

Israel Emergency Alliance dba StandWithUs

Consolidated Financial Statements

December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Israel Emergency Alliance dba StandWithUs
Los Angeles, California

We have audited the accompanying consolidated financial statements of Israel Emergency Alliance dba StandWithUs (a California nonprofit corporation) ("StandWithUs"), which comprise the consolidated statement of financial position as of December 31, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAP). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Basis for Qualified Opinion

U.S. GAAP requires StandWithUs to consolidate into its financial statements entities (1) which it controls and (2) in which it has a financial or economic interest. Management has informed us that StandWithUs' financial statements do not include the accounts of the Saidoff Foresight Foundation ("Foresight") which StandWithUs controls and has a financial interest. The effects of this departure from U.S. GAAP are disclosed in Note 1 to the financial statements.



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Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Israel Emergency Alliance dba StandWithUs as of December 31, 2020, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Armanino LLP". The signature is written in a cursive, flowing style.

Armanino^{LLP}
Los Angeles, California

November 18, 2021

Israel Emergency Alliance dba StandWithUs
Consolidated Statement of Financial Position
December 31, 2020

ASSETS

Cash and cash equivalents	\$ 13,876,318
Investments	20,693
Pledges receivable, net	3,737,208
Accounts receivable	6,541
Inventory	23,201
Prepaid expenses and other assets	96,620
Deposits	61,110
Property and equipment, net	<u>102,520</u>
 Total assets	 <u><u>\$ 17,924,211</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable and accrued expenses	\$ 884,439
Note payable - Paycheck Protection Program	<u>1,009,173</u>
Total liabilities	<u>1,893,612</u>
Net assets	
Without donor restrictions	
General	5,038,282
Board-designated	<u>500,000</u>
Total without donor restrictions	5,538,282
With donor restrictions	<u>10,492,317</u>
Total net assets	<u>16,030,599</u>
 Total liabilities and net assets	 <u><u>\$ 17,924,211</u></u>

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

Israel Emergency Alliance dba StandWithUs
Consolidated Statement of Activities
For the Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains and other support			
Grants and contributions	\$ 7,216,986	\$ 7,886,913	\$ 15,103,899
Fundraising events, net of direct costs of \$118,294	3,054,714	-	3,054,714
Educational events	41,661	-	41,661
Material sales	21,618	-	21,618
Miscellaneous income	42,567	-	42,567
Net assets released from restriction	<u>5,639,673</u>	<u>(5,639,673)</u>	<u>-</u>
Total revenues, gains and other support	<u>16,017,219</u>	<u>2,247,240</u>	<u>18,264,459</u>
Investment returns			
Interest income, net	28,186	-	28,186
Realized gains on sales of investments	<u>14,685</u>	<u>-</u>	<u>14,685</u>
Total investment returns	<u>42,871</u>	<u>-</u>	<u>42,871</u>
Total revenues, gains, other support, and investment returns	<u>16,060,090</u>	<u>2,247,240</u>	<u>18,307,330</u>
Functional expenses			
Program services	<u>12,757,176</u>	<u>-</u>	<u>12,757,176</u>
Support services			
Management and general	840,599	-	840,599
Fundraising	<u>739,649</u>	<u>-</u>	<u>739,649</u>
Total support services	<u>1,580,248</u>	<u>-</u>	<u>1,580,248</u>
Total functional expenses	<u>14,337,424</u>	<u>-</u>	<u>14,337,424</u>
Change in net assets from operations	1,722,666	2,247,240	3,969,906
Decrease in value of pledges receivable	<u>-</u>	<u>(146,915)</u>	<u>(146,915)</u>
Change in net assets	1,722,666	2,100,325	3,822,991
Net assets, beginning of year	<u>3,815,616</u>	<u>8,391,992</u>	<u>12,207,608</u>
Net assets, end of year	<u>\$ 5,538,282</u>	<u>\$ 10,492,317</u>	<u>\$ 16,030,599</u>

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

Israel Emergency Alliance dba StandWithUs
Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2020

