NA'AMAT USA
Financial Statements
June 30, 2025 and 2024
With Independent Auditor's Report

withum
ADVISORY TAX AUDIT

NA'AMAT USA
Table of Contents
June 30, 2025 and 2024

withum
ADVISORY TAX AUDIT

Independent Auditor's Report

To the Board of Directors of
NA'AMAT USA:

Opinion

We have audited the financial statements of NA'AMAT USA (the "Organization"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, cash flows, and functional expenses 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 June 30, 2025 and 2024, 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 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.

WithumSmith+Brown, PC One Tower Center Boulevard, 14th Floor, East Brunswick, New Jersey 08816-1145 T (732) 828 1614 F (732) 828 5156 withum.com

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.

WithumSmith+Brown, PC

May 11, 2026

NA'AMAT USA
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
Assets		
Cash, cash equivalents and restricted cash		
Cash and cash equivalents without donor restrictions	$ 432,080	$ 1,119,107
Cash and cash equivalents with donor restrictions	187,589	320,650
Cash held for charitable gift annuities	41,056	43,153
Total cash, cash equivalents and restricted cash	660,725	1,482,910
Other assets	1,332	1,332
Employee retention credit receivable	-	44,247
Investments		
Investments without donor restrictions	7,551,689	6,569,251
Investments with donor restrictions	8,076,181	7,558,073
Investments held for charitable remainder trusts	1,630,470	1,492,817
Total investments	17,258,340	15,620,141
Total assets	$ 17,920,397	$ 17,148,630
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 51,464	$ 20,236
Gift annuities payable	6,635	8,738
Settlement payable	90,210	99,963
Due to beneficiaries of charitable remainder trusts	765,223	723,594
Total liabilities	913,532	852,531
Net assets		
Net assets without donor restrictions	7,843,426	7,613,738
Net assets with donor restrictions	9,163,439	8,682,361
Total net assets	17,006,865	16,296,099
Total liabilities and net assets	$ 17,920,397	$ 17,148,630

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

NA'AMAT USA
Statements of Activities and Changes in Net Assets
Years Ended June 30, 2025 and 2024

	June 30, 2025			June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues						
Contributions	$ 998,516	$ -	$ 998,516	$ 4,699,563	$ 360,867	$ 5,060,430
Membership	14,654	-	14,654	16,895	-	16,895
Convention	52,741	-	52,741	-	-	-
Other income	200	-	200	957	-	957
Net assets released from restriction	467,003	(467,003)	-	404,177	(404,177)	-
Total support and revenues	1,533,114	(467,003)	1,066,111	5,121,592	(43,310)	5,078,282
Expenses						
Program services	1,385,714	-	1,385,714	1,416,503	-	1,416,503
Management and general	331,060	-	331,060	288,746	-	288,746
Fundraising	297,821	-	297,821	260,337	-	260,337
Total expenses	2,014,595	-	2,014,595	1,965,586	-	1,965,586
Other income (expense)						
Net investment return	957,803	989,706	1,947,509	973,207	1,057,429	2,030,636
Change in value of charitable remainder trusts	(246,634)	(41,625)	(288,259)	(66,848)	(31,011)	(97,859)
Total other income (expense)	711,169	948,081	1,659,250	906,359	1,026,418	1,932,777
Changes in net assets	229,688	481,078	710,766	4,062,365	983,108	5,045,473
Net assets						
Beginning of year	7,613,738	8,682,361	16,296,099	3,551,373	7,699,253	11,250,626
End of year	$ 7,843,426	$ 9,163,439	$ 17,006,865	$ 7,613,738	$ 8,682,361	$ 16,296,099

