

EZER MIZION
FINANCIAL REPORT
DECEMBER 31, 2016 AND 2015

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INDEPENDENT AUDITORS' REPORT

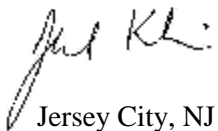
To the Board of Directors
Ezer Mizion
Brooklyn, New York

Gentlemen:

I have audited the accompanying statements of financial position of Ezer Mizion (a nonprofit organization) as of December 31, 2016 and 2015 respectively and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ezer Mizion as of December 31, 2016 and 2015 respectively, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Jersey City, NJ
November 1, 2017

EZER MIZION

STATEMENT OF FINANCIAL POSITION

December 31, 2016 and 2015

ASSETS	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>
Cash and cash equivalents	\$ 317,931	\$ 196,817
Pledges receivable	373,555	780,967
Prepaid Expenses	36,073	
Cash value of life insurance	22,457	49,289
Fixed assets - Net of Depreciation	<u>71,112</u>	<u>81,525</u>
TOTAL ASSETS	\$ 821,129	\$ 1,108,598
 LIABILITIES AND NET ASSETS		
Credit Card Payable	\$ 25,888	\$ 8,806
Accounts payable and accrued expenses	<u>\$ 7,245</u>	<u>\$ 156,345</u>
TOTAL LIABILITIES	\$ 33,133	\$ 165,151
 Net Assets - unrestricted	 <u>\$ 787,997</u>	 <u>\$ 943,448</u>
TOTAL NET ASSETS	<u>\$ 787,997</u>	<u>\$ 943,448</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 821,129</u></u>	 <u><u>\$ 1,108,599</u></u>

The Notes to the Financial Statements are an integral part of these statements.

EZER MIZION

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
Year ending December 31, 2016 and 2015

	Unrestricted	Temporarily Restricted	2016	2015
Revenues				
Contribution income	3,179,887	\$ -	\$ 3,179,887	\$ 3,121,791
Other Revenue	194,211			
Investment income	3,152		3,152	3,792
Total revenues	\$ 3,377,250	\$ -	\$ 3,183,039	\$ 3,125,583
Expenses				
Program expenses	2,725,507	-	2,725,507	2,128,326
General and administrative	376,742	-	376,742	372,317
Fundraising	430,452	-	430,452	480,226
Total expenses	3,532,701	-	3,532,701	2,980,869
Change in net assets	(155,451)	-	(349,662)	144,714
Net assets				
Beginning	943,448	-	943,448	798,734
Ending	\$ 787,997	\$ -	\$ 593,785	\$ 943,448

The Notes to the Financial Statements are an integral part of these statements.

EZER MIZION**STATEMENT OF FUNCTIONAL EXPENSES****Year ending December 31, 2016**

Item	Program	General & Administrative	Fundraising	2016
Grants expense	2,054,983			2,054,983
Compensation & Other Benefits	407,050	158,486	136,574	702,110
Accounting and Legal Fees	\$ -	14,282	\$ -	\$ 14,282
Advertising	525	-	4,725	5,250
Advocacy	33,802	-	-	33,802
Bank Charges	-	3,713	-	3,713
Computer Expenses	-	33,959	-	33,959
Credit Card and other fees	-	20,263	-	20,263
Depreciation	-	12,220	-	12,220
Equipment Rental	-	2,370	-	2,370
Events expense	85,563	-	216,199	301,762
Insurance	-	27,994	-	27,994
Office expense & Miscellaneous	-	4,316	-	4,316
Consulting Fees	6,000	12,000	6,000	24,000
Postage and delivery	12,384	31,283	8,669	52,336
Printing and reproduction	-	5,323	15,970	21,293
Promotions	7,181	-	13,337	20,518
Program Expenses	71,901	-	-	71,901
Registration & Filing Fees	-	1,073	-	1,073
Rent	10,950	21,900	10,950	43,800
Supplies	3,436	3,436	-	6,872
Telephone	3,185	3,185	6,370	12,740
Travel expense	28,547	16,469	11,658	56,674
Utilities	-	4,470	-	4,470
	\$ 2,725,507	\$ 376,742	\$ 430,452	\$ 3,532,701

The Notes to the Financial Statements are an integral part of these statements.