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel expenses				
Salaries and wages	\$ 6,074,505	\$ 447,240	\$ 635,350	\$ 7,157,095
Employee benefits	552,989	600	8,864	562,453
Payroll taxes	<u>509,353</u>	<u>82,109</u>	<u>25,382</u>	<u>616,844</u>
Total personnel expenses	<u>7,136,847</u>	<u>529,949</u>	<u>669,596</u>	<u>8,336,392</u>
Other expenses				
Advertising	82,059	2,200	-	84,259
Bank and credit card fees	51,134	86,694	-	137,828
Brochures, flyers, video and materials	411,777	-	-	411,777
Depreciation and amortization	82,721	-	-	82,721
Direct mail campaign	-	-	27,052	27,052
Educational events and conferences	906,012	1,330	-	907,342
Information Technology	548,546	-	-	548,546
Insurance	37,869	-	-	37,869
Miscellaneous	26,168	31,545	1,145	58,858
Occupancy	651,180	75,597	-	726,777
Office expenses	136,282	27,392	37,209	200,883
Partnered events	1,688,208	-	-	1,688,208
Professional fees	531,074	85,892	-	616,966
Speakers, educators and consultants	339,926	-	-	339,926
Telephone	53,042	-	1,264	54,306
Travel	74,331	-	3,383	77,714
Direct benefit costs	<u>-</u>	<u>-</u>	<u>118,294</u>	<u>118,294</u>
Total other expenses	<u>5,620,329</u>	<u>310,650</u>	<u>188,347</u>	<u>6,119,326</u>
Less: expenses included with revenues on the statement of activities:				
Direct benefit costs	<u>-</u>	<u>-</u>	<u>(118,294)</u>	<u>(118,294)</u>
	<u>\$ 12,757,176</u>	<u>\$ 840,599</u>	<u>\$ 739,649</u>	<u>\$ 14,337,424</u>
Percentage of total	<u>89.0 %</u>	<u>5.9 %</u>	<u>5.1 %</u>	<u>100.0 %</u>

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

Israel Emergency Alliance dba StandWithUs
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2020

Cash flows from operating activities	\$ 3,822,991
Change in net assets	
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and and amortization	82,721
Contributed investments	(5,690)
Realized gains on sales of investments	(14,685)
Changes in operating assets and liabilities	
Pledges receivable	663,287
Accounts receivable	8,032
Prepaid expenses and other assets	(62,468)
Deposits	1,060
Accounts payable and accrued expenses	<u>(173,683)</u>
Net cash provided by operating activities	<u>4,321,565</u>
Cash flows from investing activities	
Proceeds from sales of investments	6,336,887
Purchases of investments	(2,895,120)
Purchases of property and equipment	<u>(4,697)</u>
Net cash provided by investing activities	<u>3,437,070</u>
Cash flows from financing activities	
Proceeds from note payable - Paycheck Protection Program	<u>1,009,173</u>
Net cash provided by financing activities	<u>1,009,173</u>
Net increase in cash and cash equivalents	8,767,808
Cash and cash equivalents, beginning of year	<u>5,108,510</u>
Cash and cash equivalents, end of year	<u><u>\$ 13,876,318</u></u>

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

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

1. NATURE OF OPERATIONS

Israel Emergency Alliance, dba StandWithUs ("StandWithUs") was founded in 2001 in response to the misinformation that often surrounds the Middle East conflict, and the inappropriate, often antisemitic, language used about Israel and/or Jewish people worldwide. StandWithUs has offices and chapters in Los Angeles, New York, Florida, Chicago, Seattle, Orange County, Northern California, Rancho Mirage, Israel, San Diego, and Philadelphia. The accounts of these offices and chapters are included in these financial statements. StandWithUs also supports the efforts of offices in Canada, the United Kingdom, and Brazil, and offers programs in South Africa.

StandWithUs is a 20 year-old international Israel education organization that ensures that Israel's stories of history, challenges and achievements are told in communities, on campuses, in high schools, middle schools, in libraries, through social media, through film, in churches through brochures, speakers, conferences, and missions to Israel, and in thousands of pages of internet resources. When misinformation is promoted about Israel by people wishing to create ill will against the Jewish State and/or its supporters, StandWithUs works actively to challenge the inaccuracies and/or antisemitism. In the last few years StandWithUs has also created a legal department to assist students, faculty and community members who experience antisemitic bullying. As part of the legal department, StandWithUs has cultivated over 200 pro bono attorneys. It should be noted that StandWithUs are leaders in social media, reaching millions of people each week to fulfill their mission of Israel education and fighting antisemitism.

