

FRIENDS OF GIVAT HAVIVA, INC.
AUDITED BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025
(WITH AUDITOR'S REPORT THEREON)

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
TABLE OF CONTENTS
DECEMBER 31, 2025

	<u>PAGE NO.</u>
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8-17



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Friends of Givat Haviva, Inc.
New York, New York

Opinion

We have audited the accompanying financial statements of the Friends of Givat Haviva, Inc. (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of Givat Haviva, Inc. as of December 31, 2025, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Report Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Friends of Givat Haviva, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 that the financial statements are available to be issued.

Auditor's Report 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 generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with generally accepted auditing standards, 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.

Gregg S. Bossen, CPA, PC
Atlanta, Georgia
August 26, 2026

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	<u>TOTAL</u>
<u>ASSETS:</u>			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$1,499,482	\$534,469	\$2,033,951
Investments	350,000		350,000
Grants Receivable	1,500	113,500	115,000
Pledges Receivable	35,413	83,170	118,583
Accounts Receivable	11,027		11,027
Prepaid Expenses	4,331		4,331
Total Current Assets	<u>1,901,753</u>	<u>731,139</u>	<u>2,632,892</u>
OTHER ASSETS:			
Security Deposit	1,950		1,950
Total Other Assets	<u>1,950</u>	<u>-0-</u>	<u>1,950</u>
TOTAL ASSETS	<u>1,903,703</u>	<u>731,139</u>	<u>2,634,842</u>
<u>LIABILITIES AND NET ASSETS:</u>			
CURRENT LIABILITIES:			
Accounts Payable & Accrued Expenses	21,755		21,755
Credit Cards Payable	4,022		4,022
Total Current Liabilities	<u>25,777</u>	<u>-0-</u>	<u>25,777</u>
NET ASSETS:			
Without Donor Restrictions	1,877,926		1,877,926
With Donor Restrictions		731,139	731,139
Total Net Assets	<u>1,877,926</u>	<u>731,139</u>	<u>2,609,065</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$1,903,703</u>	<u>\$731,139</u>	<u>\$2,634,842</u>

See Auditor's Report and Notes to Financial Statements

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL</u>
PUBLIC SUPPORT & OTHER REVENUE:			
<u>Public Support:</u>			
Contributions – Individuals & Businesses	\$1,340,753	\$705,245	\$2,045,998
Contributions – Foundations & Organizations	315,502	340,127	655,629
In-Kind Contributions	-0-	4,732	4,732
Net assets released from donor restrictions	1,295,960	(1,295,960)	
Total Public Support	<u>2,952,215</u>	<u>(245,856)</u>	<u>2,706,359</u>
<u>Other Revenue:</u>			
Investment Return, Net	28,397		28,397
Miscellaneous Income	26		26
Total Other Revenue	<u>28,423</u>	<u>-0-</u>	<u>28,423</u>
Total Public Support and Other Revenue	<u>2,980,638</u>	<u>(245,856)</u>	<u>2,734,782</u>
EXPENSES:			
Program Services	1,811,667		1,811,667
Management & General	119,305		119,305
Fundraising	152,774		152,774
Total Expenses	<u>2,083,746</u>	<u>-0-</u>	<u>2,083,746</u>
CHANGES IN NET ASSETS	<u>\$896,892</u>	<u>(\$245,856)</u>	<u>\$651,036</u>

See Auditor's Report and Notes to Financial Statements

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT & GENERAL</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Grant funds to Israel	\$1,753,892			\$1,753,892
Salaries & Wages	42,886	9,428	39,759	92,073
Professional Fees		77,551		77,551
Contracted Services			63,250	63,250
Travel			18,120	18,120
Fringe Benefits	8,229	1,809	7,629	17,667
Marketing & Promotion			9,630	9,630
Web Hosting & Website		9,289		9,289
Payroll Taxes	3,746	824	3,473	8,043
Dues & Subscriptions		4,378	2,263	6,641
Rent	2,914	641	2,701	6,256
Bad Debt Expense		6,010		6,010
Printing & Design			5,460	5,460
Bank & Credit Card Fees		3,584		3,584
Insurance		2,816	459	3,275
Supplies		1,886		1,886
Telephone & Internet		455		455
Licenses & Permits		275		275
Postage		179	30	209
Miscellaneous		180		180
TOTAL EXPENSES	<u><u>\$1,811,667</u></u>	<u><u>\$119,305</u></u>	<u><u>\$152,774</u></u>	<u><u>\$2,083,746</u></u>

