# AISH GLOBAL, INC.

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2020

Roth&Co
BEYOND BUSINESS

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CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Aish Global, Inc.
Clifton, New Jersey

## Report on the Financial Statements

We have audited the accompanying financial statements of Aish Global, Inc., which comprise the statement of financial position as of December 31, 2020 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Aish Global, Inc. as of December 31, 2020, 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.

Respectfully submitted,

Roth & Company LLP

Roth & Company LLP
Brooklyn, New York
August 16, 2021

**Aish Global, Inc.**
**Statement of Financial Position**
**December 31, 2020**

| | | |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS** | | |
| Cash and cash equivalents | $ 143,140 | |
| Investments | 1,037 | |
| **TOTAL CURRENT ASSETS** | | $ 144,177 |
| **TOTAL ASSETS** | | $ 144,177 |
| **LIABILITIES AND NET ASSETS** | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable | $ 64,812 | |
| Accrued salaries | 7,500 | |
| **TOTAL CURRENT LIABILITIES** | | $ 72,312 |
| **TOTAL LIABILITIES** | | 72,312 |
| **NET ASSETS** | | |
| Net assets without donor restrictions | | 71,865 |
| **TOTAL LIABILITIES AND NET ASSETS** | | $ 144,177 |

# Aish Global, Inc.
## Statement of Activities and Changes in Net Assets
## For The Year Ended December 31, 2020

| | | |
|---|---|---|
| **REVENUES** | | |
| Contributions | $ 1,498,942 | |
| **TOTAL REVENUES** | | $ 1,498,942 |
| **OPERATING EXPENSES** | | |
| Program expenses | 1,295,423 | |
| General and administrative expenses | 123,146 | |
| Fundraising expenses | 167,357 | |
| **TOTAL OPERATING EXPENSES** | | 1,585,926 |
| **CHANGE IN NET ASSETS FROM OPERATIONS** | | (86,984) |
| **OTHER INCOME** | | |
| Gain on sale of building | 4,917,705 | |
| Paycheck protection program | 29,313 | |
| Miscellaneous income, net | 23,228 | |
| **TOTAL OTHER INCOME** | | 4,970,246 |
| **CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS** | | 4,883,262 |
| **NET ASSETS WITHOUT DONOR RESTRICTIONS - BEGINNING** | | (4,811,397) |
| **NET ASSETS WITHOUT DONOR RESTRICTIONS - ENDING** | | $ 71,865 |

## Aish Global, Inc.
## Statement of Functional Expenses
## For The Year Ended December 31, 2020

| | Program Expenses | General and Administrative Expenses | Fundraising Expenses | Total |
|---|---|---|---|---|
| **EXPENSES** | | | | |
| Salaries and employee benefits | $ 361,236 | $ 30,970 | $ 41,839 | $ 434,045 |
| Payroll taxes | 14,763 | 1,266 | 1,709 | 17,738 |
| Advertising and promotional supplies | 2,401 | - | - | 2,401 |
| Contracted services | 344,268 | - | - | 344,268 |
| Food | 4,171 | 463 | - | 4,634 |
| Grants, fellowships and stipends | 387,500 | - | - | 387,500 |
| Insurance | 14,228 | 1,220 | 1,648 | 17,096 |
| Office expense | 42,916 | 3,403 | 2,369 | 48,688 |
| Professional fees | 76,308 | 55,737 | 114,731 | 246,776 |
| Rent expense | - | 26,341 | - | 26,341 |
| Supplies | 5,660 | 148 | 200 | 6,008 |
| Telephone and internet | 37,692 | 3,231 | 4,366 | 45,289 |
| Travel | 4,280 | 367 | 495 | 5,142 |
| **TOTAL EXPENSES** | $ 1,295,423 | $ 123,146 | $ 167,357 | $ 1,585,926 |

**Aish Global, Inc.**
**Statement of Cash Flows**
**For The Year Ended December 31, 2020**

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | | $ 4,883,262 |
| Adjustments to reconcile change in net assets to net cash used in operating activities | | |
| Non-cash gain on sale of building | $ (4,917,705) | |
| Changes in operating assets and liabilities | | |
| Prepaid expense | 3,205 | |
| Accounts payable | 9,131 | |
| Total adjustments | | (4,905,369) |
| **NET CASH USED IN OPERATING ACTIVITIES** | | (22,107) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sale of investments | 4,070 | |
| **NET CASH PROVIDED BY INVESTING ACTIVITIES** | | 4,070 |
| **NET DECREASE IN CASH** | | (18,037) |
| **CASH, BEGINNING** | | 161,177 |
| **CASH, ENDING** | | $ 143,140 |

