A JEWISH VOICE FOR PEACE, INC.

Financial Statements for the Years Ended June 30, 2017 and 2016 and Independent Auditors' Report

A JEWISH VOICE FOR PEACE, INC.

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KARLSSON & LANE
AN ACCOUNTANCY CORPORATION

INDEPENDENT AUDITORS' REPORT

To the Audit Committee of
A Jewish Voice for Peace, Inc.
Oakland, California

We have audited the accompanying financial statements of A Jewish Voice for Peace, Inc. (a California nonprofit corporation) (the "Organization") which comprise the statements of financial position as of June 30, 2017, and the related statements of activities, 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.

Auditors' 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 Organization'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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Pleasanton, CA 94566
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of the Organization as of June 30, 2016 were audited by other auditors whose report dated March 17, 2017, expressed an unmodified opinion on those statements.

Karlsson & Lane, a.c.

Pleasanton, California
December 15, 2017

A JEWISH VOICE FOR PEACE, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and equivalents	$ 724,426	$ 963,044
Investments	17,466	-
Accounts receivable	2,064	229
Contributions receivable	100,000	70,000
Prepaid expenses and other	34,701	64,637
Total current assets	878,657	1,097,910
CONTRIBUTIONS RECEIVABLE	70,000	-
DEPOSITS	6,594	6,394
PROPERTY AND EQUIPMENT, net	52,844	55,434
TOTAL ASSETS	$ 1,008,095	$ 1,159,738
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 264,747	$ 265,676
Total current liabilities	264,747	265,676
Total liabilities	264,747	265,676
NET ASSETS:		
Unrestricted	327,937	601,155
Temporarily restricted	415,411	292,907
Total net assets	743,348	894,062
TOTAL LIABILITIES AND NET ASSETS	$ 1,008,095	$ 1,159,738

See accompanying notes to the financial statements.

A JEWISH VOICE FOR PEACE, INC.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
UNRESTRICTED NET ASSETS		
Revenue and support:		
Contributions and grants	$ 2,383,486	$ 2,083,766
Event fees	242,348	4,687
Chapter income	179,587	48,690
Other income	33,391	24,739
Total revenue and support	2,838,812	2,161,882
Net assets released from restrictions	420,326	401,910
Total revenues and net assets released from restrictions	3,259,138	2,563,792
Expenses:		
Program services	2,841,793	1,950,237
Supporting services:		
General and administrative	299,569	312,481
Fundraising	390,994	435,690
Total expenses	3,532,356	2,698,408
CHANGE IN UNRESTRICTED NET ASSETS	(273,218)	(134,616)
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	542,830	373,494
Net assets released from restrictions	(420,326)	(401,910)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	122,504	(28,416)
CHANGE IN NET ASSETS	(150,714)	(163,032)
NET ASSETS, BEGINNING OF YEAR	894,062	1,057,094
NET ASSETS, END OF YEAR	$ 743,348	$ 894,062

See accompanying notes to the financial statements.

A JEWISH VOICE FOR PEACE, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2017

		Supporting Services		
	Program Services	General and Administrative	Fundraising	Total Program and Supporting Services
Personnel	$ 1,556,670	$ 198,714	$ 215,004	$ 1,970,388
Special projects	594,242	-	-	594,242
Chapter expenses	133,842	-	-	133,842
Travel and conferences	111,887	11,173	9,199	132,259
Occupancy	97,542	16,168	14,446	128,156
Organizing	127,110	-	-	127,110
Contractors and consultants	77,875	24,101	5,163	107,139
Printing	35,187	-	55,554	90,741
Technology	32,071	9,115	20,377	61,563
Bank fees and service charges	-	2,463	44,940	47,403
Communications	37,946	-	-	37,946
Other fundraising costs	74	-	23,901	23,975
Other expense	16,810	1,434	-	18,244
Staff and board expenses	15,206	317	1,917	17,440
Depreciation	-	15,855	-	15,855
Licenses and registration	-	15,688	-	15,688
Insurance	2,425	3,991	-	6,416
Postage	2,850	550	493	3,893
In-kind donations	56	-	-	56
Total	$ 2,841,793	$ 299,569	$ 390,994	$ 3,532,356

See accompanying notes to the financial statements.