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

NA'AMAT USA
Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	2025	2024
Operating activities		
Changes in net assets	$ 710,766	$ 5,045,473
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities		
Realized and unrealized gains on investments	(1,556,911)	(1,797,260)
Provision for bad debt	44,247	-
Change in assets and liabilities		
Employee retention credit receivable	-	101,259
Other assets	-	2,785
Accounts payable and accrued expenses	31,228	(16,610)
Settlement payable	(9,753)	(9,602)
Gift annuities payable	(2,103)	(2,102)
Due to beneficiaries of charitable remainder trusts	41,629	31,018
Net cash (used in) provided by operating activities	(740,897)	3,354,961
Investing activities		
Proceeds from sale of investments	7,221,244	3,295,459
Purchase of investments	(7,302,532)	(5,833,201)
Net cash used in investing activities	(81,288)	(2,537,742)
Net change in cash, cash equivalents, and restricted cash	(822,185)	817,219
Cash, cash equivalents, and restricted cash		
Beginning of year	1,482,910	665,691
End of year	$ 660,725	$ 1,482,910
Reconciliation of cash, cash equivalents, and restricted cash		
Cash and cash equivalents		
Cash and cash equivalents without donor restrictions	$ 432,080	$ 1,119,107
Cash and cash equivalents with donor restrictions	187,589	320,650
Cash held for charitable gift annuities	41,056	43,153
	$ 660,725	$ 1,482,910

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

NA'AMAT USA
Statement of Functional Expenses
Year Ended June 30, 2025

	Program	Management and General	Fundraising	Total
Compensation costs	$ 258,626	$ 116,849	$ 193,685	$ 569,160
Grants made	985,719	-	-	985,719
Office expense	68,273	30,845	51,128	150,246
Bad debt expense	-	44,247	-	44,247
Occupancy	13,895	6,278	10,406	30,579
Insurance	19,375	8,754	14,510	42,639
Travel	2,897	1,309	2,170	6,376
Professional fees	1,155	73,798	1,985	76,938
Advertising	3,808	-	-	3,808
Dues and subscriptions	19,089	8,624	14,296	42,009
Conference and meetings	-	34,539	-	34,539
Information technology	12,877	5,817	9,641	28,335
Total expenses	$ 1,385,714	$ 331,060	$ 297,821	$ 2,014,595

The Notes to Financial Statements are an integral part of this statement.

NA'AMAT USA
Statement of Functional Expenses
Year Ended June 30, 2024

	Program	Management and General	Fundraising	Total
Compensation costs	$ 199,619	$ 120,672	$ 154,425	$ 474,716
Grants made	1,076,625	-	-	1,076,625
Office expense	68,372	41,332	52,892	162,596
Occupancy	19,696	11,907	15,237	46,840
Insurance	17,496	10,576	13,534	41,606
Travel	118	71	91	280
Professional fees	990	66,356	3,783	71,129
Advertising	7,249	-	-	7,249
Dues and subscriptions	16,116	9,742	12,467	38,325
Conference and meetings	-	21,911	-	21,911
Information technology	10,222	6,179	7,908	24,309
Total expenses	$ 1,416,503	$ 288,746	$ 260,337	$ 1,965,586

The Notes to Financial Statements are an integral part of this statement.

1. Organization

NA'AMAT USA (the "Organization") is a not-for-profit California corporation whose mission is to support women and children in Israel through providing a broad range of social services, from day care centers to domestic violence shelters, legal aid, and alternate high schools. The Organization is governed by a national office and has chapters and councils in the Western, Mid-Western, Eastern and Southeastern regions of the USA. Revenue is obtained primarily from contributions and investment income.

2. Summary of Significant Accounting Policies

a. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Organization's net assets are classified in the following categories:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Organization records gifts of cash and other assets and contributions 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 and changes in net assets as net assets released from restrictions. Contributions with donor-imposed restrictions that are received and spent in the same year have been recorded as net assets without donor restrictions.

b. Tax-Exempt Status

The Internal Revenue Service has classified the Organization as a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities that is not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. The Organization had unrelated business income from investment income for the years ended June 30, 2025 and 2024; however, had no income tax due and had no interest or penalties.