EZER MIZION

STATEMENT OF FUNCTIONAL EXPENSES

Year ending December 31, 2015

(for comparison purposes)

Item	General &			2015
	Program	Administrative	Fundraising	
Grants expense	1,514,124			1,514,124
Compensation & Other Benefits	332,197	187,361	109,237	628,795
Accounting & bookkeeping	\$ -	6,500	\$ -	\$ 6,500
Advertising	725	-	6,525	7,250
Advocacy	47,821	-	-	47,821
Bank Charges	-	4,161	-	4,161
Computer Expenses	-	25,427	-	25,427
Credit Card and other fees	-	107	18,150	18,257
Depreciation	-	7,465	-	7,465
Equipment Rental	-	3,857	-	3,857
Events expense	114,551	-	235,674	350,225
Insurance	-	27,657	-	27,657
Office expense & Miscellaneous	-	4,780	-	4,780
Consulting Fees	-	21,000	-	21,000
Postage and delivery	18,683	18,141	13,078	49,902
Printing and reproduction	-	6,282	18,847	25,129
Promotions	26,294	-	48,833	75,127
Registration & Filing Fees	-	1,517	-	1,517
Rent	9,663	19,325	9,663	38,651
Supplies	9,697	9,697	-	19,394
Telephone	3,692	3,692	7,384	14,768
Travel expense	50,879	18,668	12,835	82,382
Utilities	-	6,680	-	6,680
	\$ 2,128,326	\$ 372,317	\$ 480,226	\$ 2,980,869

The Notes to the Financial Statements are an integral part of these statements.

EZER MIZION

STATEMENT OF CASH FLOWS
Year ending December 31, 2016

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Change in net assets	\$ (155,451)	144,713
Adjustments to reconcile change in net assets to net Cash provided by (used in) operating activities:		
Depreciation expense	12,220	7,465
(Increase) Decrease in Pledges & accounts Receivable	407,412	(370,967)
(Increase) Decrease in Prepaid expenses	(36,073)	-
(Increase) Decrease in Life Insurance Value	26,832	(15,822)
(Decrease) Increase in Credit Cards Payable	17,082	8,806
(Decrease) Increase in Accounts Payable & Accrued Expenses	(149,100)	123,588
Net cash provided by (used in) operating activities	<u>122,921</u>	<u>(102,218)</u>
Cash flows from investing activities		
Sale (Purchase) of fixed assets	<u>(1,808)</u>	<u>(84,258)</u>
Net cash provided by (used in) investing activities	<u>(1,808)</u>	<u>(84,258)</u>
Net increase (decrease) in cash and cash equivalents	121,114	(186,475)
Cash and cash equivalents		
Beginning	<u>196,817</u>	<u>383,292</u>
Ending	<u>\$ 317,931</u>	<u>\$ 196,817</u>

The Notes to the Financial Statements are an integral part of these statements.

EZER MIZION
NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Ezer Mizion (“the Organization”) is a non-profit corporation exempt under Section 501(c)(3) of the Internal Revenue Code. It was formed on August 31, 1988 in accordance with the not-for-profit statute of the State of New York. The organization was formed to provide vitally needed 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.

A summary of the significant accounting policies of Ezer Mizion follows:

Basis of accounting: The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred.

Basis of presentation: The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and cash equivalents: For the purpose of reporting cash flows, Ezer Mizion considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Financial credit risk: The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Ezer Mizion has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Contributions: Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income taxes: Ezer Mizion is a publicly supported organization described in Section 509(a)(2) of the Internal Revenue Code, and is exempt from income taxes on income derived from any sources related to its exempt purposes under Section 501(c)(3) of the Code. Ezer Mizion has been classified as an organization that is not a private foundation. Business income which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. Ezer Mizion did not have any unrelated business income for the year ended December 31, 2016.

EZER MIZION
NOTES TO FINANCIAL STATEMENTS

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles 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, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Other Revenue: During 2016, Ezer Mizion was the beneficiary of a donated life insurance policy for which the organization had been paying the premiums for the recent past. The owner of the policy passed away during 2016 and the organization received the proceeds of the policy.