

THE SHABBAT PROJECT, INC.
d/b/a ONETABLE

FINANCIAL STATEMENTS
AND AUDITOR'S REPORT

DECEMBER 31, 2017

**THE SHABBAT PROJECT, INC.
d/b/a ONETABLE**

TABLE OF CONTENTS

Independent Auditor's Report

Exhibits

A - Balance Sheet

B - Statement of Activities

C - Statement of Functional Expenses

D - Statement of Cash Flows

Notes to Financial Statements



Independent Auditor's Report

**Board of Directors
The Shabbat Project, Inc.
d/b/a OneTable**

Report on the Financial Statements

We have audited the accompanying financial statements of The Shabbat Project, Inc. d/b/a OneTable, which comprise the balance sheet as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Shabbat Project, Inc. d/b/a OneTable as of December 31, 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.

Report on Summarized Comparative Information

We have previously audited The Shabbat Project, Inc. d/b/a OneTable's December 31, 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 21, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Loeb & Troper LLP

July 19, 2018

THE SHABBAT PROJECT, INC.
d/b/a ONE TABLE

BALANCE SHEET

DECEMBER 31, 2017

(With Summarized Financial Information for December 31, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash	\$ 226,269	\$ 248,765
Contributions receivable - current	997,567	371,400
Security deposit	27,770	16,950
Prepaid expenses	3,979	
Fixed assets (Note 3)	<u>258,798</u>	<u>192,984</u>
Total assets	<u>\$ 1,514,383</u>	<u>\$ 830,099</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	<u>\$ 82,156</u>	<u>\$ 138,916</u>
Net assets (Exhibit B)		
Unrestricted	934,663	348,494
Temporarily restricted (Note 5)	<u>497,564</u>	<u>342,689</u>
Total net assets	<u>1,432,227</u>	<u>691,183</u>
Total liabilities and net assets	<u>\$ 1,514,383</u>	<u>\$ 830,099</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

THE SHABBAT PROJECT, INC.
d/b/a ONE TABLE

EXHIBIT B

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2017
(With Summarized Financial Information
for the Year Ended December 31, 2016)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	
			<u>2017</u>	<u>2016</u>
Revenues and support				
Contributions	\$ 2,969,231	\$ 1,802,950	\$ 4,772,181	\$ 2,646,240
Ticket sales	175,405		175,405	103,667
Royalties	20,000		20,000	25,000
Other income	15,594		15,594	
Net assets released from restriction (Note 5)	1,648,075	(1,648,075)		
Total revenues and support	<u>4,828,305</u>	<u>154,875</u>	<u>4,983,180</u>	<u>2,774,907</u>
Expenses (Exhibit C)				
Program - Shabbat program	<u>3,316,842</u>		<u>3,316,842</u>	<u>2,026,470</u>
Supporting services				
Management and general	617,160		617,160	470,093
Fundraising	<u>308,134</u>		<u>308,134</u>	<u>223,555</u>
Total supporting services	<u>925,294</u>		<u>925,294</u>	<u>693,648</u>
Total expenses	<u>4,242,136</u>		<u>4,242,136</u>	<u>2,720,118</u>
Change in net assets (Exhibit D)	586,169	154,875	741,044	54,789
Net assets - beginning of year	<u>348,494</u>	<u>342,689</u>	<u>691,183</u>	<u>636,394</u>
Net assets - end of year (Exhibit A)	<u>\$ 934,663</u>	<u>\$ 497,564</u>	<u>\$ 1,432,227</u>	<u>\$ 691,183</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

THE SHABBAT PROJECT, INC.
d/b/a ONE TABLE

EXHIBIT C

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2017
(With Summarized Financial Information
for the Year Ended December 31, 2016)

	<u>Program Service Shabbat Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
				<u>2017</u>	<u>2016</u>
Salaries	\$ 1,137,403	\$ 242,521	\$ 216,559	\$ 1,596,483	\$ 1,027,820
Payroll taxes and employee benefits	262,708	39,001	32,787	334,496	190,523
Professional fees and consultants	291,276	213,791	5,126	510,193	459,780
Grants	398,115			398,115	178,127
Food	756,033			756,033	416,134
Supplies	202,687	4,543	24,953	232,183	160,817
Rent (Note 6)	127,203	18,884	15,875	161,962	110,708
Telephone and internet	44,515	881	741	46,137	30,804
Platform maintenance		73,920		73,920	33,000
Travel	54,634	8,111	6,818	69,563	59,331
Insurance		2,153		2,153	11,737
Depreciation and amortization	35,097	5,210	4,380	44,687	23,652
Bad debt		3,600		3,600	
Miscellaneous	7,171	4,545	895	12,611	17,685
	<u>3,316,842</u>	<u>617,160</u>	<u>308,134</u>	<u>4,242,136</u>	<u>2,720,118</u>
Total expenses (Exhibit B)	<u>\$ 3,316,842</u>	<u>\$ 617,160</u>	<u>\$ 308,134</u>	<u>\$ 4,242,136</u>	<u>\$ 2,720,118</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

THE SHABBAT PROJECT, INC.
d/b/a ONE TABLE

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Change in net assets (Exhibit B)	\$ 741,044	\$ 54,789
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation and amortization	44,687	23,652
Increase in assets		
Contributions receivable	(626,167)	(346,400)
Security deposit	(10,820)	(6,658)
Prepaid expenses	(3,979)	
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(56,760)	124,039
Net cash provided (used) by operating activities	88,005	(150,578)
Cash flows from investing activities		
Acquisition of fixed assets	(110,501)	(70,333)
Cash flows from financing activities		
Proceeds from contributions restricted for long-term use	50,000	
Net change in cash	(22,496)	(170,911)
Cash - beginning of year	248,765	419,676
Cash - end of year	<u>\$ 226,269</u>	<u>\$ 248,765</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

THE SHABBAT PROJECT, INC.
d/b/a ONETABLE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 1 - NATURE OF ORGANIZATION

The Shabbat Project, Inc. d/b/a OneTable (OneTable) was established to encourage Jewish young adults to explore the celebration and enduring practice of Friday night Shabbat dinner as an opening to Jewish meaning, joy and connection.

