

**American Friends of  
Meir Panim, Inc.**

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**FINANCIAL  
STATEMENTS**

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**JUNE 30, 2025**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
American Friends of Meir Panim, Inc.  
Brooklyn, New York

### Opinion

We have audited the accompanying financial statements of American Friends of Meir Panim, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025, and the related statements of activities, functional expenses, 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 American Friends of Meir Panim, Inc. as of June 30, 2025, 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.

### Basis for Opinion

We conducted our audits 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 Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of American Friends of Meir Panim, Inc. 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 American Friends of Meir Panim, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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## 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 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 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 American Friends of Meir Panim, Inc.'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 American Friends of Meir Panim, Inc.'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.

*Roth & Company LLP*

Roth & Company LLP

Brooklyn, New York

May 4, 2026



**American Friends of Meir Panim, Inc.**  
**Statement of Financial Position**  
**June 30, 2025**

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**ASSETS**

**CURRENT ASSETS**

Cash	\$ 2,137,324	
Investments	13,193,864	
<b>TOTAL ASSETS</b>		<b><u>\$ 15,331,188</u></b>

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 10,844	
Loan payable	4,374,950	
<b>TOTAL LIABILITIES</b>		<b>\$ 4,385,794</b>

**NET ASSETS**

Net assets without donor restrictions		<u>10,945,394</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>\$ 15,331,188</u></b>

**American Friends of Meir Panim, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended June 30, 2025**

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**REVENUE**

Contribution income	\$ 17,628,242
In-kind contribution	3,400,000
Investment return, net	729,853

**TOTAL REVENUE** \$ 21,758,095

**EXPENSES**

Program expenses	9,938,309
General and administrative expenses	477,293
Fundraising expenses	623,083

**TOTAL EXPENSES** 11,038,685

**CHANGE IN NET ASSETS WITHOUT  
DONOR RESTRICTIONS**

10,719,410

**NET ASSETS WITHOUT DONOR RESTRICTIONS**

Beginning	<u>225,984</u>
Ending	<u><u>\$ 10,945,394</u></u>

**American Friends of Meir Panim, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2025**

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Grants	\$ 9,827,160	\$ -	\$ -	\$ 9,827,160
Salaries	71,540	153,512	226,676	451,728
Payroll taxes and benefits	39,609	37,642	57,910	135,161
Advertising	-	-	247,808	247,808
Credit card processing fees	-	24,642	-	24,642
Insurance	-	54,542	-	54,542
Interest	-	63,398	-	63,398
Office expense	-	47,159	-	47,159
Postage and shipping	-	-	90,689	90,689
Professional fees	-	33,636	-	33,636
Rent	-	24,000	-	24,000
Telephone	-	10,940	-	10,940
Travel	-	24,037	-	24,037
Utilities	-	3,785	-	3,785
<b>TOTAL EXPENSES</b>	<u>\$ 9,938,309</u>	<u>\$ 477,293</u>	<u>\$ 623,083</u>	<u>\$ 11,038,685</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**American Friends of Meir Panim, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2025**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets		\$ 10,719,410
Adjustments to reconcile change in net assets to net cash provided by operating activities		
In-kind contribution	\$ (3,400,000)	
Unrealized gain on investments	(209,655)	
Realized gain on investments	(96,633)	
Changes in operating assets and liabilities		
Accounts payable	<u>(19,377)</u>	
Total adjustments		<u>(3,725,665)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		<b>6,993,745</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of investments	(14,165,934)	
Proceeds from sale of investments	<u>7,805,762</u>	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b><u>(6,360,172)</u></b>

**NET INCREASE IN CASH** 633,573

**CASH AT BEGINNING OF YEAR** 1,503,751

**CASH AT END OF YEAR** \$ 2,137,324

**American Friends of Meir Panim, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025**

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**NOTE 1      NATURE OF ORGANIZATION**

American Friends of Meir Panim, Inc. (“the Organization”), a not-for-profit organization formed in New York in July 2001, provides funds to organizations that operate public soup kitchens and supply hot meals to needy and elderly individuals. The Organization also runs programs to help disadvantaged and vulnerable children and their families. Programs are funded by contributions.

***Use of Assumed Names***

The Organization conducts fundraising events using its legal name American Friends of Meir Panim, Inc., and the assumed names: Hope for Zion, Tikva Hope, America Eats for Israel, and A Chicken for Shabbat.

***Income Tax Status***

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

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***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 (GAAP) and accordingly reflect all significant receivables, payables and other assets and liabilities.

