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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Maoz, Inc.  
Grand Prairie, Texas

### ***Report on the Financial Statements***

I have audited the accompanying financial statements of Maoz, Inc., a nonprofit organization (the Organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, and cash flows for the year then ended and the related notes to the financial statements.

The prior year summarized comparative information has been derived from the Organization's 2018 financial statements and, in my report dated April 29, 2019, I expressed an unqualified opinion on those 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***

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with 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 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Opinion***

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2019, 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.

***Other Matter***

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information contained on pages 4 through 7 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 related 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Alan Jeff, CPA, PC  
Buffalo, New York  
April 20, 2020

## MAOZ, INC.

## Statement of Financial Position

December 31, 2019 and 2018

See Independent Auditor's Report

ASSETS

	<u>2019</u>	<u>2018</u>
Current assets:		
Cash, USA, unrestricted, non-interest bearing	\$ 280,146	\$ 354,009
Cash, USA, unrestricted, interest bearing	154,226	84,399
Cash, USA, temporarily restricted, interest bearing	418,714	479,565
Cash, Israel, unrestricted, non-interest bearing	306,586	317,092
Investments portfolios - USA (Note 4)	344,523	319,689
Investments portfolios - Israel (Note 4)	187,802	165,144
Accounts receivable	2,537	2,747
Prepaid expenses	3,985	31,313
Total current assets	<u>1,698,519</u>	<u>1,753,958</u>
Property and equipment, net (Notes 2 & 3)	<u>503,113</u>	<u>492,598</u>
	<u>\$ 2,201,632</u>	<u>\$ 2,246,556</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 18,555	\$ 22,362
Accrued expenses	3,395	2,847
Current portion of liability under annuity	16,286	16,427
Total current liabilities	<u>38,236</u>	<u>41,636</u>
Long-term liabilities:		
Liability under annuity	<u>147,473</u>	<u>151,356</u>
Total long-term liabilities	<u>147,473</u>	<u>151,356</u>
Net assets: (Notes 1, 2 & 5)		
Unrestricted:		
Undesignated	1,094,096	1,081,401
Represented by equipment	503,113	492,598
Total unrestricted	<u>1,597,209</u>	<u>1,573,999</u>
Temporarily restricted	418,714	479,565
Total net assets	<u>2,015,923</u>	<u>2,053,564</u>
	<u>\$ 2,201,632</u>	<u>\$ 2,246,556</u>

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

## MAOZ, INC.

## Statement of Activities

For the years ended December 31, 2019 and 2018

See Independent Auditor's Report

	<u>2019</u>	<u>2018</u>
<b>Change in unrestricted net assets</b>		
Public support and revenue:		
US general contributions	\$ 2,268,214	\$ 2,238,827
Foreign general contributions (Note 8)	226,590	203,270
Total unrestricted contributions	2,494,804	2,442,097
Market gain on securities, net	36,938	-0-
Investment income	23,899	24,508
Resource sales	11,995	15,178
Currency exchange gain (loss)	1,568	(6,613)
Total unrestricted public support and revenue	<u>2,569,204</u>	<u>2,475,170</u>
Net assets released from restrictions:		
Satisfaction of time and use restrictions	<u>1,152,783</u>	<u>1,694,738</u>
Total public support and revenue and net assets released from restrictions	<u>3,721,987</u>	<u>4,169,908</u>
Expenditures:		
Program services:		
Benevolence, support, and grants	1,124,137	841,293
Education	882,168	1,096,136
Publications	587,984	927,653
Leadership development	387,441	731,350
Congregational support	298,323	453,890
Total program services (pages 5 & 7)	<u>3,280,053</u>	<u>4,050,322</u>
Support services:		
General and administrative (See Note 7)	198,403	207,737
Fund development (See Note 7)	197,440	153,610
Total support services:	<u>395,843</u>	<u>361,347</u>
Other:		
Market loss on securities, net	-0-	53,731
Loss on retirements of capital assets	22,880	7,851
Total other	<u>22,880</u>	<u>61,582</u>
Total expenditures	<u>3,698,776</u>	<u>4,473,251</u>
Change in unrestricted net assets (decrease)	23,211	(303,343)
<b>Change in temporarily restricted net assets</b>		
Contributions	1,091,931	1,928,658
Net assets released from time and use restrictions	<u>(1,152,783)</u>	<u>(1,694,738)</u>
Change in temporarily restricted net assets (decrease)	<u>(60,852)</u>	<u>233,920</u>
Change in net assets (decrease)	(37,641)	(69,423)
Net assets, beginning of year	<u>2,053,564</u>	<u>2,122,987</u>
Net assets, end of year	<u>\$ 2,015,923</u>	<u>\$ 2,053,564</u>