A JEWISH VOICE FOR PEACE, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016

		Supporting Services		
	Program Services	General and Administrative	Fundraising	Total Program and Supporting Services
Personnel	$ 1,409,342	$ 162,580	$ 212,615	$ 1,784,537
Occupancy	89,600	28,437	15,258	133,295
Contractors and consultants	59,739	67,975	4,269	131,983
Travel and conferences	96,948	7,496	10,102	114,546
Chapter expenses	110,787	-	-	110,787
Organizing	100,409	122	-	100,531
Printing	2,509	403	64,680	67,592
Other fundraising costs	-	1,304	60,605	61,909
Technology	30,936	1,288	11,070	43,294
Bank fees and service charges	(4,285)	(4,273)	41,690	33,132
Licenses and registration	25	15,858	11,104	26,987
Staff and board expenses	15,526	7,392	1,324	24,242
Other expense	19,267	3,195	1,229	23,691
Communications	11,815	9	1,315	13,139
Depreciation	-	10,838	-	10,838
Postage	3,168	5,327	429	8,924
Insurance	-	4,530	-	4,530
Special projects	4,451	-	-	4,451
Total	$ 1,950,237	$ 312,481	$ 435,690	$ 2,698,408

See accompanying notes to the financial statements.

A JEWISH VOICE FOR PEACE, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (150,714)	$ (163,032)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	15,855	10,838
Loss on disposal of property and equipment	-	3,364
Net realized and unrealized gains on investments	(3,202)	-
Changes in assets and liabilities that provided (used) cash:		
Accounts receivable	(1,835)	3,245
Contributions receivable	(100,000)	139,810
Prepaid expenses and other	29,936	(22,860)
Accounts payable and accrued expenses	(929)	53,384
Net cash (used in) provided by operating activities	(210,889)	24,749
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(13,265)	(54,329)
Purchases of investments	(14,264)	-
Payments of long term deposits	(200)	-
Net cash used in investing activities	(27,729)	(54,329)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(238,618)	(29,580)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	963,044	992,624
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 724,426	$ 963,044

See accompanying notes to the financial statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operation - A Jewish Voice for Peace, Inc. (the "Organization") is a national Jewish nonprofit organization that provides a voice for Jews and allies who believe that peace in the Middle East will be achieved through justice and full equality for both Palestinians and Israelis. With offices in New York and California, online activists, chapters across the country, and an Advisory Board comprised of numerous prominent Jewish thinkers and artists, the Organization supports nonviolent efforts in the United States and in Israel-Palestine to end Israel's occupation, expand human and civil rights, and implement a US policy based on international law and democracy. The Organization:

- Conducts global campaigns to defend and free Israeli and Palestinian human rights activists,
- Fights McCarthyite censorship of debate and misuses of the charge of anti-Semitism, especially in the Jewish community,
- Supports the growth of the Boycott, Divestment and Sanctions movement through divestment from companies that profit from the occupation,
- Works in coalition with others including Arab, Muslim, Palestinian and Christian groups to fight bigotry and end the occupation,
- Facilitates Congressional outreach regarding policy in the region, and
- Supports alternative Jewish rituals that include Palestinian narratives.

Financial Statement Presentation - The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets - Unrestricted net assets result from revenues, unrestricted contributions, unrestricted dividend and interest income, less expenses incurred in operations, to raise contributions, and for administrative functions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Temporarily Restricted Net Assets - Support that is restricted by the donor is recorded as an increase in temporarily restricted net assets. When a restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets.

Permanently Restricted Net Assets - Support that represents contributions held as investments in perpetuity as directed by the donor.

The Organization had no permanently restricted net assets at June 30, 2017 and 2016, respectively.

Basis of Accounting - The Organization maintains its accounting records and prepares its financial statements using the accrual basis method of accounting; therefore, revenue is recognized when earned, regardless of when collected, and expenses are recognized when the obligation is incurred regardless of when paid.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value - ASC 820 includes a fair value hierarchy that is intended to increase the consistency and comparability in fair value measurements and related disclosures. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources while unobservable inputs reflect a reporting entity's pricing based upon their own market assumptions. The fair value hierarchy consists of the following three levels:

Level 1 - instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2 - instrument valuations are obtained from readily-available pricing sources for comparable instruments.

Level 3 - instrument valuations are obtained without observable market values and require a high level of judgment to determine the fair value.

Statements of Cash Flows - Cash equivalents are all highly liquid investments with original maturities of three months or less.

Investments - Investments are recorded at fair value based on real-time quotes for transactions in active exchange markets involving identical assets ("Level 1").

