

ONE ISRAEL FUND, LTD
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

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SAMUEL S. ADELSBERG
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
One Israel Fund, Ltd.
Cedarhurst, New York 11516

We have audited the accompanying financial statements of One Israel Fund, Ltd., which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One Israel Fund, Ltd. as of December 31, 2020 and 2019, and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The information in the schedule of functional expenses on page 10 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material aspects in relation to the financial statements as a whole.



S. ADELSBERG & CO.
Certified Public Accountants

ONE ISRAEL FUND, LTD

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

-ASSETS-

	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents (Note 4)	\$ 1,650,880	\$ 1,551,937
Security Deposits and Other Assets	62,102	74,791
Beneficiary in Living Trust	69,836	69,836
Fixed Assets – Net (Note 3)	<u>4,839</u>	<u>6,934</u>
	<u>\$ 1,787,657</u>	<u>\$ 1,703,498</u>

-LIABILITIES AND NET ASSETS-

Accounts Payable and Accrued Expenses	\$ 38,245	\$ 38,830
<u>Net Assets</u>		
Unrestricted	<u>1,749,412</u>	<u>1,664,668</u>
Total Liabilities and Net Assets	<u>\$ 1,787,657</u>	<u>\$ 1,703,498</u>

S. ADELSBERG & CO.

The accompanying notes are an integral part of the financial statement.

YEARS ENDED DECEMBER 31, 2020 AND 2019

OPERATING REVENUES AND SUPPORT

	<u>2020</u>		<u>2019</u>
Contributions	\$ 2,359,932		\$ 2,797,040
Special Events	\$ 446,242	\$ 101,151	
Less Direct Costs of Special Events	<u>(98,715)</u>	<u>(62,683)</u>	38,468
Interest, Dividend, and Capital Gain Income	3,963		89,069
Paycheck Protection Program Forgiveness (Note 6)	<u>85,000</u>		<u>-</u>
 Total Operating Revenues and Support	 <u>\$ 2,796,422</u>		 <u>\$ 2,924,577</u>

OPERATING EXPENSES

Program Expenses	\$ 2,110,880		\$ 2,004,843
Management and General	252,959		261,807
Fundraising	<u>347,839</u>		<u>266,465</u>
 Total Operating Expenses (Schedule 1)	 <u>2,711,678</u>		 <u>2,533,115</u>
 Increase (Decrease) in Net Assets	 84,744		 391,462
Net Assets - Beginning of Year	<u>1,664,668</u>		<u>1,273,206</u>
Net Assets - End of Year	<u>\$ 1,749,412</u>		<u>\$ 1,664,668</u>

S. ADELSBERG & CO.

The accompanying notes are an integral part of the financial statement.

ONE ISRAEL FUND, LTD

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 84,744	\$ 391,462
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	2,095	1,762
Beneficiary in Living Trust		
Other Receivables	-	(69,836)
Security Deposit and Other Assets	12,689	(72,691)
Decrease in Liabilities	(581)	
Accounts Payable and Accrued Expenses		5,057
	<u>98,947</u>	<u>255,754</u>
Net Cash Provided (Used) by Operating Activities		
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Fixed Asset Acquisition	<u>-</u>	<u>(3,338)</u>
Net Cash Provided (Used) by Investing Activities	-	(3,338)
Net Change in Cash and Cash Equivalents	98,947	252,416
Cash and Cash Equivalents - Beginning of Year	<u>1,551,933</u>	<u>1,299,517</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,650,880</u>	<u>\$ 1,551,933</u>

S. ADELSBERG & CO.

The accompanying notes are an integral part of the financial statement.

ONE ISRAEL FUND, LTD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

Note 1 - Nature and Purpose of Organization

One Israel Fund, Ltd. (“the Organization”) is a not-for-profit organization exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. The organization was incorporated in 1994 pursuant to the Not-for-Profit Corporation Law of the State of New York.

The Organization was formed to:

- 1) Provide educational and informative publications to promote understanding of the historical, social, economic and political realities of Israel.

- 2) Support of projects which include emergency medical equipment, supplemental preventive security assistance, ambulances, day care and senior citizen centers, playgrounds, educational supplies and facilities, and other social welfare and religious needs in Israel.

The organization is supported primarily by contributions and special events.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting – The financial statements are prepared on the accrual basis of accounting.

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 the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents- For purposes of the statements of cash flows, cash equivalents represent highly liquid investments with maturities of less than three months.

Contributions Receivable- Unconditional promises to give that are expected to be collected within one year are recorded at net receivable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Conditional promises to give are not included as support until the conditions are substantially met.

Allowance for Doubtful Accounts- Contributions receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review by management. Factors used to determine whether an allowance should be recorded include the age of the receivable and a review of payments subsequent to year end. In 2020, management has determined that an allowance was not necessary and is reflected as of December 31, 2020.