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

## MAOZ, INC.

## Statement of Cash Flows

For the years ended December 31, 2019 and 2018

See Independent Auditor's Report

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities:		
Cash received from donors	\$ 3,586,735	\$ 4,370,755
Resource sales	11,995	15,178
Cash paid to employees, suppliers, and donor preferenced recipients	<u>(3,610,906)</u>	<u>(4,380,373)</u>
Net cash provided (used) by operating activities	<u>(12,176)</u>	<u>5,560</u>
Cash Flows from Investing Activities:		
Currency exchange gain (loss)	1,568	(6,613)
Investment income received	23,899	24,508
Cash paid for fixed assets, net of retirements	(102,742)	(16,460)
Market gain on investments (loss)	36,938	(53,731)
Loss on retirements of capital assets	<u>(22,880)</u>	<u>(7,851)</u>
Net cash provided (used) by investing activities	<u>(63,217)</u>	<u>(60,147)</u>
Net increase (decrease) in cash	(75,393)	(54,587)
Cash balance, beginning of year	<u>1,235,065</u>	<u>1,289,652</u>
Cash balance, end of year	<u>\$ 1,159,672</u>	<u>\$ 1,235,065</u>
Reconciliation of Change in Net Assets to Net Cash from Operating Activities:		
Change in net assets (decrease)	\$ (37,641)	\$ (69,423)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
(Increase) Decrease in investments portfolios	(47,492)	37,563
(Increase) Decrease in accounts receivable	210	(517)
(Increase) Decrease in prepaid expenses	27,328	(23,725)
Increase (Decrease) in accounts payable	(3,807)	12,779
Increase (Decrease) in accrued expenses	548	762
Increase (Decrease) in liability under annuity	(4,024)	(6,333)
Depreciation	<u>52,702</u>	<u>54,454</u>
Net cash provided (used) by operating activities	<u>\$ (12,176)</u>	<u>\$ 5,560</u>

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

MAOZ, INC.

Schedule of Program Services Expenditures - General

For the year ended December 31, 2019

See Independent Auditor's Report

General	Benevolence, Support, Grants	Education	Publications	Leadership Development	Congregational Support	Total
Israel Office	\$ 209,020	\$ 209,020	\$ 209,020	\$ 209,021	\$ -0-	\$ 836,081
US Education/Publications	-0-	298,127	-0-	-0-	-0-	298,127
Israel Staff	34,548	69,094	57,579	69,094	-0-	230,315
US Administration	7,746	116,193	30,985	-0-	-0-	154,924
Israel Giving	149,450	-0-	-0-	-0-	-0-	149,450
Israel Media	-0-	89,178	38,219	-0-	-0-	127,397
US General	11,098	55,493	44,394	-0-	-0-	110,985
Israel Ministry Center	-0-	-0-	7,520	67,678	-0-	75,198
Israel General	15,577	15,577	6,231	24,922	-0-	62,307
Depreciation	7,115	9,486	23,716	7,115	-0-	47,432
Israel Congregation	-0-	-0-	-0-	-0-	18,360	18,360
Maoz Worldwide	-0-	7,597	7,597	-0-	-0-	15,194
US Development	-0-	1,500	-0-	-0-	-0-	1,500
Total general	434,554	871,265	425,261	377,830	18,360	2,127,270

(see page 15)

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

MAOZ, INC.