There were no tax years open to examination by major tax jurisdictions as of June 30, 2025. The Organization does not believe its financial statements include (or reflect) any uncertain tax positions.

c. 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 certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates included in these financial statements are the functional allocation of expenses (Note 2n), the investments valued at level 3 and valuation of charitable gift annuities (Note 4).

d. Reclassifications

Certain amounts in the prior period financial statements have been reclassified to conform to the current period presentation. Reclassifications had no effect on net income or net assets, and include the following:

Pooled investments of $3,566,441 previously reflected at net asset value using the practical expedient have been reclassified to be within level 2 of the fair value hierarchy for the year ended June 30, 2024.

e. Revenue Recognition - Contributions

The Organization recognizes contributions, including unconditional promises to give, as revenue in the period received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right to return or release, are not recognized in revenue until the conditions on which they depend have been substantially met. Contributions, net assets, and changes therein are classified and reported based on the existence or absence of donor-imposed restrictions. Revenue from government and private grant and contract agreements, which are generally considered non-exchange transactions, is recognized when qualifying expenditures are incurred and conditions under the agreements are met. Grant funds received in advance of the expenditures incurred are recorded as refundable advances. Promises to give are reported at their fair value on date of gift discounted using a risk free rate. There were no contributions receivable at June 30, 2025 and 2024.

f. Contributed Nonfinancial Assets

The Organization records the value of donated services and materials at the fair value of the donation if they meet the criteria for recognition. The Organization had no in-kind donations for the years ended June 30, 2025 and 2024.

g. Grants Made

The Organization makes grants primarily to organizations in Israel. The Organization recognizes grants made, including unconditional promises to give, as expenses in the period made. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right to return or release, are not recognized in expense until the conditions on which they depend have been substantially met.

h. Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

i. Restricted Cash

Restricted cash includes amounts with donor-imposed programmatic restrictions, and amounts held for gift annuity obligations.

j. Investments

Investments in equity securities with readily determinable values and all investments in debt securities are measured at fair value in the statements of financial position. Certificates of deposit are measured at cost basis plus interest, which approximates fair value in the statements of financial position. Purchases and sales of securities are recorded on a trade date basis. Investments that are sold but not paid out by year end are stated in the receivables due from investment fund on the statements of financial position. Investment income or loss is included in net assets with no restrictions unless the income or loss is restricted by a donor or by law. The Organization accounts for its investments in alternative assets, such as limited partnership, at fair value.

Investments in pooled funds are invested with the Jewish Community Foundation of Orange County ("JCFOC"). As a participant in the pooled funds, the Organization's ownership interest is based on the units held by the Organization to the total of all units in the pooled funds. The pool is revalued monthly and income and gains or losses are allocated to the participants based on their units. These investments are reflected within Level 2 of the fair value hierarchy (Note 4) in the statements of financial position. Net investment return (including realized and unrealized gains and losses on investments, interest and dividends, net of direct internal and external investment expenses) is included in net assets without donor restrictions unless the income or loss is restricted by donor or law.

k. Assets Held and Liabilities Under Split-Interest Agreement

Charitable Trusts

The Organization acts as trustee for various irrevocable trusts that are governed by the respective trust agreements, which generally provide for either an income stream or a future distribution of cash or other assets, in whole or in part, for a specified period or upon the occurrence of a specific event, respectively. Trust assets are recorded at fair value, and a related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The present value discount on those future benefits is computed using the ten-year U.S. Treasury note rate as of the statements of financial position date (4.26% and 4.30% as of June 30, 2025 and 2024, respectively) and applicable mortality tables. Changes in the present value discount amount and overall value of the Organization's beneficial interest in these trusts are recognized in the statements of activities and changes in net assets.

The excess of contributed assets over the trust liability is recorded as a contribution with donor restrictions until such amount is received via trust distribution or is expended in satisfaction of the donor-restricted purpose stipulated by the trust agreement, or both, if any. At that time, net assets with donor-imposed time or purpose restrictions are released to net assets without restrictions, and net assets with donor restrictions that are perpetual in nature are transferred to the endowment. In subsequent years, and under the fair value election, the liability for future trust payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the trust, the remaining liability is removed and recognized as income.