See Auditor's Report and Notes to Financial Statements

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL</u>
BALANCE, DECEMBER 31, 2024	\$981,034	\$976,995	\$1,958,029
CHANGES IN NET ASSETS	896,892	(245,856)	651,036
BALANCE, DECEMBER 31, 2025	\$1,877,926	\$731,139	\$2,609,065

See Auditor's Report and Notes to Financial Statements

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>December 31, 2025</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Changes in Net Assets	\$651,036
Adjustments to reconcile Excess to net cash provided by operating activities:	
(Increase) in Receivables	(81,177)
(Increase) in Prepaid Expenses	(1,866)
Increase in Accounts Payable & Accrued Expenses	17,417
(Decrease) in Credit Cards Payable	(19,202)
(Decrease) in Payroll Liabilities	(1,731)
Net cash provided by operating activities	<u>564,477</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Sales of Securities	2,014
Purchase of 6-month Certificate of Deposit	(350,000)
Net cash (used) by investing activities	<u>(347,986)</u>
NET CHANGE IN CASH	216,491
CASH AT BEGINNING OF YEAR	1,817,460
CASH AT END OF YEAR	<u>\$2,033,951</u>

See Auditor's Report and Notes to Financial Statements

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(A) Nature of Organization:

Founded in 1965, Friends of Givat Haviva, Inc. (the “Organization or Givat Haviva”) is a New York not-for-profit fundraising organization devoted to the advancement of Jewish-Arab reconciliation, cultural and religious pluralism, democratic values, and peace in the Middle East. These goals are accomplished through transfers of funds to Givat Haviva in Israel in support of their programs. For the year ended December 31, 2025, the Friends of Givat Haviva, Inc. supported the following programs:

- (i) **Younited: Givat Haviva International School** – Founded in 2018, Younited is an international co-educational, residential high school located on the Givat Haviva campus. 150 Jewish and Arab students ages 15–18 live and study together. One-third are Israeli Jews, one-third are Israeli Arabs and one-third are international students from the US, Latin America, Europe, Africa and Southeast Asia.

Younited awards the International Baccalaureate (IB) Degree, empowering graduates to attend prestigious universities around the world. Younited’s educational model combines academic excellence with emotional intelligence, leadership and conflict resolution.

- (ii) **Arabic Studies Institute** - The Institute for Arabic Studies at the Jewish-Arab Center for Peace at Givat Haviva has been active since 1963, offering professional level courses taught by an experienced and skilled team of teachers. The institute offers a wide range of day and evening courses at all levels, available both in person and online.

The Institute’s unique approach sees language as part of a complete cultural and social milieu. Therefore, in addition to the Arabic language, its courses include content about Arab culture. This comes from the recognition that language and culture are inevitably intertwined, and that familiarity with them is necessary for the existence of a shared society.

In the 2024/25 academic year, more than 1,300 adults studied Arabic and 920 students participated in Arabic Enrichment Days. The Israel Defense Forces (IDF) uses Givat Haviva for training in Arabic language. Thousands of graduates have completed their studies at the Institute, many of whom are now engaged in teaching and researching Arabic, as well as working to strengthen relationships between Jews and Arabs in diverse settings in Israel and abroad.

- (iii) **Children Teaching Children (CTC)** - CTC is a two-year, school-based encounter program for Jewish and Arab middle-schoolers that was established in 1992. Guided by trained facilitators, students engage in preparation sessions and dialogues on identity, democracy, bias, and media literacy. Because CTC is integrated into the school timetable, cohorts meet consistently across semesters—long enough for defensive reflexes to soften and authentic bonds to form. The goals are to achieve enhanced cooperation, improved tone of dialogue, and willingness to address controversial topics, showing lasting impact on students and the educational landscape.

