



# **Jewish Community Services of Hawaii**

Financial Statements  
(With Independent Auditors' Report Thereon)

December 31, 2024 and 2023

# JEWISH COMMUNITY SERVICES OF HAWAII

## Financial Statements

December 31, 2024 and 2023

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## Independent Auditors' Report

The Board of Directors  
Jewish Community Services of Hawaii:

### ***Opinion***

We have audited the financial statements of Jewish Community Services of Hawaii (the Organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Organization 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 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.

## *Auditors' 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 auditors' 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 auditing standards generally accepted in the United States of America 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, 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 judgement, 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.

*KKDL Y LLC*

Honolulu, Hawaii  
April 21, 2025

**JEWISH COMMUNITY SERVICES OF HAWAII**

Statements of Financial Position

December 31, 2024 and 2023

<b>Assets</b>	<b>2024</b>	<b>2023</b>
Current assets:		
Cash and cash equivalents	\$ 952,613	\$ 710,147
Investments	439,601	413,384
Total assets	<u>\$ 1,392,214</u>	<u>\$ 1,123,531</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 21,875	\$ 43,057
Other liabilities	1,694	-
Total liabilities	<u>23,569</u>	<u>43,057</u>
Net assets:		
Without donor restrictions	1,136,898	1,024,378
With donor restrictions	231,747	56,096
Total net assets	<u>1,368,645</u>	<u>1,080,474</u>
Total liabilities and net assets	<u>\$ 1,392,214</u>	<u>\$ 1,123,531</u>

See accompanying notes to financial statements

**JEWISH COMMUNITY SERVICES OF HAWAII**

Statement of Activities

Year Ended December 31, 2024

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Revenue, gains, and other support:			
Grants	\$ 440,000	\$ 416,600	\$ 856,600
Contributions	107,059	-	107,059
Net income from special events	54,689	-	54,689
Net investment return	52,266	-	52,266
Net assets released from restrictions	240,949	(240,949)	-
Total revenue, gains, and other support	894,963	175,651	1,070,614
Expenses:			
Program	588,482	-	588,482
Supporting services	140,043	-	140,043
Fundraising	53,918	-	53,918
Total expenses	782,443	-	782,443
Change in net assets	112,520	175,651	288,171
Net assets at beginning of year	1,024,378	56,096	1,080,474
Net assets at end of year	\$ 1,136,898	\$ 231,747	\$ 1,368,645

See accompanying notes to financial statements

## JEWISH COMMUNITY SERVICES OF HAWAII

### Statement of Activities

Year Ended December 31, 2023

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Revenue, gains, and other support:			
Grants	\$ 625,388	\$ 284,000	\$ 909,388
Contributions	138,349	-	138,349
Net investment return	39,643	-	39,643
Net income from special events	30,627	-	30,627
Net assets released from restrictions	227,904	(227,904)	-
Total revenue, gains, and other support	<u>1,061,911</u>	<u>56,096</u>	<u>1,118,007</u>
Expenses:			
Program	458,931	-	458,931
Supporting services	82,247	-	82,247
Fundraising	41,486	-	41,486
Total expenses	<u>582,664</u>	<u>-</u>	<u>582,664</u>
Change in net assets	479,247	56,096	535,343
Net assets at beginning of year	<u>545,131</u>	<u>-</u>	<u>545,131</u>
Net assets at end of year	<u>\$ 1,024,378</u>	<u>\$ 56,096</u>	<u>\$ 1,080,474</u>

See accompanying notes to financial statements.

**JEWISH COMMUNITY SERVICES OF HAWAII**

Statement of Functional Expenses

Year Ended December 31, 2024

	<b>Program Services</b>	<b>Supporting Services</b>	<b>Fundraising</b>	<b>Total Expenses</b>
Personnel costs	\$ 98,178	\$ 93,297	\$ 43,026	\$ 234,501
Client assistance	216,469	-	-	216,469
Clinical and case management services	199,454	-	-	199,454
Professional fees	31,990	26,095	-	58,085
Office	9,091	20,651	10,892	40,634
Community outreach	33,300	-	-	33,300
Total expenses	<u>\$ 588,482</u>	<u>\$ 140,043</u>	<u>\$ 53,918</u>	<u>\$ 782,443</u>

See accompanying notes to financial statements.