Schedule of Program Services Expenditures (cont.) - Donor Preferred

For the year ended December 31, 2019

See Independent Auditor's Report

Donor Preferred	Benevolence, Support, Grants	Education	Publications	Leadership Development	Congregational Support	Total
I Stand With Israel	\$ 595,420	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 595,420
Tiferet Yeshua Congregation	-0-	-0-	-0-	-0-	263,408	263,408
Publications	-0-	-0-	132,627	-0-	-0-	132,627
Yeshua Israel	56,224	-0-	-0-	-0-	-0-	56,224
Ron Cantor	755	10,903	4,641	9,545	16,555	42,399
Rami Danieli	36,824	-0-	-0-	-0-	-0-	36,824
Media Projects	-0-	-0-	25,455	-0-	-0-	25,455
Benevolence	350	-0-	-0-	-0-	-0-	350
ELAV conference	-0-	-0-	-0-	66	-0-	66
June Stone	10	-0-	-0-	-0-	-0-	10
Total donor preferred (to page 2)	689,583	10,903	162,723	9,611	279,963	1,152,783
Total program services (to page 2)	\$ 1,124,137	\$ 882,168	\$ 587,984	\$ 387,441	\$ 298,323	\$ 3,280,053

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

MAOZ, INC.

Schedule of Program Services Expenditures (cont.) - General

For the year ended December 31, 2018

See Independent Auditor's Report

General	Publications	Education	Benevolence, Support, Grants	Leadership Development	Congregational Support	Total
Israel Office	\$ 425,507	\$ 236,393	\$ -0-	\$ 283,671	\$ -0-	\$ 945,571
Israel Media	103,751	172,918	-0-	69,168	-0-	345,837
US Education/Publications	-0-	256,543	-0-	-0-	-0-	256,543
US Administration	38,074	142,778	9,518	-0-	-0-	190,370
Israel Giving	-0-	-0-	145,500	-0-	-0-	145,500
US General	46,289	57,862	11,572	-0-	-0-	115,723
Israel Staff	23,954	28,745	14,372	28,745	-0-	95,816
Israel Ministry Center	9,089	-0-	-0-	81,798	-0-	90,887
Israel General	8,001	20,001	-0-	52,003	-0-	80,005
Depreciation	29,405	12,252	-0-	7,351	-0-	49,008
Maoz Worldwide	10,057	10,057	-0-	-0-	-0-	20,114
Israel Congregation	-0-	-0-	-0-	-0-	18,360	18,360
US Development	-0-	1,850	-0-	-0-	-0-	1,850
Total general	694,127	939,399	180,962	522,736	18,360	2,355,584

(see page 16)

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

MAOZ, INC.

Schedule of Program Services Expenditures (cont.) - Donor Preferred

For the year ended December 31, 2018

See Independent Auditor's Report

Donor Preferred	Publications	Education	Benevolence, Support, Grants	Leadership Development	Congregational Support	Total
Ron Cantor	\$ 66,711	\$ 156,737	\$ 10,849	\$ 137,206	\$ 237,999	\$ 609,502
I Stand With Israel	-0-	-0-	597,735	-0-	-0-	597,735
Tiferet Yeshua Congregation	-0-	-0-	-0-	-0-	197,531	197,531
Hebrew Publications	141,724	-0-	-0-	-0-	-0-	141,724
Young Leaders USA trip	-0-	-0-	-0-	70,670	-0-	70,670
Yeshua Israel	-0-	-0-	33,396	-0-	-0-	33,396
Media Projects	25,091	-0-	-0-	-0-	-0-	25,091
Rami Danieli	-0-	-0-	18,101	-0-	-0-	18,101
ELAV conference	-0-	-0-	-0-	738	-0-	738
Aliyah Aid	-0-	-0-	250	-0-	-0-	250
<b>Total donor preferred</b> (to page 2)	<b>233,526</b>	<b>156,737</b>	<b>660,331</b>	<b>208,614</b>	<b>435,530</b>	<b>1,694,738</b>
<b>Total program services</b> (to page 2)	<b>\$ 927,653</b>	<b>\$ 1,096,136</b>	<b>\$ 841,293</b>	<b>\$ 731,350</b>	<b>\$ 453,890</b>	<b>\$ 4,050,322</b>