Charitable Gift Annuities

Under charitable gift annuity contracts, the Organization receives immediate and unrestricted title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as a contribution without donor restrictions. In subsequent years, and under the fair value election, the liability for future payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as income.

l. Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was $3,808 and $7,249 for the years ended June 30, 2025 and 2024, respectively.

m. Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and changes in net assets and detailed within the statements of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited or directly charged to the appropriate functional area. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	**Methodology**
Compensation costs	Time and effort
Office expense	Compensation costs
Occupancy	Compensation costs
Insurance	Compensation costs
Dues and subscriptions	Compensation costs
Information technology	Compensation costs

n. Fair Value Measurements

The Organization applies fair value accounting for all financial assets and liabilities that are recognized at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair values should be based on the assumption market participants use when pricing an asset.

US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. the fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to the Organization's assumptions (unobservable inputs). The Organization groups assets at fair value in their levels, based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Fair value measurements based on quoted prices (unadjusted) in active markets that the Organization has the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets. The Organization does not adjust the quoted price for such instruments.

Level 2 - Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 - Fair value measurements based on valuation techniques that use significant unobservable inputs. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability. Therefore, the Organization must make certain assumptions about the inputs a hypothetical market participant would use to value that asset or liability.

In certain cases, the inputs used to measure the fair value of an asset or liability may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Alternative investments consist of a limited partnership investment which holds real estate and is valued based on a comparable class of shares that are publicly traded which the Organization's ownership can be converted into.

o. Leases

The Organization categorizes leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. The Organization had no finance leases during the years ended June 30, 2025 and 2024.

Certain lease contracts include obligations to pay for other services, such as operations, property taxes, and maintenance. For leases of property, the Organization accounts for these other services as a component of the lease.

Lease liabilities are recognized at the present value of the fixed lease payments, using a weighted average discount rate based on similarly secured borrowings available to the Organization. Right of use ("ROU") assets are recognized based on the initial present value of the fixed lease payments, plus any direct costs from executing the leases. Lease assets are tested for impairment in the same manner as long-lived assets used in operations. The Organization’s leases are short-term, month-to-month arrangements. The Organization has elected the short-term lease exemption and expenses such costs as incurred.

Options to extend lease terms, terminate leases before the contractual expiration date, or purchase the leased assets are evaluated for their likelihood of exercise. If it is reasonably certain that the option will be exercised, the option is considered in determining the classification and measurement of the lease. Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

3. Liquidity and Availability of Resources

As of June 30, 2025 and 2024, the Organization's liquidity resources and financial assets available within one year for general expenditures, such as operating expenses, fulfillment of pledge payables and grant making activities, were as follows:

	2025	2024
Financial assets		
Cash, cash equivalents and restricted cash	$ 660,725	$ 1,482,910
Investments	17,258,340	15,620,141
Employee retention credit receivable	-	44,247
Total financial assets available	17,919,065	17,147,298
Less:		
Net assets with donor restrictions	(9,163,439)	(8,682,361)
Assets held to satisfy charitable gift annuities and other obligations	(771,858)	(732,332)
Alternative investments that are not liquid	(757,796)	(835,241)
	(10,693,093)	(10,249,934)
Total financial assets and liquidity resources available within one year for general expenditures	$ 7,225,972	$ 6,897,364

The Organization's liquid assets consist mainly of cash and investments. The Organization manages its cash flows so there are sufficient resources on hand to meet obligations. Excess funds are invested in various investment vehicles, and funds are liquidated as needed to fulfill its obligations.