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- (iv) **Mifgashim – Face to Face** - Mifgashim (“Face to Face”) is a structured, multi-stage educational program designed to dismantle stereotypes, build emotional literacy, and foster long term shifts in perspective. Each year, approximately 600 high school students from 30+ schools participate. Students undergo preparation in their home schools, attend a joint day-and-a-half intensive seminar at Givat Haviva, and structured follow up. Importantly, the students are prepared to hear things they don’t like hearing – things that are more complex – and how to respond to create a willingness for dialogue. Starting with icebreakers, the conversations deepen. Students are asked to speak about racism – not in abstract terms, but from personal experience, and other challenging topics such as conscription into the IDF and the trauma of October 7. Then comes collaboration, using drama workshops as a means for relationship development as a means to build a healthy society from within.

- (v) **Jewish – Arab Businesswomen Forum** - The Jewish-Arab Businesswoman Forum is a collaborative platform created to strengthen the economic standing of Jewish and Arab women entrepreneurs by fostering partnership, knowledge-sharing, and mutual support.

This program provides tailored support, helping women overcome societal and economic barriers through targeted resources, skills, and networking. Participants represent diverse fields include experiential education (ODT), dialogue facilitation, psychotherapy and family counseling, culinary entrepreneurship, creative arts for children, and financial literacy. Its activities strengthen women’s roles and visibility in business, shifting societal perceptions over time.

The forum enables participants to engage in meaningful partnerships, develop new business ventures, and build a network that influences regional decision-makers.

By supporting Arab and Jewish women entrepreneurs to overcome shared challenges, build sustainable businesses, and enhance their professional influence, the forum actively contributes to building a shared society that fosters inclusive economic growth, especially during challenging times.

- (vi) **Shared Language Program – Yihveh B’seder** - Shared Language places Jewish Hebrew teachers in Arab public schools, creating not only access to language but an ongoing civic meeting point between the two societies. Each teacher is paired with an Arab mentor teacher, forming a professional partnership that models cooperation in the heart of the school. Students gain strong spoken Hebrew skills essential for higher education, public-sector employment, and full civic participation, while teachers gain their first deep engagement with Arab culture. Since October 7, Shared Language has expanded emotional support seminars and revised teaching materials to meet the complex reality in classrooms. Today the program operates in over 66 schools with Ministry of Education support, and since its founding has reached tens of thousands of students, strengthening the rate of Hebrew proficiency among Israeli Arab pupils. During 2025, approximately 21,600 Arab students strengthened their Hebrew proficiency through 720 classes.

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- (vii) **Bara'em Hi-Tech Seeds** - Bara'em High-Tech Seeds prepares Arab high-school students for advanced studies and careers in Israel's tech sector. Students receive intensive enrichment courses in math, coding, and English; mentoring from industry professionals; and exposure visits to universities and companies. Starting in 9th grade and spanning 5 years, this early intervention addresses structural barriers—skills gaps, lack of networks, and unfamiliarity with the tech culture—so graduates can compete successfully for STEM tracks and employment. Today, it is estimated that Arab citizens represent only 2%-3% of the jobs in Israel's high-tech sector. By empowering Arab youth to enter high-growth fields, the program expands opportunity and integrates communities into Israel's innovation economy with the hope and anticipation that the representation of Arab citizens in Israel's high-tech sector will meaningfully increase.
- (viii) **Kick It Out Israel (KIO)** - The "Kick It Out Israel" program transitioned to Givat Haviva from the New Israel Fund in July 2024 to expand its educational scope and deepen its work in fostering a Shared Society.