Aside from producing video and audio presentations, booklets, and teaching tools and resources, StandWithUs has also established other programs. For example, Link, the new middle school curriculum now in over 200 middle schools, is at www.IsraelLink.org and Alums for Campus Fairness (ACF), www.IsraelLink.org, the alumni program, already has over 40 chapters and is growing rapidly.

StandWithUs' operations are sustained through its periodic fundraising campaigns and voluntary contributions from the public as well as from foundations. For the last nine years, StandWithUs has consistently received the highest possible ratings from charity watchdog groups, Guide Star and Charity Navigator.

StandWithUs International LTD

StandWithUs International LTD was formed in March 2007 as a Israeli public benefit company. StandWithUs has control and a financial interest in StandWithUs International LTD, whose specific purpose is to deliver StandWithUs programs and education in the country of Israel. As a result, StandWithUs has included the activity of StandWithUs International LTD in the consolidated financial statements for the year ended December 31, 2020.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

1. NATURE OF OPERATIONS (continued)

The Tomorrow Foundation

The Tomorrow Foundation was formed in August 2020 as a supporting organization of StandWithUs. StandWithUs controls the appointment of the Board of Directors and has a financial interest in the Tomorrow Foundation, a California nonprofit organization, whose specific purpose is to provide funding and other programs to support the educational and public benefit efforts of StandWithUs. As a result, StandWithUs has included the activity of the Tomorrow Foundation in the consolidated financial statements for the year ended December 31, 2020.

Saidoff Foresight Foundation

StandWithUs controls the appointment of the Board of Directors and has a financial interest in Saidoff Foresight Foundation ("Foresight"), a California nonprofit organization, whose specific purpose is to provide funding and other programs to support the educational and public benefit efforts of StandWithUs. Management of StandWithUs have chosen not to include the accounts of Foresight in the consolidated financial statements as of December 31, 2020, which is a departure from U.S. GAAP.

The unaudited financial statement balances of Foresight as of and for the year ended December 31, 2020, which are not included in these financial statements, are as follows:

	(Not Covered by Independent Auditor's Report)
Total assets*	\$ <u>6,672,854</u>
Total liabilities	\$ <u>2,027,438</u>
Total net assets	\$ <u>4,645,416</u>
Total revenues	\$ <u>-</u>
Total expenses**	\$ <u>2,884,603</u>

* Includes \$6,659,624 in real estate assets.

** Includes \$2,361,500 paid to and/or accrued for StandWithUs.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). StandWithUs' consolidated financial statements include the accounts of StandWithUs, StandWithUs International LTD, and the Tomorrow Foundation. There were no material intercompany transactions to be eliminated in the consolidation.

StandWithUs reports information regarding its financial position and activities based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net assets without donor restrictions, general* - Include contributions, events, sales and other forms of unrestricted revenue and expenditures related to the general operations and fundraising efforts of StandWithUs.
- *Net assets without donor restrictions, Board-designated* - Include unrestricted net assets the Board of Directors has designated to be utilized for contingent purposes.
- *Net assets with donor restrictions* - (see Note 7) - Include net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires that is, when the stipulated time has elapsed, when the stipulated purpose has been fulfilled, or both.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and cash equivalents

StandWithUs considers all financial instruments purchased with an original maturity of three months or less to be cash equivalents.

Concentrations

Frequently, StandWithUs' bank balances exceed Federal Deposit Insurance Corporation ("FDIC")-insured limits. StandWithUs has not experienced and does not anticipate any losses related to cash held in these accounts.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are carried at fair value (see Note 3). Interest and dividend income, and gains and losses on investments are reported in the statement of activities as either increases or decreases in net assets without donor restrictions, unless the use is restricted by donor stipulations or law.

Pledges receivable

Unconditional donor promises to give cash and other assets to StandWithUs are reported at the fair value of the promise and at the date the promise is received. Conditional promises to give and indications of intentions to give are not reported until the conditions are met. Management has established an allowance for potentially uncollectible pledges totaling \$127,075 at December 31, 2020, based on management's estimate of future collections.

Property and equipment

Purchases of property and equipment are recorded at cost. Donated items are recorded at estimated fair value when received. Depreciation and amortization on both purchased and donated items are recorded using the straight-line method over the shorter of the estimated useful life of the related assets or, for leasehold improvements, the terms of the leases, as follows:

Computer hardware and software	5 years
Office furniture and equipment	7 years

Normal repairs and maintenance are expensed as incurred, whereas significant charges that materially increase values or extend useful lives are capitalized and depreciated over the estimated useful lives of the related assets.