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Nature of Organization***

Aish Global, Inc. (formerly Aish Hatorah New York Inc.), a nonprofit Organization, was formed in New York in December 1989, to broaden the knowledge of individuals of their Jewish heritage to enable them to live inspired Jewish lives and to make active positive contributions to Jewish communities and society at large. The Organization provides seminars and courses in Jewish history and the Torah and sponsors educational trips.

***Income Tax Status***

The Organization is exempt from income tax under section 501(c)(3) of the Internal Revenue Code.

***Basis of Accounting***

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America and accordingly reflect all significant receivables, payables and other assets and liabilities.

***Cash and Cash Equivalents***

Cash and cash equivalents consist primarily of cash on deposit, certificates of deposit, money market accounts, and investment grade commercial paper that are readily convertible into cash and purchased with original maturities of three months or less.

***Investments***

Investments are reported at fair value, measured as described in note 2. Changes in fair value and interest and dividend income are reflected in the statement of activities as increases and decreases in unrestricted net assets unless their use is restricted by donor stipulations or by law.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

***Revenue Recognition***

Contributions are recognized as support when received or when evidenced by a written promise to give.

***Functional Allocation of Expenses***

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, benefits, and other joint expenses which are allocated based on estimated time spent on each function, and professional fees which is allocated based on the use of each individual expenditure.

***Use of Estimates***

The preparation of financial statements in conformity with the accrual basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies, if any, at the date of the financial statements, and revenue and expenses during the reporting period. Actual results could differ from those estimates.

***Classes of Net Assets***

The Organization reports information regarding its financial position and activities in two classes of net assets:

Net assets without donor restrictions – net assets that are not subject to any donor-imposed stipulations;

Net assets with donor restrictions – that specify a use for a contributed asset that is more specific than the broad limits resulting from the nature of the not-for-profit entity, the environment in which it operates or the purposes specified in its articles of incorporation or by laws or comparable documents.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished) in the reporting period in which the revenue is recognized. Donations of long lived assets are recorded without donor restrictions. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

## NOTE 2 FAIR VALUE MEASUREMENTS

As required by U.S. GAAP, the Organization uses applicable guidance for defining fair value, the initial recording and periodic re-measurement of certain assets and liabilities measured at fair value and related disclosures for instruments measured at fair value. Fair value accounting guidance establishes a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the instrument's fair value measurement. The three levels within the fair value hierarchy are described as follows:

***Level 1:*** Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities.

***Level 2:*** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

***Level 3:*** Unobservable inputs for the asset or liability for which there is little, if any, market activity at the measurement date. Unobservable inputs reflect the Organization's own assumptions about what market participants would use to price the asset or liability. The inputs are developed based on the best information available in the circumstances, which might include the Organization's own financial data such as internally developed pricing models, discounted cash flow methodologies, as well as instruments for which the fair value determination requires significant management judgment.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

For assets that are measured using quoted prices in active markets (Level 1), the total fair value is the published market price per unit multiplied by the number of units held without consideration of transaction costs. Assets and liabilities that are measured using significant other observable inputs (Level 2) are primarily valued by reference to quoted prices of similar assets or liabilities in active markets, adjusted for any terms specific to that asset or liability. For all other assets and liabilities for which unobservable inputs are used (Level 3), fair value is derived through the use of fair value models, such as a discounted cash flow model or other standard pricing models that the Organization deems reasonable.

## NOTE 2 FAIR VALUE MEASUREMENTS (continued)

The following table summarizes financial asset instruments subject to recurring fair value measurements as of December 31, 2020:

| | Fair Value Measurements Using | |
|---|---|---|
| | | Quoted prices in active markets for identical assets |
| | **Fair Value** | **Level 1** |
| **Assets** | | |
| Money market funds | $1,037 | $1,037 |

Following is a description of the valuation methodologies used for assets measured at fair value.

### Level 1 Fair Value Measurements

*Money Market Funds*
Money market funds are valued at the daily closing price as reported by the fund. Money market funds held are open-end mutual funds that are registered with the Securities and Exchange Commission.