The sport offers a platform for fostering mutual respect and cooperation. The program targets multiple stakeholders, including:

Fans and Spectators – Youth Coaches and Soccer Club Staff
School Educators – Students – Soccer Professionals

KIO uses football to reduce racism and violence in sports by creating safer, more inclusive environments. Trained observers monitor incidents to inform workshops for coaches, referees and educators. Youth exchanges, public campaigns, and advocacy efforts promote respect, improve policy, and foster lasting social change. During 2025, more than 100 youth and adults were trained through the program, and a soccer conference held in September drew over 250 participants, including 160 youth, 35 observers, 33 coaches and referees, and 26 physical education teachers. The impact of this work received national recognition when Moshe Yazai, a coach involved in the program, received the Azrieli Foundation Outstanding Social Coach Award, and participants were invited to the President's Residence to share their experiences.

- (ix) **Through others' eyes (TOE)** - TOE is Givat Haviva's flagship Jewish–Arab youth photography and dialogue program. Over the course of a full school year, cohorts of 20 16–17-year-old students learn photography as a creative tool for exploring identity and narrative while participating in facilitated dialogue about society and coexistence. Activities include professional photography lessons, field trips, dialogue sessions, and a two-day seminar. The program culminates in a group exhibition both in Israel and on a U.S. tour, where participants personally present their work and speak about the relationships they have built. TOE's long duration and artistic focus allow trust to develop, transforming how students see each other and giving them the confidence to act as ambassadors for a shared society.

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(i) **Artists in Residence** - The Shared Art Center has been a national hub for Jewish–Arab cultural exchange for over 40 years. Its Artists-in-Residence program brings 10 recent art-school graduates—half Jewish, half Arab—for a three-month live-in residency on the Givat Haviva campus, followed by a two-month exhibition phase. Residents share fully equipped studio space, room and board, and receive mentoring from leading Israeli artists such as Galia Bar-Or, Farid Abu Shakra, Adina Bar-On, Manar Zoabi, Ron Amir, and Sari Golan. Weekly group meetings, studio visits, lectures, and joint field trips build artistic rigor and a shared civic vocabulary; Jewish participants also have the option to study Arabic. Graduates present their work in a professional group show at the Givat Haviva Art Gallery with public programming serving the surrounding mixed region. In September, 2025, 4 participants traveled to Duke University for a follow-up residency, extending their practice internationally. AIR uniquely bridges the fragile transition from school to professional life—especially for Arab artists who often face limited networks—while embedding shared-society practice into artistic identity at a formative stage. 2025 marked the fifth consecutive year of the residency cohort.

(x) **Shared Art Center** - Established in 1988, the Givat Haviva Shared Art Center is housed in a spacious building surrounded by greenery, with a contemporary art gallery at its heart. The Center operates with a focus on multiculturalism, common ground between Arab and Jewish citizens, and the existence of a shared society in Israel. It is home to the largest ceramics school in the country and hosts annual courses across a range of art fields, joint Jewish and Arab projects, one-off workshops, seminars, symposiums, teacher trainings, and gallery talks.

During 2025, 1,750 youth from 42 Arab and Jewish schools attended art camps at the Center, and 6,000 visitors attended six art exhibitions held over the course of the year.

(xi) **Leadership Programs** - Givat Haviva’s leadership portfolio develops Jewish and Arab civic, municipal, and community leaders equipped to advance shared society within their own communities. In 2025, more than 85 Jewish and Arab leaders completed intensive leadership training. The portfolio includes:

- **Bridging Perspectives** – In Israel’s south, where the need for emotional recovery and renewed civic connection is acute, this program convenes representatives of the Jewish and Arab communities over eight sessions of reflective learning with prominent educators, historians, community leaders, and cultural figures. It culminates in a joint facilitated seminar in which the two groups meet for the first time — not as strangers, but as people who have already taken steps toward one another with empathy and shared values.
- **Laboratory for Shared Society** – A year-long leadership program for 20 heads of municipal education departments from Jewish and Arab towns in the Hof HaCarmel cluster. Over the course of 10 sessions, participants engage in in-depth learning and develop joint Jewish and Arab initiatives and cross-municipal collaborations, five of which receive seed funding.

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- **Alumni Outreach and Engagement** – Thousands of participants have come through Givat Haviva since its founding, yet those connections historically ended shortly afterward. The Organization has begun facilitating ongoing alumni gatherings that foster continued collaboration, mutual learning, and civic responsibility, strengthening alumni as agents of change in their home communities and in the work of rebuilding trust across Israeli society.