Impairment of long-lived assets

Management reviews each asset or asset group for impairment whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable, but at least annually. No impairment provision was recorded by StandWithUs during the year.

Grants and contributions

Grants and contributions consist primarily of donations from foundations, businesses and the general public. Grants and contributions are recorded when committed to StandWithUs by the donor. During 2020, StandWithUs had gross revenues, gains and other support of \$18,382,753, and of this amount, \$3,173,008 was raised at fundraising events.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed investments and securities

StandWithUs occasionally receives contributed investments and securities. The general policy is to sell securities actively traded in public exchanges, such as corporate stocks, within days after they have been contributed and to hold other types of contributed securities until maturity or to be sold when management deems market conditions to be optimized.

Allocation of functional expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Certain expenses that are associated with program or supporting services have been allocated between the program and supporting services benefited based on management's estimate of time spent on the program and services.

Advertising

StandWithUs uses advertising to promote its programs among the audiences it serves and direct mail for fundraising. All direct mail campaigns include an educational booklet about a topical issue. Advertising and direct mail costs are expensed as incurred. Advertising costs totaled \$84,259 during the year; direct mail costs totaled \$27,052.

Income tax status

StandWithUs is a nonprofit public benefit corporation organized under the laws of California and, as such, is exempt from federal and state income taxes under Internal Revenue Code ("IRC") Section 501(c)(3) and corresponding state provisions.

StandWithUs' federal income tax returns for the years 2017 and beyond remain subject to examination by the Internal Revenue Service. The returns for California, its most significant state jurisdiction, remain subject to examination by state taxing authorities for the tax years 2016 and beyond.

Subsequent events

StandWithUs has evaluated events subsequent to December 31, 2020, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through November 18, 2021, the date the financial statements were available to be issued. Based upon this evaluation, it was determined no subsequent events occurred that require recognition or additional disclosure in the financial statements, except as disclosed in Note 8.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

3. INVESTMENTS

StandWithUs reports its investments at fair value among three categories of price inputs available. These categories of inputs are quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

The following table sets forth by level, within the fair value hierarchy, the StandWithUs's assets at fair value as of December 31, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Ford Interest Advantage Unsecured Debt Obligations	\$ -	\$ 9,517	\$ -	\$ 9,517
Bonds	<u>-</u>	<u>11,176</u>	<u>-</u>	<u>11,176</u>
	<u>\$ -</u>	<u>\$ 20,693</u>	<u>\$ -</u>	<u>\$ 20,693</u>

Activity in the investments during the year was as follows:

Balance, beginning of year	\$ 3,442,085
Purchases of investments	2,895,120
Contributed investments	5,690
Proceeds from sales of investments	(6,336,887)
Realized gains on sales of investments	<u>14,685</u>
Balance, end of year	<u>\$ 20,693</u>

4. PLEDGES RECEIVABLE

Pledges receivable consisted of the following:

Due in one year or less	\$ 2,764,283
Due in one to five years	700,000
Due in greater than five years	<u>400,000</u>
	3,864,283
Allowance for potentially uncollectible pledges	<u>(127,075)</u>
	<u>\$ 3,737,208</u>

StandWithUs does not discount pledges receivable, as management has determined the impact to be immaterial to the financial statements.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

Computer hardware and software	\$ 325,722
Office furniture and equipment	155,675
Leasehold improvements	<u>383,022</u>
	864,419
Accumulated depreciation and amortization	<u>(761,899)</u>
	<u><u>\$ 102,520</u></u>

6. COMMITMENTS

StandWithUs leases office space for its offices and chapters. Monthly rent payments for these leases range from approximately \$1,000 to \$28,000 per month, expiring at various dates between October 2021 and July 2024. The lease expiring in October 2021 was not renewed.

