

**COMMITTEE FOR ACCURACY IN MIDDLE EAST
REPORTING IN AMERICA, INC. AND SUBSIDIARY**



**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2020 and 2019

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Committee for Accuracy in Middle East Reporting in America, Inc. and Subsidiary
Newton, Massachusetts

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Committee for Accuracy in Middle East Reporting in America, Inc. and Subsidiary, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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 audits. We conducted our audits 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 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.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Committee for Accuracy in Middle East Reporting in America, Inc. and Subsidiary as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in the accompanying consolidating statements of financial position, consolidating statements of activities, and schedules of special event is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Johnson O'Connor Feron & Carucci LLP

Wakefield, Massachusetts
November 9, 2021

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

		December 31,	
		2020	2019
ASSETS			
Cash and cash equivalents		\$ 1,744,552	\$ 984,323
Investments		7,940,650	6,836,289
Contributions receivable, net		-	47,100
Interest receivable		19,805	20,553
Prepaid supplies		-	4,892
Prepaid expenses		242,852	216,508
Deposits		33,198	32,225
Property and equipment, net		233,086	265,657
Design and production costs, net		11,180	38,010
Trademark		1,639	1,639
Total assets		\$ 10,226,962	\$ 8,447,196
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable		\$ 33,891	\$ 50,389
Accrued expenses		128,113	172,563
Agency funds		63,784	60,523
Deferred special event revenue		-	20,000
Deferred rent		54,450	43,725
Total liabilities		280,238	347,200
NET ASSETS			
Net assets without donor restrictions		9,670,302	7,952,631
Net assets with donor restrictions		276,422	147,365
Total net assets		9,946,724	8,099,996
Total liabilities and net assets		\$ 10,226,962	\$ 8,447,196

See notes to consolidated financial statements.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES**

	Year Ended December 31, 2020		
	Total	Without Donor Restrictions	With Donor Restrictions
REVENUES			
Contributions	\$ 4,322,212	\$ 4,122,212	\$ 200,000
Special event revenue	-	-	-
Less: Direct costs of event	-	-	-
Net revenue from special event	-	-	-
Net investment income	1,643,012	1,643,012	-
Grant from government agency	551,200	551,200	-
Rental of lists	655	655	-
Net assets released from restriction	-	70,943	(70,943)
Total revenues	<u>6,517,079</u>	<u>6,388,022</u>	<u>129,057</u>
OPERATING EXPENSES			
Program services	4,072,624	4,072,624	-
<u>Supporting services -</u>			
Management and general	357,983	357,983	-
Fundraising	242,437	242,437	-
Total supporting services	<u>600,420</u>	<u>600,420</u>	<u>-</u>
Total operating expenses	<u>4,673,044</u>	<u>4,673,044</u>	<u>-</u>
OTHER INCOME			
Foreign currency translation adjustment	2,693	2,693	-
Change in net assets	1,846,728	1,717,671	129,057
NET ASSETS - BEGINNING OF YEAR	<u>8,099,996</u>	<u>7,952,631</u>	<u>147,365</u>
NET ASSETS - END OF YEAR	<u>\$ 9,946,724</u>	<u>\$ 9,670,302</u>	<u>\$ 276,422</u>

See notes to consolidated financial statements.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES**

	Year Ended December 31, 2019		
	Total	Without Donor Restrictions	With Donor Restrictions
REVENUES			
Contributions	\$ 3,528,373	\$ 3,428,373	\$ 100,000
Special event revenue	943,204	943,204	-
Less: Direct costs of event	(309,354)	(309,354)	-
Net revenue from special event	633,850	633,850	-
Net investment income	1,802,200	1,802,200	-
Rental of lists	6,664	6,664	-
Net assets released from restriction	-	87,472	(87,472)
Total revenues	5,971,087	5,958,559	12,528
OPERATING EXPENSES			
Program services	4,401,479	4,401,479	-
<u>Supporting services -</u>			
Management and general	476,536	476,536	-
Fundraising	292,603	292,603	-
Total supporting services	769,139	769,139	-
Total operating expenses	5,170,618	5,170,618	-
OTHER INCOME			
Foreign currency translation adjustment	6,984	6,984	-
Change in net assets	807,453	794,925	12,528
NET ASSETS - BEGINNING OF YEAR	7,292,543	7,157,706	134,837
NET ASSETS - END OF YEAR	\$ 8,099,996	\$ 7,952,631	\$ 147,365