NA'AMAT USA
Notes to Financial Statements
June 30, 2025 and 2024

4. Investments and Fair Value Measurements

The Organization's valuation of investments was as follows at June 30, 2025 and 2024:

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Investments valued at fair value				
Common stocks	$ 968,973	$ -	$ -	$ 968,973
Mutual funds	5,510,848	-	-	5,510,848
Exchange traded funds	4,275,141	-	-	4,275,141
Corporate bonds	-	1,791,803	-	1,791,803
Pooled investments	-	3,900,093	-	3,900,093
Alternative investments	-	-	-	
Real estate funds	-	-	757,796	757,796
	10,754,962	5,691,896	757,796	17,204,654
Other investments				
Certificates of deposit	-	-	-	53,686
Total investments	$ -	$ -	$ -	$ 17,258,340
Liabilities				
Gift annuities payable	$ -	$ 6,635	$ -	$ 6,635
Due to beneficiaries of charitable remainder trusts	-	765,223	-	765,223
	$ -	$ 771,858	$ -	$ 771,858

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
Investments valued at fair value				
Common stocks	$ 2,093,558	$ -	$ -	$ 2,093,558
Mutual funds	5,725,826	-	-	5,725,826
Exchange traded funds	3,131,934	-	-	3,131,934
Corporate bonds	-	191,199	-	191,199
Pooled investments*	-	3,566,441	-	3,566,441
Alternative investments				
Real estate funds	-	-	835,241	835,241
	10,951,318	3,757,640	835,241	15,544,199
Other investments				
Certificates of deposit	-	-	-	75,942
Total investments	$ -	$ -	$ -	$ 15,620,141
Liabilities				
Gift annuities payable	$ -	$ 8,738	$ -	$ 8,738
Due to beneficiaries of charitable remainder trusts	-	723,594	-	723,594
	$ -	$ 732,332	$ -	$ 732,332

During the years ended June 30, 2025 and 2024, there were no transfers into or out of Level 3 and there were no purchases of Level 3 assets.

*Pooled separate accounts: Units held in pooled separate accounts are valued using unit prices provided by the fund at year-end, which reflect the fair value of the underlying investments in the community foundation. These valuations are based on observable inputs and are classified within Level 2 of the fair value hierarchy.

Net investment return consisted of the following at June 30, 2025 and 2024:

	2025	2024
Dividends and interest	$ 501,144	$ 332,537
Realized and unrealized gains	1,556,911	1,797,260
Investment fees	(110,546)	(99,161)
	$ 1,947,509	$ 2,030,636

5. Settlement Payable

The Organization signed a settlement agreement in December 2013 relating to an employee settlement. The obligation was reported at the present value of the future obligation, discounted at 1.5%. The Organization is required to make 80 quarterly payments of $2,825 effective May 2014. The present value of the Organization's obligation was $90,210 and $99,963 at June 30, 2025 and 2024, respectively.

6. Net Assets

Net assets with donor restrictions comprise the following as of June 30, 2025 and 2024:

	2025	2024
Purpose and time restrictions		
Charitable remainder trusts	$ 924,140	$ 837,689
Zaidins memorial fund - children's initiatives	2,375,979	2,259,068
Children's education	426,810	383,490
Habonim scholarship fund	448,361	402,854
Medical studies	385,483	341,251
Domestic violence treatment and prevention	3,559,216	3,485,547
	8,119,989	7,709,899
Endowment	1,043,450	972,462
Total net assets with donor restrictions	$ 9,163,439	$ 8,682,361

Net assets with donor restrictions were released during the years ended June 30, 2025 and 2024, for the following:

	2025	2024
Charitable remainder trusts	$ 98,804	$ 74,477
Zaidins memorial fund - children's initiatives	84,000	-
Children's education	-	52,393
Medical studies	15,000	10,000
Domestic violence treatment and prevention	240,000	240,000
Endowment earnings	29,199	27,307
Total net assets released from donor restrictions	$ 467,003	$ 404,177