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

## MAOZ, INC.

## Notes to Financial Statements

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 1 - Nature of Organization:

Maoz, Inc. (the organization) is a multi-dimensional outreach organization to people living in Israel. The organization's primary activities are to promote better understanding of the Holy Scriptures among Jewish and non-Jewish peoples; to inform the public about Messianic Judaism through publishing books in Hebrew and other forms of media; and to cooperate with Messianic congregations and outreach works which foster closer relations between Jews and non-Jews who accept the validity of the Scriptures. The organization's primary source of revenue is free-will donations from supporters of the organization.

The organization was incorporated under the laws of the District of Columbia on June 25, 1976.

Maoz is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (the Code) and comparable state law, and therefore, contributions by the public are tax deductible within the limitations prescribed by the Code. The organization has been classified as a publicly supported organization, which is not a private foundation under Section 509(a) of the Code. The organization files an annual Internal Revenue Service Form 990, "Return of Organization Exempt from Income Tax," and is registered as a charitable organization in 20 states.

The organizations administrative office is located in Grand Prairie, Texas and the organization has facilities and offices in Tel Aviv, Israel.

The work of the organization is supported by the following affiliated organizations: Maoz Brazil, Maoz Canada, Maoz Asia, Maoz UK, Maoz Germany, Maoz Español, and Maoz Ireland. These organizations are principally fund raising organizations in their respective countries for the work of Maoz Israel.

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 2 - Summary of Significant Accounting Policies:

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

The organization's accounts are maintained, and these financial statements are presented, on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recorded when incurred. This method is required by United States generally accepted accounting principles. The assets and liabilities of the organization are reported as one of three classes of net assets: unrestricted, temporarily restricted, or permanently restricted, in accordance with FASB ASC 958-205.

The accounts are maintained in accordance with the principles of net assets accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into categories established according to their nature and purposes.

Maoz uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported resources and expenditures. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Maoz pursues its objectives through the functions of seven major programs:

Congregational support - Conduct congregational activities throughout the week, including Shabbat weekly meetings, children's classes, holiday fellowships, one-on-one Bible training, as well as group Bible studies, humanitarian aid and small group weekly meetings.

Education - Write monthly publication educating both Jew and non-Jew concerning events taking place in modern Israel and its relationship to Bible principles. Conduct training for children in the education of the Holy Scriptures and provide computer classrooms for Bible education.

Leadership Development - Train and equip Hebrew-speaking pastors and leaders for the purpose of promoting Messianic Judaism.

Hebrew Publications - Translate, print and publish outreach and discipleship materials into the Hebrew language. Develop other forms of media exposure for the building of a foundation of believers in Israel, through internet website, books, and audio/video.

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 2 - Summary of Significant Accounting Policies (cont.):

Benevolence, support, and grants - Contribute monetarily to individuals for basic needs, to terrorism victims and to other ministries and individuals who promote Messianic Judaism.

Fund Development - Connect with partners and others to form a nucleus of prayer and financial support around the world for the express purpose of promoting Messianic Judaism in Israel and other countries.

General and administrative - Support the general operations of the organization in Israel, United States and around the globe.

**Net Assets**

The financial statements report amounts separately by class of net assets as follows:

**Unrestricted** - Net assets that are neither permanently nor temporarily restricted by donor-imposed stipulations. The organization may designate portions of its unrestricted net assets as board designated for various purposes.

**Temporarily restricted** - Net assets resulting from contributions and other inflows of assets, whose use by the organization is limited by donor imposed stipulations that either expire by the passage of time or can be fulfilled, or otherwise removed, by actions of the organization meeting the purpose of the restriction.

**Permanently restricted** - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled, or otherwise removed, by actions of the organization. Although such assets cannot be expended, the investment income earned on them is generally to be expended for a specific purpose.