See notes to consolidated financial statements.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

	Year Ended December 31, 2020			
	Total Expenses	Program Services	Management and General	Fundraising
Payroll	\$ 3,101,311	\$ 2,711,524	\$ 225,267	\$ 164,520
Rent	326,676	297,398	24,844	4,434
Insurance	204,730	177,298	14,352	13,080
Payroll taxes	184,291	161,371	11,015	11,905
Direct mail and postage	105,078	87,089	151	17,838
Professional fees	103,467	39,496	61,423	2,548
Printing and production costs	74,288	66,859	-	7,429
Employee benefits	54,036	47,316	3,230	3,490
Travel	50,255	50,035	220	-
Research services	48,139	48,139	-	-
Equipment lease and maintenance	47,370	45,002	2,368	-
Web hosting and internet services	47,262	46,790	-	472
Fellows program	46,729	46,729	-	-
Depreciation	41,600	36,553	2,705	2,342
Meetings	34,518	32,792	-	1,726
Advertising	33,438	33,438	-	-
Amortization	26,830	23,493	1,604	1,733
Fees and admissions	24,133	21,719	-	2,414
Telephone	20,337	17,897	1,220	1,220
Public communications - media	16,701	16,338	363	-
Honorarium	15,605	15,605	-	-
Bad debt expense	14,900	14,900	-	-
Utilities	13,100	11,961	915	224
Office	11,131	9,205	1,775	151
Books and publications	8,005	8,005	-	-
Merchant fund fees	6,911	-	-	6,911
Bank charges	6,531	-	6,531	-
Miscellaneous	4,029	4,029	-	-
Subscriptions	1,552	1,552	-	-
Conferences	91	91	-	-
Total expenses	4,673,044	4,072,624	357,983	242,437
Less: Direct benefit to donors at special events included in revenue	-	-	-	-
Total functional expenses	<u>\$ 4,673,044</u>	<u>\$ 4,072,624</u>	<u>\$ 357,983</u>	<u>\$ 242,437</u>

See notes to consolidated financial statements.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

	Year Ended December 31, 2019			
	Total Expenses	Program Services	Management and General	Fundraising
Payroll	\$ 3,128,450	\$ 2,597,052	\$ 296,808	\$ 234,590
Rent	325,637	289,615	30,618	5,404
Insurance	232,051	194,133	22,995	14,923
Payroll taxes	203,337	171,592	18,555	13,190
Direct mail and postage	73,685	54,733	537	18,415
Professional fees	150,245	78,245	67,704	4,296
Printing and production costs	180,842	136,469	-	44,373
Employee benefits	50,334	42,476	4,593	3,265
Travel	227,626	223,107	1,259	3,260
Research services	47,005	46,689	-	316
Equipment lease and maintenance	36,632	30,732	3,117	2,783
Web hosting and internet services	24,556	24,310	-	246
Fellows program	20,021	20,021	-	-
Depreciation	41,465	35,283	3,829	2,353
Meetings	212,167	190,318	-	21,849
Advertising	90,009	87,809	-	2,200
Amortization	25,970	21,915	2,370	1,685
Fees and admissions	7,332	6,599	-	733
Telephone	27,643	22,868	2,523	2,252
Public communications - media	14,354	14,005	349	-
Honorarium	46,689	46,689	-	-
Bad debt expense	-	-	-	-
Utilities	14,579	12,923	1,347	309
Office	30,084	18,357	11,315	412
Books and publications	9,438	9,438	-	-
Merchant fund fees	16,095	-	-	16,095
Bank charges	8,617	-	8,617	-
Miscellaneous	4,461	4,461	-	-
Subscriptions	13,312	13,312	-	-
Conferences	217,336	8,328	-	209,008
Total expenses	5,479,972	4,401,479	476,536	601,957
Less: Direct benefit to donors at special events included in revenue	(309,354)	-	-	(309,354)
Total functional expenses	<u>\$ 5,170,618</u>	<u>\$ 4,401,479</u>	<u>\$ 476,536</u>	<u>\$ 292,603</u>

