\$ 2,497,846</u>

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

EZRA INTERNATIONAL
A Washington Non-Profit Corporation
Statement of Functional Expenses

Year Ended December 31, 2022

	Program Services	Management & General	Fundraising	Total
Salaries	\$ 73,450	\$ 73,688	\$ 16,580	\$ 163,718
Payroll Taxes	5,619	4,953	1,903	12,475
Insurance (other than health)	3,686	1,087	-	4,773
Office Supplies	617	5,817	-	6,434
Postage	609	5,333	10,224	16,166
Printing & Copying	-	-	27,166	27,166
Professional Fees	134,488	27,487	78,000	239,975
Promotion	2,400	-	22,935	25,335
Travel	14,985	7,607	-	22,592
Rent Expense	68	847	-	915
Utilities	-	8,368	-	8,368
Donor & Email Database	-	16,305	833	17,138
Website	-	3,673	630	4,303
Repairs & Maintenance	1,214	-	-	1,214
Licenses & Permits	119	140	-	259
Dues & Subscriptions	200	700	-	900
Depreciation	-	11,949	-	11,949
Bank Service Charges	4,467	18,140	-	22,607
Direct Mission Support	2,069,475	-	-	2,069,475
Total Expenses	\$ 2,311,397	\$ 186,094	\$ 158,271	\$ 2,655,762

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

EZRA INTERNATIONAL

A Washington Non-Profit Corporation

Notes to the Financial Statements Years Ended December 31, 2023 and 2022

NOTE 1-ORGANIZATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mission and Programs

The mission of Ezra International (the Agency) is to build a network of worldwide connections to fulfill a call to do the work of the Lord. The Agency is dedicated to supporting the return of Jewish people to the State of Israel (*Aliyah*). Its five-fold mission strives to 1) return Jews to Israel, 2) provide humanitarian aid, 3) care for the elderly, 4) rescue children and, 5) educate Christians about *Aliyah*. The Agency is incorporated in the state of Washington but operates within Brevard County, State of Florida to better serve its mission. The major programs of the Agency include:

Aliyah — Provides support in helping Jews return to Israel by performing and documenting ancestry research to obtain Israeli visa's, arrange the transportation to the Israeli Consulate for visa interviews, help with the paperwork for an international passport, provide food and basic supplies during the months before the departure for Israel, and organize support once the move to Israel has been made.

Children's Program — Provides therapy, support, and temporary living quarters for abused children.

Presentation Method for Financial Statements

The Agency maintains its financial records on the accrual basis of accounting. Revenue is recognized when earned, and expenditures are recognized when incurred. If an expenditure results in an asset having an estimated useful life which extends substantially beyond the year of acquisition, the expenditure is capitalized and depreciated or amortized over the estimated useful life of the asset.

Statement of Cash Flows

Cash and cash equivalents include cash on hand and cash on deposit in financial institutions.

Support from Contributions

The Agency receives a substantial amount of its support from two donors. Two donors made up 41% and 31% of total revenue for the years ended December 31, 2023 and 2022, respectively. If a significant reduction in the level of support from those donors occurred, it could have a significant effect on the Agency's programs and activities.

Promises to Give

Unconditional promises to give are recognized as revenue in the period received. Pledges are discounted, using a market rate, to present value for collections expected in future years. Accretion of the discount in subsequent years is recorded as contribution revenue. Conditional promises to give are recognized when conditions on which they depend are substantially met. Promises to give are recorded at their estimated net realizable value. The Agency did not have any promises to give on December 31, 2023, and 2022.

EZRA INTERNATIONAL

A Washington Non-Profit Corporation

Notes to the Financial Statements Years Ended December 31, 2023 and 2022

NOTE 1-ORGANIZATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Contributions

The Agency reports gifts of cash and other assets as restricted support if they are received with donor stipulations limiting the use of the donated assets. However, restricted gifts for which the donor restriction is met in the same period the gift is received are recorded as without donor restriction revenue.

When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, with donor restriction net assets are reclassified to without donor restriction net assets and reported in the statement of activities as net assets released from restrictions.