***Investments***

Investments are recorded at fair value. The Organization invests in various types of investment securities. Investment securities, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based on the markets’ fluctuations, and that such changes could affect the amounts reported in the Organization’s financial statements.

***Fair Value Measurements***

Fair Value Measurements establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

***Level 1:*** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Fair Value Measurements (continued)***

***Level 2:*** Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

***Level 3:*** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement 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.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of June 30, 2025, as compared to those used as of June 30, 2024.

***Common stock*** - Valued at the closing price recorded on the active market on which the individual securities are traded.

***Bonds*** - Valued at the closing price recorded on the active market on which the individual securities are traded.

***Money market funds*** - Valued at the closing price recorded on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. See Note 3 for fair value hierarchy.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Revenue Recognition - Contributions***

Unconditional contributions are recognized when received or when evidenced by a written promise to give. Contributions are reported as restricted if they are received with donor stipulations that limit the use of the donated assets.

Conditional contributions are promises to give that contain a barrier (condition) the Organization must overcome or fulfill, to be entitled to the funds. In addition, the donor retains a right to recoup the funds if the conditions are not met. Conditional contributions are not recognized until the conditions have been substantially met.

***Functional Presentation 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 payroll taxes and benefits, which are allocated based on salaries. Salaries are allocated based on the estimated time spent on each function.

***Advertising Costs***

The Organization uses advertising to raise funds among the audiences it serves. Advertising costs are expensed as incurred.

***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.

***Net Asset Classification***

The Organization reports information regarding its financial position and activities in two classes of net assets: (A) net assets without donor restrictions – net assets that are not subject to any donor-imposed stipulations and (B) 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. The Organization does not have any net assets with donor restrictions for the year ending June 30, 2025.

**American Friends of Meir Panim, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Investments measured at Fair Value as of June 30, 2025 are as follows:

Asset	Fair Value	Level		
		1	2	3
Common stock	\$ 1,658,254	\$ 1,658,254	\$ -	\$ -
Bonds	11,319,808	11,319,808		
Money market	215,802	215,802		
Total investments	13,193,864	13,193,864	\$ -	\$ -

Investment income as for the year ended June 30, 2025 was as follows:

Realized gain	\$ 96,633
Unrealized gain	209,655
Interest and dividends	458,809
Investment fees	(35,244)
Total investment income	\$ 729,853

The Organization utilized margin borrowings during the year to finance investment activities. Although no margin balance was outstanding at year-end, borrowings during the period resulted in interest expense of \$63,398. The borrowings were collateralized by marketable securities.

**NOTE 4 LOAN PAYABLE**

Loan payable consists of an unsecured loan from an unrelated organization which bears no interest and is due on demand. The balance at June 30, 2025 is \$4,374,950.

**NOTE 5 IN-KIND CONTRIBUTION**

The opening balance at July 1, 2024 of the loan described in Note 4 was \$7,774,950. During the year ended June 30, 2025, the lender forgave \$3,400,000 and this was reported on the Statement of Activities and Changes in Net Assets as in-kind contribution.

**NOTE 6 DONATED SERVICES**

Some of the service programs are carried out by volunteers. GAAP requires donated services that require specialized skills to be valued at market value and reported as in-kind contribution and contracted services expense. Because the services provided do not require specialized skills, their value is not reflected in the financial statements.

**American Friends of Meir Panim, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025**

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**NOTE 7 LIQUIDITY AND AVAILABILITY**

As of June 30, 2025, the Organization maintains financial assets of \$15,331,188 which consists of cash and investments of \$2,137,324 and \$13,193,864, respectively, to be readily available for general expenditures within one year of the balance sheet

None of the 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 goal to maintain financial assets on hand to meet one hundred and twenty days of normal operating expenses, which are on average, approximately \$3,600,000. It is the Organization's policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Organization's discretionary grants to others represent approximately 89% of expenditures. Liquidity is managed by disbursing grants as funds are available.

**NOTE 8 CONCENTRATIONS OF CREDIT RISK**

***Cash and investments***

As of June 30, 2025, the Organization maintained cash balances of approximately \$1,880,000 in excess of the Federal Deposit Insurance Corporation's insured limits of \$250,000. Management evaluates the associated risks of uninsured funds and the institutions they are maintained in and concluded the risks are minimal.

***Revenue***

Two donors accounted for 45% of the Organization's contribution revenue for the year ended June 30, 2025.

**NOTE 9 SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through May 4, 2026, the date these financial statements were available to be issued.