See notes to consolidated financial statements.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Years Ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,846,728	\$ 807,453
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	41,600	41,465
Amortization	26,830	25,970
Change in allowance for uncollectible contributions and grants receivable	14,908	-
Unrealized gains in market value of investments	(801,907)	(1,113,237)
Realized gains on sale of investments	(782,026)	(617,079)
Donated investments	(191,456)	(188,757)
Proceeds from sale of donated investments	191,456	188,757
(Increase) decrease in operating assets:		
Contributions receivable, net	32,192	(3,250)
Interest receivable	748	856
Prepaid supplies	4,892	-
Prepaid expenses	(24,932)	(135,577)
Deposits	(3)	(216)
Increase (decrease) in operating liabilities:		
Accounts payable	(16,724)	46,812
Accrued expenses	(50,229)	14,740
Agency funds	3,261	(17,165)
Deferred revenue	-	(50,000)
Deferred special event revenue	(20,000)	11,800
Deferred rent	10,725	15,675
Net cash provided (used) by operating activities	<u>286,063</u>	<u>(971,753)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	1,484,336	1,181,144
Purchase of investments	(1,004,764)	(764,796)
Purchase of property and equipment	(7,000)	-
Purchase of design and production costs	-	(6,190)
Net cash provided by investing activities	<u>472,572</u>	<u>410,158</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,594</u>	<u>5,730</u>
Net increase (decrease) in cash and cash equivalents	760,229	(555,865)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>984,323</u>	<u>1,540,188</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,744,552</u>	<u>\$ 984,323</u>

See notes to consolidated financial statements.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

1. STATEMENT OF PURPOSE

Committee for Accuracy in Middle East Reporting in America, Inc. (CAMERA) is a national media-monitoring organization, founded in 1982 under the laws of the State of Maryland, that works to promote more accurate, balanced and complete coverage of Israel and the Middle East. Aware of the vital role of the mass media in shaping public perception and public policy, CAMERA seeks to educate both journalists and news consumers about the complex issues related to achieving peace in the Middle East. CAMERA is a non-profit tax-exempt organization under Section 501(c)(3) of the United States Internal Revenue Code and relies on donations from the general public.

CAMERA/Presspectiva (the Subsidiary) is a related entity located in Jerusalem, founded in 2012 under the laws of Israel. The purpose of the Subsidiary is to act as a review body for accurate and ethical reporting through the internet on the Israel-Arab conflict in the Hebrew language. The Subsidiary is supported primarily through contributions from CAMERA. CAMERA also has the ability to appoint and dismiss members of the Subsidiary.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation –

The accompanying consolidated financial statements include the accounts of Committee for Accuracy in Middle East Reporting in America, Inc. and CAMERA/Presspectiva (collectively, the Organization). All significant intercompany balances and transactions have been eliminated in the consolidated financial statements.

Basis of Presentation –

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting. Accordingly, assets are recorded when the Organization obtains the rights of ownership or is entitled to claim receipt, and liabilities are recorded when the obligation is incurred.

Use of Estimates –

The preparation of consolidated 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 reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Foreign Currency Translation –

The statements of financial position of the international Subsidiary are translated into U.S. dollars using the exchange rate at each statement of financial position date for assets and liabilities. The statements of activities of the international Subsidiary are translated into U.S. dollars based on weighted-average rates of exchange prevailing during the year. Translation adjustments are recorded in the accompanying consolidated statements of activities. The accumulated translation adjustment included in net assets as of December 31, 2020 and 2019 was \$8,360 and \$5,667, respectively.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Date of Management's Review –

Subsequent events have been evaluated by management through November 9, 2021, the date the consolidated financial statements were available to be issued.

Risk and Uncertainties –

As a result of the continued spread of the COVID-19 coronavirus (COVID-19), economic uncertainties have arisen which could potentially impact the Organization's 2021 operating results. The Organization's operating expenses are program costs associated with grants and contributions. Accordingly, the Organization's exposure to the impact of COVID-19 is primarily associated with donor reluctance to support fund-raising initiatives. At this point, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain and cannot be predicted.

Cash and Cash Equivalents –

Investments with a maturity of three months or less when purchased are considered to be cash equivalents for financial statement purposes. Also included as cash equivalents are money market funds earning standard money market rates, which fluctuate with the market.