(B) Basis of Presentation:

These financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. These statements reflect the application of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under these standards, all contributions are immediately recognized as revenue as soon as pledged (or if not pledged when received) regardless of any restrictions on use placed by the contributor. The basic financial statements are then shown divided into two net asset groups. These are:

Without Donor Restrictions:

All assets that either have no imposed restrictions on use or whose restrictions have been met by December 31, 2025.

With Donor Restrictions:

All contributions by foundations, organizations, corporations and individuals with restrictions on use that have not been met by December 31, 2025. All contributions with donor restrictions initially appear in the With Donor Restrictions Column of the Statements of Activities. A donor restriction expires when a stipulated time restriction ends or when a purpose restriction is accomplished. Upon expiration of the time and/or purpose of the restrictions, donor restricted net assets are reclassified to net assets without donor restrictions and are reported in the statement of activities as Net assets released from donor restrictions.

(C) Support and Revenues:

Friends of Givat Haviva, Inc. recognizes the contributions and exchange transactions based on the FASB ASU 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The ASU clarifies and improves guidance for contributions received and contributions made and provides guidance to organizations on how to account for certain exchange transactions. Also, ASU 2018-08 clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional.

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(C) Support and Revenues - continued:

Additionally, the Organization recognizes exchange transactions based on ASC 606, *Revenue from Contracts with Customers*, which follows the five-step framework listed below to determine the amount and timing of revenue recognition:

- Identify the contract(s) with the customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations.
- Recognize revenue when (or as) the entity satisfies a performance obligation.

The Support and Revenue for the Organization are as follows:

Contributions – Individuals & Businesses:

Support from this source is recognized in the accounting period in which the contributions are pledged (or if not pledged, when received). Additionally, contributions with conditions are not recognized until the conditions have been met.

Contributions – Foundations & Organizations:

Support from these sources is recognized in the accounting period in which the grants are pledged (or if not pledged, when received). Additionally, contributions with conditions are not recognized until the conditions have been met.

In-Kind Contributions:

In-kind contributions of services and supplies (that would have otherwise been purchased by the organization) are recorded in the financial statements in the year they are received and in accordance with FASB ASU 2020-07. (See Note 6)

Investment Return, Net:

Revenue from this source, net of investment fees, is recognized in the accounting period when the revenues are earned.

Miscellaneous Income:

Revenue from this source is recognized in the accounting period during which revenues are earned.

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(D) Income Taxes:

Friends of Givat Haviva, Inc. is exempt from income taxes under Section 501(c)(3) of the United States Internal Revenue Code. During the year, Friends of Givat Haviva, Inc. had no unrelated business income as defined by Section 512 of the Code and, therefore no provision for income tax is necessary.

FASB ASC topic 740, *Income Taxes*, requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Organization's tax returns to determine whether the tax positions would "more-likely-than-not" be sustained if challenged by an applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. The Organization evaluates its uncertain tax positions using the provisions of FASB ASC topic 450, *Contingencies*. Management believes there are no material estimates that should be accrued as of December 31, 2025. The Organization believes it is no longer subject to income tax examinations for years prior to 2022.

(E) Receivables:

The Organization has 3 three kinds of receivables. Grants receivable consists of unpaid foundation and organization grants. Pledges receivable consists of pledged promises to give made by individuals and businesses. Accounts receivable consists of unpaid certificate of deposit interest earned. The Organization carries its receivables at an amount equal to uncollected but earned revenue less an allowance for doubtful accounts. The Organization uses the allowance method to determine uncollectible receivables. Periodically, the Organization evaluates its receivables and establishes an allowance for doubtful accounts based on its past experience and current credit conditions. Based on management's evaluation of the collectability of the receivables, no allowance for doubtful accounts was recorded as of December 31, 2025.