Accounts Receivable - Accounts receivable are recorded at the value of the revenue earned and due upon presentation. Receivable balances with charges over thirty days old are considered delinquent and management begins collection efforts at this time. Delinquent accounts receivable invoices do not accrue interest. The Organization continually monitors the credit worthiness of each account and recognizes allowances for estimated bad debts on accounts that are no longer estimated to be collectible. No allowance was considered necessary at June 30, 2017 or 2016, respectively.

Contributions Receivable - Contributions receivable consist of unconditional promises to give. Non-current contributions receivable are expected to be collected in fiscal 2019.

Property and Equipment - Property and equipment purchased by the Organization is recorded at cost. The Organization follows the practice of capitalizing all expenditures for equipment and leasehold improvements over $1,000. The fair value of all donated property and equipment is similarly capitalized. Depreciation has been provided on the straight-line method based upon the following estimated useful lives of the assets:

Equipment	5 years
Leasehold improvements	Remaining life of lease

Contributions - Contributions are generally recorded only upon receipt, unless evidence or an unconditional promise to give has been received. Conditional promises are not included as support until such time as the conditions are substantially met. All contributions are considered available for unrestricted use unless specifically restricted by the donor or implicitly restricted by time.

Income Taxes - Under provision of Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code, the Organization is exempt from income taxes, except for net income from unrelated business income. There were no unrelated business activities in 2017 or 2016, respectively. Accordingly, no tax expense was incurred during the years ending June 30, 2017 and June 30, 2016, respectively.

The Organization has adopted the accounting guidance related to uncertain tax positions, and has evaluated its tax positions taken for all open tax years. Currently, the fiscal 2014 through 2016 information returns are open and subject to examination. In management's judgment there are no uncertain tax positions as of June 30, 2017.

Functional Expense Classification - The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the various functions.

Credit Risk - Financial instruments which potentially subject the Organization to credit risk consist principally of cash and equivalents, investments, and receivables. The Organization's cash is maintained in demand deposits and in money funds. Cash balances exceeded federal insurance limits by approximately $80,000 at June 30, 2017. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the statements of financial position. The Organization generally does not maintain collateral for its receivables, and does not believe significant credit risk exists at June 30, 2017.

Subsequent Events - Subsequent events have been evaluated through December 15, 2017, which is the date the financial statements were available to be issued.

Reclassifications - Certain 2016 balances have been reclassified to conform to the 2017 financial statement presentation.

2. CONCENTRATIONS

Concentrations in contributions receivable include one donor that accounted for 100% of total grants and contributions receivable at June 30, 2017.

3. INVESTMENTS

Investments consisted of equity securities at June 30, 2017, and are considered Level 1 assets.

Investment income for the years ended June 30, 2017 and 2016 was as follows:

	2017	2016
Interest and dividends	$ 729	$ -
Net unrealized and realized gains	3,202	-
Net investment income	$ 3,931	$ -

4. LEASES

The Organization leases office space under various cancelable and non-cancelable operating leases. Rent expense totaled $112,809 and $112,748 for the years ended June 30, 2017 and 2016, respectively. Future minimum lease payments under non-cancelable leases are as follows:

Year end June 30,	
2018	80,904
2019	83,331
2020	47,963
Total	$ 212,198

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2017 and 2016:

	2017	2016
Equipment	$ 37,135	$ 23,870
Leasehold improvements	44,827	44,827
	81,962	68,697
Accumulated depreciation	(29,118)	(13,263)
Net property and equipment	$ 52,844	$ 55,434

Depreciation expense for the years ended June 30, 2017 and 2016 was $15,855 and $10,838, respectively.

6. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are subject to donor-imposed stipulations that will be met by either actions of the Organization and/or the passage of time. At June 30, 2017 and 2016, temporarily restricted net assets consisted of the following:

	2017	2016
Chapter activities	$ 186,274	$ 140,530
Network Against Islamophobia	25,000	-
Campus organizing	20,000	-
Other program costs	14,137	556
Building organizing capacity	-	76,535
Nakba Education Project	-	7,897
Restricted to future periods	170,000	67,389
Total	$ 415,411	$ 292,907

7. PENSION PLAN

A pension plan, organized under Section 401(k) of the Internal Revenue Code (the "Plan"), is provided for substantially all employees of the Organization. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. The Organization may make discretionary contributions to the Plan. The Organization did not make any discretionary contributions to the Plan during the years ended June 30, 2017 and 2016, respectively.