## JEWISH COMMUNITY SERVICES OF HAWAII

### Statement of Functional Expenses

Year Ended December 31, 2023

	<b>Program Services</b>	<b>Supporting Services</b>	<b>Fundraising</b>	<b>Total Expenses</b>
Community outreach	\$ 183,426	\$ -	\$ -	\$ 183,426
Personnel costs	53,856	48,057	23,351	125,264
Client assistance	124,583	-	-	124,583
Case management services	80,536	-	-	80,536
Office	5,477	15,080	18,135	38,692
Professional fees	-	19,110	-	19,110
Software	11,053	-	-	11,053
Total expenses	<u>\$ 458,931</u>	<u>\$ 82,247</u>	<u>\$ 41,486</u>	<u>\$ 582,664</u>

See accompanying notes to financial statements.

## JEWISH COMMUNITY SERVICES OF HAWAII

### Statements of Cash Flows

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 288,171	\$ 535,343
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized/unrealized gain on investments	(16,230)	(28,787)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(21,182)	34,472
Other liabilities	1,694	-
Net cash provided by operating activities	<u>252,453</u>	<u>541,028</u>
Cash flows from investing activities:		
Purchase of investments	(90,859)	(390,607)
Proceeds from the sale/redemption of investments	80,872	381,233
Net cash used in investing activities	<u>(9,987)</u>	<u>(9,374)</u>
Net increase in cash and cash equivalents	242,466	531,654
Cash and cash equivalents at beginning of year	<u>710,147</u>	<u>178,493</u>
Cash and cash equivalents at end of year	<u>\$ 952,613</u>	<u>\$ 710,147</u>

See accompanying notes to financial statements.

# JEWISH COMMUNITY SERVICES OF HAWAII

Notes to Financial Statements

December 31, 2024 and 2023

## (1) Nature of Activities

The Jewish Community Services of Hawaii (the Organization) was incorporated in the State of Hawaii (the State) in 1988 and is a nonprofit human service organization that was once embedded in the Hawaii Jewish community and has since expanded to provide services and programming to residents statewide.

## (2) Summary of Significant Accounting Policies

### *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to nonprofit entities.

Net assets, revenue, gains, and other support, and expenses are classified based upon the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets of the Organization, and changes therein, are classified and reported as follows:

*Net assets without donor restrictions* – Net assets that are not subject to donor or grantor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization’s management and board of directors.

*Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors or grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time.

### *Use of Estimates*

Management uses estimates and assumptions in preparing these financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### *Cash and Cash Equivalents*

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

## JEWISH COMMUNITY SERVICES OF HAWAII

### Notes to Financial Statements

December 31, 2024 and 2023

#### ***Investments***

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses on investments are included as a component of net investment return in the statements of activities.

Net investment return is comprised of interest and dividend income, and realized and unrealized gains, net, less investment expenses and is reported in the accompanying statements of activities as increases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulations or by law.

#### ***Revenue Recognition***

##### *Grants*

Grants are received from private foundations. For unconditional grants, revenue is recognized when the grant is received or pledged. Revenues on a fee-for-service contracts are recognized when the services required by the contractual agreements are satisfactorily performed. These revenues are generally considered exchange transactions and are thereby recorded as revenues of the unrestricted net asset class. Grants received in advance of the applicable revenue recognition criteria, if any, are recorded as deferred revenue in the accompanying statements of financial position.

##### *Contributions*

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

#### ***Concentration Risk***

The Organization maintains its cash in bank deposit accounts at a high credit quality financial institution. At times and as of December 31, 2024, these balances exceeded federally insured limits.

## JEWISH COMMUNITY SERVICES OF HAWAII

Notes to Financial Statements

December 31, 2024 and 2023

### *Functional Classification of Expenses*

The costs of providing the Organization's programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Directly identifiable expenses are charged to program services, supporting services, and fundraising expenses. Expenses related to more than one function are charged on a reasonable basis that is consistently applied. The expenses that are allocated include personnel costs, professional fees, and office expenses.