**Support and Resources**

Contributions are recorded when made, which may be when cash is received, unconditionally promised, or ownership of donated assets is transferred. Maoz shows restricted contributions whose restrictions have been met in the reporting period as unrestricted support. If the restrictions are not satisfied in the same reporting period, the contributions are recorded as temporarily restricted. Upon satisfaction of the restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from purpose restrictions. All contributions are considered available for the general program of the organization, unless specifically restricted by the donor or subject to other legal restrictions.

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 2 - Summary of Significant Accounting Policies (cont.):

Other income is recognized when earned. Expenses are recognized when incurred in accordance with the accrual basis of accounting.

Contributions other than cash are recorded at the fair market value of the donated asset at the date of donation.

In the absence of donor restrictions as to the period in which funds received from legacies and bequests are to be used, revenue is recorded when the award is received.

**Cash & Cash Equivalents**

Cash and investments include checking, savings, money market accounts, and marketable securities. These accounts at times may exceed federally insured limits. The organization, however, has not experienced any significant losses on these accounts and does not believe it is exposed to any significant credit risk.

**Property and Equipment**

Property and equipment are recorded at acquisition cost. The organization capitalizes assets with a cost greater than \$500. Depreciation is computed using the straight-line method over the following estimated useful lives:

Furniture and equipment	5-10 years
Building and Improvements	39 years
Transportation equipment	5 years

The organization has removed certain fixed assets from its books. These fixed assets were determined by management to be out-of-service due to obsolescence or retirement. (See Note 3).

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

**Allocation of Expenditures**

The costs of providing the various program services and supporting activities of the organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities. (See Note 7).

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 2 - Summary of Significant Accounting Policies (cont.):

**Subsequent Events**

The organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through April 20, 2020 (the date the financial statements were available to be issued).

**Maoz Tzur**

The accompanying financial statements of Maoz, Inc. include the accounts and activities of Maoz Tzur, Inc., an Israel based corporation, which was incorporated in Israel on July 22, 2001. Maoz Tzur, Inc. was created by Maoz, Inc. for the purpose of being able to compensate Israel employees and carrying on solely based Israel not-for-profit business transactions for Maoz, Inc.

Statement of Position (SOP) 94-3 outlines accounting and reporting guidelines for nonprofits that are financially interrelated. These guidelines include how to determine when a nonprofit organization should present consolidated financial statements as its primary financial statements.

Nonprofits may be related to one or more other nonprofits in numerous ways, including ownership, control, and economic interest. SOP 94-3 defines economic interest as an interest in another entity that exists if:

- (1) the other entity holds or utilizes significant resources that must be used for the unrestricted or not-for-profit organization, either directly or indirectly, by producing income or providing services, or
- (2) the reporting organization is responsible for the liabilities of the other entity.

SOP 94-3 elaborates and gives examples of economic interest:

- A reporting organization transfers significant resources to another entity whose resources are held for the benefit of the reporting organization.
- A reporting organization assigns significant functions to another entity.
- A reporting organization provides or is committed to provide funds for another entity or guarantees significant liabilities of another entity.

According to these guidelines, Maoz Inc. and Maoz Tzur, Inc. are economically interrelated, and it is appropriate for Maoz, Inc. to include Maoz Tzur, Inc. financial information within the framework of Maoz, Inc. financial reporting.

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 3 - Property and Equipment:

The following is a summary of property and equipment, at cost, less accumulated depreciation, at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Furniture, fixtures, and equipment	\$ 369,128	\$ 328,773
Building improvements	288,777	284,525
Building	220,560	220,560
Transportation equipment	135,727	105,414
Land	134,992	134,992
Website	18,432	84,655
	<u>1,167,616</u>	<u>1,158,919</u>
Less: accumulated depreciation	(664,503)	(666,321)
Property and equipment, net	<u>\$ 503,113</u>	<u>\$ 492,598</u>

Depreciation expense charged to operations on the above fixed assets for the years ended December 31, 2019 and 2018 was \$52,702. and \$54,454., respectively. (See Note 2).

There is no depreciation provided for on land.

The above equipment is unencumbered by indebtedness at December 31, 2019 and 2018 respectively.