## NOTE 3 LIQUIDITY AND AVAILABILITY

As of December 31, 2020, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

| | |
|---|---|
| Cash | $ 143,140 |
| Investments | 1,037 |
| Total | $ 144,177 |

None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the balance sheet date.

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

## NOTE 4 COMMITMENTS

Office space is leased under a lease expiring on June 30, 2024, at rentals of $18,360 to $20,658 a year. Future minimum lease commitments are:

| Years Ending December 31, | Amount |
|---|---|
| 2021 | $ 19,189 |
| 2022 | 19,764 |
| 2023 | 20,357 |
| 2024 | 10,329 |

## NOTE 5 RELATED PARTY TRANSACTIONS

The Organization granted an affiliate $335,000 for the year ended December 31, 2020.

## NOTE 6 CONCENTRATION OF CREDIT RISK

At times, the Organization maintains cash balances in excess of the Federal Deposit Insurance Corporation's insured limits. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant risk of loss of cash.

Two donors accounted for 20% of the Organization's contribution income for the year ended December 31, 2020.

## NOTE 7 GAIN ON SALE OF BUILDING

The Organization leased a property to an unrelated party under an operating lease scheduled to expire in 2047. Upon the execution of the lease the lessee deposited into escrow $6,000,000, the full amount of the lease payments over the life of the lease. The $6,000,000 less a discount of $87,500 for early payment was released to the Organization. The entire amount received was recorded by the Organization as deferred revenue and reduced by the amount of rental income recognized under this lease through 2019.

On April 13, 2020, as stipulated in the lease the lessee exercised the option to purchase the property for an additional $1. The remaining deferred revenue was recognized as revenue in 2020.

## NOTE 8 PAYCHECK PROTECTION PROGRAM

As a result of the uncertainty surrounding the COVID-19 pandemic and its impact on operating results, the organization applied for and, in May 2020, received loan proceeds of $29,313 under the Paycheck Protection Program ("PPP") under a promissory note from Cross River Bank (the "PPP Loan"). The PPP was established as part of the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") and is administered by the U.S. Small Business Administration. The PPP Loan has a two--year term and bears interest at an annual interest rate of 1%. Monthly principal and interest payments were deferred for six months. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan and accrued interest. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, utilities, and retention of employees and maintaining salary levels. However, the organization provides no assurance that forgiveness for any portion of the PPP Loan will be obtained.

The organization has determined that the PPP Loan should be accounted for as a conditional government grant, in accordance with ASC 958-605, Not-for-Profit Entities—Revenue Recognition. Under this model, the timing of recognition for a contribution received depends on whether the contribution is conditional or not. If conditional, the contribution is not recognized until the conditions are substantially met or explicitly waived. Specifically, the organization would initially record the cash inflow from the PPP Loan as a refundable advance. The organization would then reduce the refundable advance and recognize the contribution once the conditions of release have been substantially met or explicitly waived.

As of December 31, 2020, $29,313 of loan proceeds were used to fund eligible payroll and rent expenses under the terms of the PPP Loan and the organization has substantially met the conditions for forgiveness related to this amount, which is recognized as other income. The loan was formally forgiven in 2021.

The organization applied for an additional PPP loan, and in March 2021 received loan proceeds of $47,087 under a promissory note from Cross River Bank. The loan has a 60-month term and bears interest at an annual interest rate of 1%. Monthly principal and interest payments are deferred for ten months. This PPP loan is subject to the same terms of the CARES Act as the prior PPP loan. The organization provides no assurance that forgiveness for any portion of this PPP loan will be obtained.

## NOTE 9 RISKS AND UNCERTAINTIES

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. The organization was forced to operate remotely for several months during the first half of 2020. This did not significantly impact its financial results. At the financial statement issuance date, the organization is operating normally. However, future potential impacts of the pandemic, as well as their impact on the economic environment and its direct and indirect impact in the organization are currently unknown.

## NOTE 10 CONTRIBUTED SERVICES

The Organization received contributed management and accounting services from an affiliate. Contribution revenue includes $34,630 for these services, for the year ended December 31, 2020.

## NOTE 11 SUBSEQUENT EVENTS

The Organization evaluated subsequent events through August 16, 2021, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements except for the PPP loan received in 2021 as disclosed in Note 8.