The Agency reports gifts of long-lived assets, as well as gifts of other assets restricted to the acquisition or construction of long-lived assets, as without donor restriction support unless explicit donor stipulations specify how the donated assets must be used. With donor restriction long-lived assets are considered to be released from restrictions as the asset is depreciated over its useful life. Absent explicit donor instructions about how long-lived assets must be maintained, the Agency reports the expiration of donor restriction when the donated or acquired asset is placed in service.

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Agency and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions — Net assets that are not subject to donor-imposed stipulations. Includes public support and revenues which are not restricted by the donor and currently available for the support of the Agency.

Net Assets With Donor Restrictions — Net assets subject to donor imposed restrictions that may or will be met whether by actions of the project and/or the passage of time. Generally, the donors of these assets permit the project to use all, or part of the income or gains earned on related investments for general or specific purposes. Net assets are released from restrictions when the purpose or time restrictions have been satisfied.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results may vary from the estimates that were used.

Excess Cash

The Federal deposit Insurance Corporation (FDIC) insures cash deposits at individual financial institutions up to a limit of \$250,000. At December 31, 2023 and 2022, the Agency had uninsured balances of \$1,983,690 and \$1,750,631, respectively.

EZRA INTERNATIONAL

A Washington Non-Profit Corporation

**Notes to the Financial Statements
Years Ended December 31, 2023 and 2022**

**NOTE 1-ORGANIZATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONT.)**

Recognizing Revenue from Grants and Contracts

The Financial Accounting Standards Board guidance requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The Agency follows these principles.

The Agency, if it receives an advance of funds from grants or contracts, recognizes deferred revenue in the amount of the advance for its performance obligation to perform services in the future. On December 31, 2023, and 2022, The Agency has recorded deferred revenue of \$0 and \$0, respectively. The balances of receivables and deferred revenue from grant and contracts are as follows as of December 31, 2023, and 2022:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Accounts Receivable	\$ <u> -</u>	\$ <u> -</u>
Deferred Revenue	\$ <u> -</u>	\$ <u> -</u>

Advertising

Advertising costs are expensed as they are incurred.

Furniture and Equipment

Furniture and equipment purchased by the Agency is recorded at cost. Furniture and equipment donated to the Agency is capitalized at its estimated fair value. The Agency's policy is to expense the acquisition cost of equipment in the year it is purchased if its cost is less than \$1,000. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives range from five to seven years for furniture, equipment, computers, and vehicles.

Maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When items of furniture and equipment are sold or are otherwise disposed of, the appropriate cost and related accumulated depreciation amounts are removed from the accounts and any gain or loss is included in income.

EZRA INTERNATIONAL

A Washington Non-Profit Corporation

Notes to the Financial Statements Years Ended December 31, 2023 and 2022

NOTE 1-ORGANIZATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Employee Benefits

Accumulated annual leave is not accrued for the year ended December 31, 2023, and 2022 because no liability is held at year end for any employee.

Allocation of Indirect Costs

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Agency. These expenses include facilities, printing and office supplies, postage, and dues and subscriptions and are allocated based a ratio determined by management to be appropriate. Payroll and related costs are allocated based on time spent on each function.

Leases

The Agency recognizes and measures its leases in accordance with FASB ASC 842, leases. The Agency is not under contract with any lease agreements for the years ended December 31, 2023, and 2022. If the Agency were to be in a lease agreement, the Agency will determine 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 Agency 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. The discount rate is the implicit rate if it is readily determinable or otherwise the Agency uses the U.S. Treasury Bill risk free rate with a term equivalent to the lease term. The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments). Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Agency has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Agency is reasonably certain to exercise. We recognize lease cost associated with the short-term leases on a straight-line basis over the lease term.

NOTE 2 –CONTRIBUTED SERVICES

Contributed services are recorded as in-kind contributions for donated services requiring specific expertise. Many individuals volunteer their time and perform a variety of tasks to assist the Agency. The value of this contributed time is not reflected in the financial statements because the donated time is not professional in nature or does not enhance the value of a non-financial asset. The Agency did not have any in-kind contributions during the year ended December 31, 2023, and 2022.