7. Endowment

The Organization's long-term assets are held in a manner consistent with the standard of prudence prescribed by state law. The Organization's adopted investment policy for long-term assets attempts to provide a predictable stream of funding to programs supported by its long-term assets while seeking to maintain the purchasing power of these assets. As a result of this interpretation, the Organization considers the following factors in making a determination to distribute or accumulate long-term asset funds:

(1) The duration and preservation of the fund

(2) The purpose of the fund and the donor's intention in establishing the fund and the limitations of the governing fund agreement

(3) General economic conditions

(4) The expected total return including the effects of inflation and deflation

(5) Other resources of the Organization

(6) The investment policies of the Organization

Return Objectives and Risk Parameters
The Board of Trustees of the Organization has delegated responsibility to the executive committee of the Board of Trustees for the following: Development of sound and consistent investment policies and guidelines; establishing reasonable and prudent investment objectives; identifying, selecting and allocating asset categories and determining the asset mix of all assets of the Organization; identifying specific assets within each asset category to be purchased and/or sold; periodically reviewing the suitability of the investments for the Organization; and making changes to any of the above.

Strategies Employed for Achieving Objectives
To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital (depreciation) appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Donor Restricted Endowment Funds Composition
The following table provides information regarding the change in endowment net assets for the years ended June 30, 2025 and 2024:

	2025	2024
Beginning endowment balance	$ 972,462	$ 915,086
Appreciation	100,209	84,684
Expenditures	(29,221)	(27,308)
Ending endowment balance	$ 1,043,450	$ 972,462

	2025	2024
Endowment type		
"True" endowment	$ 613,000	$ 613,000
Accumulated earnings	430,450	359,462
	$ 1,043,450	$ 972,462

8. Commitments and Contingencies

Interest in Related Not for Profit
The Organization was a member of a not for profit organization that owned property irrevocably dedicated to religion, educational and/or charitable purposes. The dissolution of the not for profit occurred in September 2023 and resulted in distribution of $3,800,000 which is included in contributions in the statements of activities and changes in net assets as of June 30, 2024.

9. Risks and Uncertainties

Concentrations
Financial instruments which potentially subject the Organization to concentrations of credit risk are cash and cash equivalents and investments.

Cash and Cash Equivalents
The Organization maintains cash balances at U.S. banks, which are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to $250,000 for each institution. The Organization’s cash balances at times exceeded federally insured limits. Any loss incurred or lack of access to such funds could have a significant adverse impact on the Organization's financial condition, results of operations, and cash flows.

Investments
The Organization invests in various financial instruments including common stocks, equity mutual funds, exchange traded funds, corporate bonds and certain alternative investments. The fair values reported in the financial statements are subject to various risks including changes in the equity markets, the interest rate environment, and general economic conditions. Due to the level of risk associated with certain investment securities, including alternative investments, and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that amounts reported in the financial statements could change materially in the near term. The Organization mitigates risk by diversifying its portfolio among many instruments across investment accounts.

General Litigation
The Organization is currently involved in certain legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not have a material adverse effect on the Organization's financial position or operations.

Revenue and Support
For the year ended June 30, 2025, three donors accounted for approximately 33% of total revenue and support. For the year ended June 30, 2024, one donor contributed approximately 75% of total revenue and support.

10. Related Party Transactions

The Organization received contributions from board members amounting to approximately $52,000 and $141,000, respectively, for the years ended June 30, 2025 and 2024.

11. Employee Retention Credit

The Organization has applied for the employee retention credit in the amount of $145,506. The credit was claimed against the Organization's payroll tax obligations for each calendar quarter based on qualified wages, subject to certain limitations. The Organization collected $101,259 through June 30, 2025 and wrote off the remaining receivable of $44,247 as of June 30, 2025, as a result of tax law changes.

12. Subsequent Events

The Organization has evaluated subsequent events occurring after the statement of financial position date through May 11, 2026, the date the financial statements were Issued. Based upon this evaluation, there were no material subsequent events that require adjustment to or disclosure in these financial statements.