ONE ISRAEL FUND, LTD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

Note 2 - Summary of Significant Accounting Policies (continued)

Contributions – Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. All contributions are considered to be available for unrestricted use unless specifically restricted by donors. The gifts are reported as either temporarily or permanently restricted support 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, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions received and expended in the same fiscal year are reflected as unrestricted revenues.

Grants- Grants for educational and supportive services in Israel are made pursuant to the authorizations of the Board of Directors of the Organization.

Rent expense – Rent is recorded on the straight-line basis over the term of the lease. Deferred rent is recorded when there are material differences between the fixed payment and the rent expense.

Advertising expense – All advertising and marketing costs are expensed in the year they are incurred.

Functional Expenses – The costs of providing the organization's services have been summarized on a functional basis. Accordingly, certain costs have been allocated between the programs and supporting services benefited.

Fixed Assets – Fixed assets are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful life of the asset, ranging from three to fifteen years.

Net Assets – Unrestricted net assets include funds having no restriction as to use or purpose imposed by donors.

Income Taxes – The organization is a not for profit organization exempt from income taxes, under section 501(c)(3) of the Internal Revenue Code and files form 990. The organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending December 31, 2014 and subsequent periods remain subject to examination by applicable taxing authorities.

Subsequent Events – Subsequent events have been evaluated through November 15, 2021 which is the date the financial statements were available to be issued. There were no events that met the criteria for recognition or disclosure in the financial statements.

ONE ISRAEL FUND, LTD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

Note 3 - Fixed Assets

	<u>2020</u>	<u>2019</u>
Furniture & Equipment	\$ 20,288	\$ 20,288
Computer Equipment & Software	<u>66,264</u>	<u>66,264</u>
	86,552	86,552
Less: Accumulated Depreciation	<u>(81,714)</u>	<u>(79,619)</u>
Total	<u>\$ 4,838</u>	<u>\$ 6,933</u>

Depreciation expense for the years ended December 31, 2020 and 2019 was \$2,095 and \$1,762, respectively.

Note 4 - Concentration of Credit Risk

The Company maintains its cash balances at Signature Bank. The funds at Signature Bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2020 and 2019, the Company's uninsured cash balance totaled \$1,400,880 and \$1,301,937, respectively.

Note 5 - Rent

Rent expense in 2020 and 2019 was \$31,740 and \$30,868, respectively, which includes \$1,800 of utilities, for each year.

The future minimum lease commitments, inclusive of utilities are as follows:

January-March 2021	<u>\$ 7,989</u>
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Note 6 - SBA - PPP Loan -Notice of Forgiveness

The Company received a loan from SBA in the amount of \$85,000 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

On April 14, 2021, the Company received notification the PPP loan amount was forgiven.

ONE ISRAEL FUND, LTD
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020

(With Summarized Financial Information for the Year Ended December 31, 2019)

Supporting Services

	<u>Program</u> <u>Expenses</u>	<u>Management</u> <u>and General</u>	<u>Fundraising</u>	<u>Total</u>	
				<u>2020</u>	<u>2019</u>
Grants	\$ 1,587,117	\$ -	\$ -	\$ 1,587,117	\$ 1,542,859
Payroll & Related	265,533	172,228	149,241	587,002	473,895
Fundraising Fees	-	-	14,298	14,298	6,500
Accounting Fees	-	10,141	-	10,141	10,000
Telephone	3,678	4,681	-	8,359	8,200
Rent	13,772	16,168	-	29,940	29,068
Travel	4,021	894	4,022	8,937	45,081
Insurance	-	16,697	-	16,697	13,767
Advertising & Public Relations	64,093	-	64,092	128,185	87,960
Office	10,611	10,611	21,221	42,443	31,717
Repair & Maintenance	-	2,640	-	2,640	5,300
Mailing & Marketing	9,317	2,070	9,316	20,703	21,656
Printing	11,617	474	11,617	23,708	13,135
Prof fees & consulting	93,425	10,881	35,135	139,441	136,508
Depreciation	-	2,095	-	2,095	1,762
Video Expense	-	-	8,236	8,236	-
Postage	-	183	1,648	1,831	2,475
Graphic Design & Website	26,939	-	11,545	38,484	27,741
Fees	-	-	-	-	-
Meals & Entertainment	138	1,242	-	1,380	5,265
Credit Card & Bank Fees	-	-	17,342	17,342	19,618
Catering & Facility Charges	-	-	98,715	98,715	62,683
Auto & Transportation	6,542	1,954	-	8,496	18,089
Mission Expenses	13,939	-	-	13,939	32,519
Miscellaneous	138	-	126	264	-
	<u>2,110,880</u>	<u>252,959</u>	<u>446,554</u>	<u>2,810,393</u>	<u>2,595,798</u>
Less expenses deducted directly from revenues on the statement of activities	-	-	(98,715)	(98,715)	(62,683)
Total Expenses reported by function	<u>\$ 2,110,880</u>	<u>\$ 252,959</u>	<u>\$ 347,839</u>	<u>\$ 2,711,678</u>	<u>\$ 2,533,115</u>

S. ADELSBERG & CO.

"See Independent Auditors' Report"