EZRA INTERNATIONAL

A Washington Non-Profit Corporation

**Notes to the Financial Statements
Years Ended December 31, 2023 and 2022**

NOTE 3 –WITH DONOR RESTRICTIONS

There are \$299,798 and \$562,840 of designated donations unspent for their specified as of December 31, 2023, and 2022, respectively. With donor restrictions is made up of the following donations by restricted purpose:

	<u>With Donor Restrictions</u>	
	<u>2023</u>	<u>2022</u>
Children's Program	\$ 217,669	\$ 299,798
Aliyah	-	245,403
Emergency Relief	-	<u>17,639</u>
	<u>\$ 217,669</u>	<u>\$ 562,840</u>

NOTE 4 –LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As of December 31, 2023, and 2022, the Agency has \$2,291,590 and \$2,252,870, respectively, of financial assets available within one year of the statement of financial position date to meet cash needs. As more fully described in Note 1, presentation method for financial statements, the Agency accounts for that activity as with donor restrictions. Prepaid expenses will be used spent with the passage of time, expensed within one year.

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Cash	\$ 2,506,043	\$ 2,812,494
Foreign Currency Holdings	3,216	3,216
Donor Restricted	<u>(217,669)</u>	<u>(562,840)</u>
Total	<u>\$ 2,291,590</u>	<u>\$ 2,252,870</u>

NOTE 5 - SUBSEQUENT EVENTS

The Agency did not have any subsequent events through April 25, 2024, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended December 31, 2023.

EZRA INTERNATIONAL

A Washington Non-Profit Corporation

**Notes to the Financial Statements
Years Ended December 31, 2023 and 2022**

NOTE 6 –DIRECT MISSION SUPPORT

The Agency conducts a substantial portion of its ministry in foreign countries. It incurs significant expenditures including operating, feeding, child assistance and eldercare, travel, and relocation expenses. The following schedule shows amounts expended by region:

	December 31,	
	2023	2022
Russia and Former Soviet State	\$ 1,436,843	\$ 1,597,172
South America	463,836	383,353
Europe	136,154	82,950
United States	12,500	6,000
	<u>\$ 2,049,333</u>	<u>\$ 2,069,475</u>

NOTE 7 -FURNITURE AND EQUIPMENT

On December 31, 2023, and 2022, furniture and equipment included the following:

	December 31,	
	2023	2022
Furniture	\$ 683	\$ 683
Computer Equipment	15,361	6,298
Vehicles	25,624	65,663
Accumulated Depreciation	<u>(31,452)</u>	<u>(65,356)</u>
	<u>\$ 10,216</u>	<u>\$ 7,288</u>

EZRA INTERNATIONAL

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Notes to the Financial Statements Years Ended December 31, 2023 and 2022

NOTE 9 –RELATED PARTY TRANSACTIONS

The Agency paid \$71,504 and \$58,051 during the years ended December 31, 2023, and 2022, respectively, in consulting fees to Patricia Frame, a board member. She oversees operations for the Agency as well as manages the area of the former Soviet Union. This conflict of interest has been noted and Ms. Frame abstains from all conversations and votes that involve decisions about her consulting contract with the Agency.

The Agency paid \$67,150 and \$63,700 during the years ended December 31, 2023, and 2022, respectively, in consulting fees to Gary Cristofaro, a board member, under his business name My People Israel. He educates and publishes and distributes teachings about Ezra's role in the process of Aliyah as well as trains others on how to educate about Aliyah. This conflict of interest has been noted and Mr. Cristofaro abstains from all conversations and votes that involve decisions about his consulting contract with the Agency.

NOTE 10 – INCOME TAX & UNCERTAIN TAX POSITIONS

The Agency is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation.

The Agency files income tax returns in the U.S. federal jurisdiction. The Agency is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2020. Currently, there is no examination or pending examination with the Internal Revenue Service (IRS).

As of December 31, 2023, there are no tax positions for which the deductibility is certain but for which there is uncertainty regarding the timing of such deductibility.