

# **GAZA CHILDREN VILLAGE**

## **FINANCIAL STATEMENTS**

**December 31, 2025**

**PT CPAs, PLLC  
CERTIFIED PUBLIC ACCOUNTANTS  
RALEIGH, NORTH CAROLINA**

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## ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
Gaza Children Village  
Durham, North Carolina

We have reviewed the accompanying financial statements of Gaza Children Village (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and changes in net assets, functional expenses and cash flows for year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### 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.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

PT CPAs PLLC

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We are required to be independent of Gaza Children Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements, in order for them to be in accordance with accounting principles generally accepted in the United States of America.

PT CPAS, PLLC

Raleigh, North Carolina  
February 6, 2026

## **FINANCIAL STATEMENTS**

**Gaza Children Village**  
**Statement of Financial Position**  
**December 31, 2025**

**Assets**

Current assets:

Cash and cash equivalents	\$ 307,787
Grants and contributions receivable	84,423
Total current assets	<u>392,210</u>

Property and equipment at cost:

Furniture and fixtures	100,000
Buildings	378,650
Construction in progress	381,000
Accumulated Depreciation	(4,346)
Total property and equipment	<u>855,304</u>

Total assets	<u>\$ 1,247,514</u>
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**Liabilities and Net Assets**

Current liabilities:

Accounts payable and accrued expenses	\$ 5,244
Total current liabilities	<u>5,244</u>

Net assets

Without donor restriction	1,138,270
With donor restriction	104,000
Total net assets	<u>1,242,270</u>

Total liabilities and net assets	<u>1,247,514</u>
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See independent accountant's review report and notes to the financial statements

**Gaza Children Village**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended December 31, 2025**

<b>Support and revenue:</b>	
Contributions and grants	\$ 1,520,162
Interest earnings	12
<b>Total support and revenue</b>	<u>1,520,174</u>
<b>Expenses:</b>	
Program expenses	346,398
Management and general	35,506
<b>Total supporting expenses</b>	<u>381,904</u>
<b>Increase in net assets without donor restrictions</b>	1,138,270
<b>Net assets with donor restrictions:</b>	
Contributions and grants	104,000
<b>Increase in net assets with donor restrictions</b>	<u>104,000</u>
<b>CHANGE IN NET ASSETS</b>	1,242,270
<b>NET ASSETS - BEGINNING OF YEAR</b>	-
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 1,242,270</u></u>

See independent accountant's review report and notes to the financial statements

**Gaza Children Village**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2025**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Professional fees	\$ 188,199	\$ 20,911	\$ 209,110
Marketing	5,500	522	6,022
Materials and supplies	105,056	11,673	116,729
Travel	1,857	207	2,064
Office expense	451	50	501
Rent	19,000	-	19,000
Insurance	3,364	374	3,738
Bank and merchant fees	15,925	1,769	17,694
Other expenses	2,700	-	2,700
Depreciation and amortization	4,346	-	4,346
	<u>\$ 346,398</u>	<u>\$ 35,506</u>	<u>\$ 381,904</u>

See independent accountant's review report and notes to the financial statements

**Gaza Children Village**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2025**

Cash flows from operating activities:	
Change in net assets	\$ 1,138,270
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities	
Depreciation	4,346
Changes in Assets and Liabilities that Provided (Used) Cash	
Grants and contributions receivable	(84,423)
Accounts payable and accrued expenses	5,244
Net cash provided by operating activities:	<u>1,063,437</u>
 Cash flows from Investing Activities:	
Purchases of property and equipment	<u>(859,650)</u>
Net cash used in investing activities:	<u>(859,650)</u>
 Net increase in cash	203,787
 Cash - Beginning of Year	<u>-</u>
 Cash - End of Year	<u><u>203,787</u></u>

See independent accountant's review report and notes to the financial statements

**GAZA CHILDREN VILLAGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**1. Business Operations and Summary of Significant Accounting Policies**

**Business Operations**

Gaza Children Village (the "Organization") is a nonprofit 501(c)(3) organization. Their vision is to provide Gaza's children with safe, structured, daily environments where they can learn, heal, and grow with dignity, supported by consistent education, nutrition, medical care, and psychosocial programs. Funding is through contributions from individuals, organizations, businesses, and from various fundraising events.

Formed in 2025 the Organization provides daily care for thousands of children from the ages of four to fourteen. Hundreds of staff and volunteers support these programs. Teachers and counselors work across the academies. Thousands of patients were treated in the clinics, and hundreds of thousands of meals have been served to children and nearby families.

**Financial Statement Presentation and Use of Estimates**

The Organization's policy is to prepare its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Not-for-Profit Entities – Presentation of Financial Statements*. Under these provisions, the Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-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 the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

**GAZA CHILDREN VILLAGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**1. Business Operations and Summary of Significant Accounting Policies (Continued)**

The Organization has also adopted FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*. Under these provisions, contributions received are recorded as contributions without donor restrictions or contributions with donor restrictions depending on the existence or nature of donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the combined statements of activities and changes in net assets. In addition, the Organization is required to present a statement of cash flows.

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 certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Organization had no cash equivalents at December 31, 2025.

**Functional Allocation of Expenses**

The cost of providing the program services and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services by direct allocation.

**Income Taxes**

The Organization is exempt from income taxes as a not-for-profit organization under section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation.

**Accounting for Uncertainty in Income Taxes**

The Organization accounts for the uncertainty in income taxes using the provisions of FASB ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2025, the Organization has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**GAZA CHILDREN VILLAGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

1. Business Operations and Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost as of the date of acquisition or fair value as of the date of receipt in the case of gifts. The Organization follows the practice of capitalizing, at cost, all expenditures for property and equipment in excess of \$2,000. Renewals and improvements which extend the useful lives of assets are capitalized at cost.

Depreciation is computed using the straight-line method over the following estimated useful lives of the assets:

	<u>Years</u>
Buildings	10
Furniture and Equipment	7

For the year ended December 31, 2025, depreciation expense was \$4,346

2. Availability and Liquidity

The following represents the Organization's financial assets at December 31, 2025:

Cash and cash equivalents	\$307,787
Grants and contributions receivable	\$84,423
Accounts payable and accrued expenses	(\$5,244)
Assets with donor restrictions	<u>(\$104,000)</u>
Net	<u>\$282,966</u>

The Organization does not have a formal liquidity plan but strives to maintain cash reserves that cover 90 days of average operating costs.

3. Concentrations of Credit Risk

The Organization maintains its cash in bank deposit accounts at a high credit quality financial institution in Raleigh, North Carolina. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Throughout the year the Organization carries balances in excess of this insured amount.

**GAZA CHILDREN VILLAGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**4. Donated Services and Materials**

No amounts have been reflected in the financial statements for donated services and volunteer time. The Organization pays for most services requiring specific expertise; however, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs.

**5. Net Assets with Donor Restrictions**

At December 31, 2025 the Organization had \$104,000 of net assets restricted for use with the Women's Center.

**6. Subsequent Events**

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through February 6, 2026, which is the date the financial statements were available to be issued.