The following fixed assets were determined by management to be no longer in service as of December 31, 2019 and 2018. (See Note 2):

	<u>2019</u>	<u>2018</u>
Website	\$ 66,223	\$ -0-
Furniture, fixtures, and equipment	11,177	44,361
	<u>\$ 77,400</u>	<u>\$ 44,361</u>

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 4 - Investment Portfolios:

The following is a summary of Maoz, Inc. investment portfolio activity for the year ended December 31, 2019:

	<u>USA</u>	<u>Israel</u>
Balance, 1/1/19	\$ 319,689	\$ 165,144
Contributions	-0-	-0-
Withdrawals	-0-	-0-
Fees	(2,746)	(3,190)
Earnings	13,029	1,894
Market gains	14,551	22,386
Currency exchange gain	-0-	1,568
Balance, 12/31/19	<u>\$ 344,523</u>	<u>\$ 187,802</u>

## Note 5 - Donated Services:

No amounts have been reflected in the financial statements for donated services as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the organization's program services.

## Note 6 - Retirement Plan:

Maoz offers its employees the opportunity to participate in a retirement plan, which would provide income to them after retirement. The plan is implemented through payroll deductions and employees may make voluntary contributions. Retirement expense for the years ended December 31, 2019 and 2018 was \$9,851. and \$11,379., respectively.

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

See Independent Auditor's Report

## Note 7 - Schedule of Functional Expenditures:

The following is a detail of functional expenditures for the year ended December 31, 2019:

	Program Services	General and Administrative	Fund- raising	Total
Israel Office	\$ 836,081	\$ 17,624	\$ -0-	\$ 853,705
US Education/Publications	298,127	-0-	30,146	328,273
US Administration	154,924	135,110	30,587	320,621
Israel Staff	230,315	-0-	-0-	230,315
US General	110,985	42,604	1,176	154,765
Israel Giving	149,450	-0-	-0-	149,450
Israel Media	127,397	-0-	-0-	127,397
US Development	1,500	-0-	117,702	119,202
Israel Ministry Center	75,198	-0-	-0-	75,198
Israel General	62,307	430	-0-	62,737
Depreciation	47,432	2,635	2,635	52,702
Maoz Worldwide	15,194	-0-	15,194	30,388
Israel Congregation	18,360	-0-	-0-	18,360
	<u>\$ 2,127,270</u>	<u>\$ 198,403</u>	<u>\$ 197,440</u>	<u>\$ 2,523,113</u>
	(to Page 4)	(to Page 2)	(to Page 2)	

## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

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## Note 7 - Schedule of Functional Expenditures (cont.):

The following is a detail of functional expenditures for the year ended December 31, 2018:

	Program Services	General and Administrative	Fund- raising	Total
Israel Office	\$ 945,571	\$ 7,472	\$ -0-	\$ 953,043
US Administration	190,370	134,396	23,770	348,536
Israel Media	345,837	-0-	-0-	345,837
US Education/Publications	256,543	-0-	24,876	281,419
US General	115,723	62,746	1,486	179,955
Israel Giving	145,500	-0-	-0-	145,500
Israel Staff	95,816	-0-	-0-	95,816
Israel Ministry Center	90,887	-0-	-0-	90,887
US Development	1,850	-0-	80,640	82,490
Israel General	80,005	400	-0-	80,405
Depreciation	49,008	2,723	2,723	54,454
Maoz Worldwide	20,114	-0-	20,115	40,229
Israel Congregation	18,360	-0-	-0-	18,360
	<u>\$ 2,355,584</u>	<u>\$ 207,737</u>	<u>\$ 153,610</u>	<u>\$ 2,716,931</u>
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## MAOZ, INC.

## Notes to Financial Statements (cont.)

December 31, 2019 and 2018

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## Note 8 - Foreign General Contributions:

The following is a summary of foreign general contributions for the year ended December 31, 2019:

United Kingdom	\$ 61,890
Germany	48,800
Canada	37,618
Ireland	33,179
Far East	18,459
Various countries	17,644
Brazil	9,000
	<u>\$ 226,590</u>