The scheduled minimum lease payments under the lease terms are as follows:

Year ending December 31,

2021	\$ 646,997
2022	607,582
2023	435,054
2024	<u>196,350</u>
	<u><u>\$ 1,885,983</u></u>

Office rent expense during the year, including various month-to-month leases, totaled \$682,260.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

Alums for Campus Fairness	\$ 2,206,571
Campus	1,646,405
High School	1,382,303
Israel Capital Campaign	962,701
Creative Community for Peace	957,729
Emerson Fellows	384,659
Community	165,000
Social media	69,599
Saidoff	68,201
JD Fellows	<u>9,338</u>
	7,852,506
Time restricted only	<u>2,639,811</u>
	<u><u>\$ 10,492,317</u></u>

In 2019, StandWithUs launched a capital campaign for the expansion of the Israel office and education center. StandWithUs hopes to raise \$6,000,000. As of December 31, 2020, StandWithUs has raised \$1,155,000 towards its goal and expended \$192,299 for the campaign. The \$962,701 of unexpended funds is included in net assets with donor restrictions within the line items Israel Capital Campaign.

In addition to the \$2,639,811 shown above, there is an additional \$1,097,397 of time-restricted net assets that are also purpose restricted. The total of these amounts, \$3,737,208, is shown as pledges receivable in the accompanying statement of financial position.

8. NOTE PAYABLE - PAYCHECK PROTECTION PROGRAM

In April 2020, StandWithUs received loan proceeds totaling \$1,009,173 from a promissory note issued by a bank under the Paycheck Protection Program ("PPP") which was established under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and is administered by the U.S. Small Business Administration ("SBA"). The term on the PPP loan is two years and the annual interest rate was 1.00%. Payments of principal and interest are deferred for the first 10 months of the loan. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loans granted under PPP. Such forgiveness will be determined based on the use of the loan proceeds for payroll costs, rent and utility expenses and the maintenance of workforce and compensation levels with certain limitations. StandWithUs believes that it will likely qualify for forgiveness, but there is uncertainty around the standards and operations of the PPP, and no assurance is provided that StandWithUs will obtain forgiveness in whole or in part. As a result, StandWithUs has accounted for the PPP loan in accordance with the Federal Accounting Standards Board's ASC 470-*Debt*.

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

8. NOTE PAYABLE - PAYCHECK PROTECTION PROGRAM (continued)

In February 2021, StandWithUs received a second loan under the Paycheck Protection Program ("2nd PPP") for \$1,009,022. The term on the 2nd PPP loan is five years and the annual interest rate is 1.00%. StandWithUs expects the majority of this loan to be forgiven.

In June 2021, StandWithUs' loan forgiveness application for the \$1,009,173 of loan proceeds received in April 2020 was fully approved by the SBA.

9. LIQUIDITY AND AVAILABILITY

StandWithUs is significantly supported by contributions with donor restrictions. StandWithUs maintains sufficient resources to meet its responsibilities to its donors. StandWithUs' liquidity management policy is designed to provide that its remaining financial assets are available for operations as its general expenditures, liabilities, and other obligations come due.

The following reflects StandWithUs' financial assets reported on the statement of financial position, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions. Consequently, amounts available exclude net assets with donor restrictions as of December 31, 2020.

Liquidity of financial assets as of December 31, 2020 is as follows:

Cash and cash equivalents	\$ 13,876,318
Investments	20,693
Pledges receivable, net	3,737,208
Accounts receivable	<u>6,541</u>
	17,640,760
Board-designated net assets (see Note 2)	(500,000)
Pledges receivable due past one year (see Note 4)	(1,100,000)
Net assets subject to expenditure for specified purpose (see Note 7)	<u>(7,852,506)</u>
	<u>\$ 8,188,254</u>

Israel Emergency Alliance dba StandWithUs
Notes to Consolidated Financial Statements
December 31, 2020

10. RISKS AND UNCERTAINTIES

In December 2019, an outbreak of a novel strain of coronavirus ("COVID-19") originated in Wuhan, China and on March 11, 2020, the World Health Organization characterized COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter-in-place orders. In response, the U.S. Government enacted the CARES Act, which includes significant provisions to provide relief and assistance to affected organizations. StandWithUs has transitioned to a work from home model and has otherwise maintained existing operations. StandWithUs has also obtained funding under the CARES Act through the Paycheck Protection Program. Although StandWithUs is continuing to monitor and assess the effects of the COVID-19 pandemic on their operations, the ultimate impact of the COVID-19 outbreak, the CARES Act and other governmental initiatives is highly uncertain and subject to change.