### *Income Taxes*

The Organization is recognized by the Internal Revenue Service as an exempt organization under Section 501(c)(3) of the Internal Revenue Code (Code). The Organization is not subject to income taxes in the U.S. federal jurisdiction and the State of Hawaii, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excludable by the Code. Tax regulations within each jurisdiction are subject to interpretation of the related tax laws and regulations and require significant judgment to apply. The Organization's U.S. federal and State of Hawaii tax returns are subject to examination, generally for three years after the filing date. The Organization has not identified any uncertain tax positions that require disclosure in the accompanying financial statements.

### **(3) Liquidity and Availability of Funds**

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments.

The Organization's financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date are comprised of the following at December 31, 2024:

Cash and cash equivalents	\$ 952,613
Investments	<u>439,601</u>
	1,392,214
Less net assets with donor restrictions	<u>(231,747)</u>
	<u><u>\$ 1,160,467</u></u>

## JEWISH COMMUNITY SERVICES OF HAWAII

Notes to Financial Statements

December 31, 2024 and 2023

### (4) Net Assets with Donor Restrictions

At December 31, 2024 and 2023, net assets with donor restrictions consisted of grants which are restricted for various purposes by the grantors, as shown below:

	<b>2024</b>	<b>2023</b>
Maui humanitarian assistance	\$ 202,282	\$ 56,096
Technology improvement plan	24,359	-
Scholarship program	5,106	-
	\$ 231,747	\$ 56,096

Net assets released from restrictions consisted of the following for the years ended December 31, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Maui humanitarian assistance	\$ 163,814	\$ 162,904
Elderly rental assistance	55,000	65,000
Technology improvement plan	17,241	-
Scholarship program	4,894	-
	\$ 240,949	\$ 227,904

### (5) Investments

Investments held at December 31, 2024 and 2023 are summarized as follows:

	<b>Investments at Fair Value as of December 31, 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Equity securities	\$ 222,682	\$ -	\$ -	\$ 222,682
Exchange traded products	216,919	-	-	216,919
	\$ 439,601	\$ -	\$ -	\$ 439,601

## JEWISH COMMUNITY SERVICES OF HAWAII

Notes to Financial Statements

December 31, 2024 and 2023

<b>Investments at Fair Value as of December 31, 2023</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Exchange traded products	\$ 313,782	\$ -	\$ -	\$ 313,782
Equity securities	91,595	-	-	91,595
Mutual funds	8,007	-	-	8,007
	\$ 413,384	\$ -	\$ -	\$ 413,384

Net investment return for the years ended December 31, 2024 and 2023 are comprised of the following:

	<b>2024</b>	<b>2023</b>
Interest and dividend income	\$ 39,869	\$ 12,957
Realized and unrealized gains, net	16,230	28,787
Investment expenses	(3,833)	(2,101)
Investment return, net	\$ 52,266	\$ 39,643

### ***Fair Value Measurements***

Accounting Standards Codification (ASC) 820, “*Fair Value Measurement*” clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability.

As a basis for considering such assumptions, ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

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

***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;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

## JEWISH COMMUNITY SERVICES OF HAWAII

### Notes to Financial Statements

December 31, 2024 and 2023

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 level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Valuation techniques maximize the use of relevant 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.

*Equity securities and exchange traded products:* Valued at the daily closing price reported on the active market on which the individual securities are traded.

*Mutual funds:* Valued at the daily closing prices as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. These security funds held by the Organization are deemed to be actively traded.

The preceding measurements described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management 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.

#### **(6) Retirement Plan**

At January 1, 2024, the Organization adopted a retirement plan which covers its employees who meet certain eligibility requirements. Employees may contribute to the plan to the extent allowed by law. Under the plan, the Organization is not required to make matching or nonelective contributions. Accordingly, the Organization did not make any contributions to the plan for the year ending December 31, 2024.

#### **(7) Subsequent Events**

Management has evaluated subsequent events through April 21, 2025, the date the financial statements were available to be issued, and determined there were no other items to disclose.