OneTable was incorporated in January 2014 as a nonprofit organization and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

OneTable's primary source of revenue is contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting - The financial statements are prepared on the accrual basis of accounting.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

Contributions receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at their fair value, which is measured at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Allowance for doubtful accounts - Management determines whether an allowance for doubtful accounts should be provided for contributions receivable. Accounts written off as uncollectible are deducted from the allowance for doubtful accounts. Such estimate is based on management's assessments of the creditworthiness of its donors, the aged basis of its receivables, as well as current economic conditions, subsequent receipts and historical information. Management has determined that no allowance is necessary as of December 31, 2017.

-continued-

THE SHABBAT PROJECT, INC.
d/b/a ONETABLE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets - Fixed assets are recorded at cost. Acquisitions of \$2,500 or more with an estimated useful life of greater than one year are capitalized. Prior to January 1, 2016, the capitalization threshold was \$1,000. Costs associated with the development and installation of internal-use software are expensed or capitalized depending on whether they are incurred in the preliminary project stage, application development stage, or post-implementation stage. Depreciation and amortization is recorded on the straight-line method over their estimated useful lives.

Net assets - Unrestricted net assets include funds having no restriction as to use or purpose imposed by donors. Temporarily restricted net assets are those whose use by OneTable has been limited by donors to a specific time period or purpose.

Contributions - Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as either temporarily restricted or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Ticket sales - OneTable charges a fee to attend select Shabbat dinners. Ticket sales are recognized as revenue when the dinner takes place. As of December 31, 2017 there was no deferred ticket sales revenue. Revenues from ticket sales are used to defray the cost of the dinners.

Royalties - OneTable has developed a proprietary electronic platform that can be used to arrange Shabbat dinners and other Shabbat-oriented events (the "Platform"). OneTable entered into a licensing agreement with another organization allowing the other organization a limited, nonexclusive, nontransferable license to use OneTable's Platform during the term of the agreement. Fees were recognized over the term of the licensing agreement. This agreement expired in May 2017.

Grants - OneTable grants funds to organizations and individuals to arrange Shabbat dinners. Grants are recorded when they are approved. As of December 31, 2017 there were no outstanding grants payable.

Functional allocation - The costs of providing the organization's programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

-continued-

THE SHABBAT PROJECT, INC.
d/b/a ONETABLE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Summarized financial information for 2016 - The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

Uncertainty in income taxes - OneTable has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending December 31, 2014 and subsequent remain subject to examination by applicable taxing authorities.

Subsequent events - Subsequent events have been evaluated through July 19, 2018, which is the date the financial statements were available to be issued.

NOTE 3 - FIXED ASSETS

		<u>Estimated Useful Lives</u>
Social dining platform and app	\$ 321,500	5 years
Equipment	<u>3,263</u>	3 years
	324,763	
Less accumulated depreciation and amortization	<u>(65,965)</u>	
	<u>\$ 258,798</u>	

NOTE 4 - CONCENTRATIONS

For the year ended December 31, 2017, approximately 55% of contributions were received from three unrelated not-for-profit organizations. At December 31, 2017, approximately 50% of contributions receivable was from one not-for-profit organization.

Financial instruments which potentially subject the organization to a concentration of credit risk are accounts in excess of FDIC insurance limits.

-continued-

THE SHABBAT PROJECT, INC.
d/b/a ONETABLE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2017 are available for the following purposes:

Atlanta programs	\$ 101,686
Chicago programs	93,877
Colorado programs	84,765
Los Angeles programs	80,944
Pittsburgh programs	58,690
Birthright Israel	<u>77,602</u>
Total	<u>\$ 497,564</u>

Net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes specified by donors:

Atlanta programs	\$ 150,114
Bay area programs	120,000
Boston programs	27,000
Chicago programs	221,988
Colorado programs	165,259
Washington DC programs	52,500
Los Angeles programs	73,556
National infrastructure	350,000
New York programs	160,000
Pittsburgh programs	5,310
Non-hubs and smaller communities	80,000
Onward Israel	38,000
Birthright Israel	101,283
Coaches	75,000
REALITY: A Schusterman initiative	<u>28,065</u>
Total	<u>\$ 1,648,075</u>

-continued-

THE SHABBAT PROJECT, INC.
d/b/a ONETABLE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 6 - RENT

OneTable has a month-to-month rental agreement with WeWork, an unrelated third party. Rent expense for the year ended December 31, 2017 was \$161,962.

NOTE 7 - PENSION PLAN

OneTable has a 403(b) Pension Plan, which requires a matching contribution by OneTable. The match, which becomes effective on the first of the month following one year of employment, is 100% of the first 5% contributed by the employee. OneTable may make additional discretionary contributions. There were no discretionary contributions made in 2017. Pension expense for the year ended December 31, 2017 was \$28,808.