The receivables for Friends of Givat Haviva, Inc. are expected to be collected as follows as of December 31, 2025:

	Grants Receivable	Pledges Receivable	Accounts Receivable	Total
Due within one year	\$115,000	\$118,583	\$11,027	\$244,610
Total Receivables	\$115,000	\$118,583	\$11,027	\$244,610

(F) Functional Allocation of Expenses:

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

(G) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See Auditor's Report

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(H) Concentration of Credit Risk:

Friends of Givat Haviva, Inc. maintains bank accounts with financial institutions whose balances are insured by the Federal Deposit Insurance Corporation (FDIC) within limits. Periodically, bank account balances may exceed FDIC coverage. No credit risk is expected from uninsured deposits.

(I) Evaluation of Subsequent Events:

Management considered all events through August 26, 2026, the date the financial statements were available for release, in preparing the financial statements and the related disclosures. Management is not aware of any significant events that occurred subsequent to December 31, 2025, but prior to the issuance of this report, that would have a material impact on the financial statements.

NOTE 2: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following represents Friends of Givat Haviva, Inc's financial assets at December 31, 2025:

Financial assets at year-end, net of current liabilities:	
Cash and Cash Equivalents	\$2,033,951
Investments	350,000
Grants Receivable	115,000
Pledges Receivable	118,583
Accounts Receivable	11,027
Prepaid Expenses	4,331
Less: Current Liabilities	<u>(25,777)</u>
Total financial assets, net of current liabilities	2,607,115
Financial assets available to meet cash needs for general expenditures over the next twelve months	
	<u><u>\$2,607,115</u></u>

The Organization's goal is to maintain financial assets to meet 90 days of operating expenses (approximately \$129,000). Future transfers to Israel are not included in this approximation. As a part of its liquidity plan, excess cash is invested in a savings account.

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 3: FAIR VALUE OF INVESTMENTS:

As required by FASB Accounting Standards Codification (ASC) 820, investments are valued at their fair value in the Statement of Financial Position. In accordance with the statement, fair value is defined as the price that the Organization would receive upon selling an asset in an orderly transaction to an independent buyer in the principal or most advantageous market of the asset. A three-tier hierarchy was established by the ASC to maximize the use of the observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 – Inputs that are unobservable, including the Organization's own assumptions in determining the fair value of assets.

In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the asset in its entirety falls is determined based on the lowest level input that is significant to the asset in its entirety. Assessing the significance of a particular input to the asset in its entirety requires judgment and considers factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Organization's perceived risk of liquidity profile of that asset.

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
6-month Certificate of Deposit	\$-0-	\$350,000	\$-0-
	<u>\$-0-</u>	<u>\$350,000</u>	<u>\$-0-</u>

See Auditor's Report

FRIENDS OF GIVAT HAVIVA, INC.
NEW YORK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025
-continued-

NOTE 4: NET ASSETS WITH DONOR RESTRICTIONS:

As of December 31, 2025, net assets with donor restrictions are available for the following purposes:

Givat Haviva International School	\$597,436
Educational Encounters	41,037
Hebrew Language Enrichment	35,000
Children Teaching Children	25,545
Bridging Perspectives	25,000
Hi-Tech Program	2,829
Through Others' Eyes	2,192
Through Others' Eyes – Toe Tour	2,013
Moreshet	<u>87</u>
Total Net Assets With Donor Restrictions	<u>\$731,139</u>

NOTE 5: SHARED COSTS RECEIVED FROM AN OTHER ORGANIZATION:

For the year ended December 31, 2025, Friends of Givat Haviva, Inc. shared costs with another organization, Hashomer Hatzair. The expenses on the Statement of Functional Expenses are shown net of reimbursements from Hashomer Hatzair and are detailed below:

<u>Reimbursements received in 2025:</u>	
Telephone & Internet	<u>\$933</u>
Total Reimbursements	<u><u>\$933</u></u>

NOTE 6: IN-KIND CONTRIBUTIONS:

The In-kind contributions revenue account consists of items contributed to the Organization which it would otherwise have purchased. The In-Kind Contribution and the corresponding expenses are booked at fair market value in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) and consist of the following:

Printing & Design	<u>\$4,732</u>
Total In-Kind Contributions	<u><u>\$4,732</u></u>

See Auditor's Report