Investments –

Investments are carried at fair market value based on quoted market prices. Changes in fair market value are reflected in the consolidated statements of activities. Investment income and gains restricted by donors are reported as increases in assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Contribution and Grants Receivable –

The Organization records unconditional contributions and grants receivable that are expected to be collected within one year at net realizable value. Unconditional contributions and grants expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution or grants revenue in the consolidated statements of activities. The Organization determines the allowance for uncollectable contributions and grants receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions and grants receivable are written off when deemed uncollectable. The allowance is based on management's estimate of possible bad debts. At December 31, 2020 and 2019, the allowance for uncollectable contributions and grants receivable totaled \$29,908 and \$15,000, respectively.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments –

The Organization follows ASC 820-10, “Fair Value Measurements”, which applies to reported balances that are required or permitted to be measured at fair market value under an existing accounting pronouncement. ASC 820-10 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the assets and liabilities, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity’s own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

ASC 825-10, “Financial Instruments”, permits an entity to measure many financial instruments and certain other assets and liabilities at fair value on an instrument-by-instrument basis. The Organization has not adopted any of the additional fair value options allowed in the standard. Management has determined that the fair value of its financial instruments not carried at fair value, including cash and cash equivalents, prepaid expenses, payables, and accrued expenses are substantially equivalent to their carrying values as of December 31, 2020 and 2019 because of their relatively short-term nature.

Property and Equipment –

Property and equipment are recorded at cost if purchased or fair value if contributed. Routine maintenance and repairs are charged as a current expense. The Organization has a policy of capitalizing assets with a cost basis of \$1,000 or more. The Organization provides for depreciation of property and equipment using the straight-line method over periods of three to fifteen years.

Design and Production Costs –

The Organization’s policy is to amortize design and production costs using the straight-line method over the estimated useful life of the production, which is three years.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets –

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – 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 for which the resource was restricted has been fulfilled, or both.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Revenue Recognition –

Special events revenue is comprised of sponsorship and event ticket revenue. Annual sponsorship revenue is recognized at time of donation. Event sponsorship and event ticket revenues are recognized when the event occurs. Fees received in advance of the event are deferred to the applicable period in which the event occurs.

Contributions, including grants, are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

The Organization's non-cash donations consist primarily of donated marketable securities, materials, equipment, and professional services. Donations of marketable securities are recorded at fair market value based on quoted market prices at the date of donation. Donations of materials, and equipment are recorded at fair market value based on the price of comparable items at the date of donation.

When significant, donations of professional services are recorded at their estimated fair market value based on the current fee schedule of the donor at the date of receipt and are reflected as both a contribution and expense in the consolidated statements of activities.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued) –

Disaggregation of Revenue from Contracts with Customers – Revenue totaling \$50,250 for the year ended December 31, 2019 was recognized at a point in time. There was no such revenue recognized during the year ended December 31, 2020.

Functional Expenses –

The Organization allocates expenses on a functional basis among its programs and supporting services. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis and are composed of the following:

Management and general – includes all activities related to the Organization’s internal management and accounting for program services.

Fundraising – includes activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds for the Organization’s programs.

Expenses that can be identified with a specific program or supporting service are allocated directly to those classifications. The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Organization. These expenses include personnel salaries, benefits, and payroll taxes, utilities, insurance, amortization, depreciation, printing and postage, office supplies, and rent. The allocation of these expenses between program services, management and general, and fundraising expenses are based on actual asset usage and estimates of time and effort. Allocations of functional expenses are based on management’s discretion and estimates. These variables may change from year to year. As a result, there may be fluctuations in the comparative presentation of data from year to year.

Income Taxes –

The Organization is organized and operated exclusively for charitable and educational purposes. Income related to these purposes is exempt from federal and state income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Unrelated business income would be taxable according to applicable Internal Revenue Code sections.

The Organization regularly reviews and evaluates its tax positions taken in its filed returns and recognizes the benefit from a tax position only if it is more likely than not that the position would be sustained upon audit based solely on the technical merits of the tax position. The Organization accrues interest and penalties on uncertain tax positions as a component of the provision for income taxes.

The Organization files federal, California, Florida, Massachusetts, and New York tax returns. The statute of limitations for these jurisdictions is generally three years. The Organization had no returns under examination as of December 31, 2020.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising Expense –

The Organization’s policy is to expense advertising costs as incurred. Advertising expense for the years ended December 31, 2020 and 2019 was \$33,438 and \$90,009, respectively.

Joint Costs –

The Organization’s policy is to allocate costs of multi-purpose materials that include fundraising appeals to fundraising, management and general, and program services. Acquisition mailings, annual appeal mailings and renewal mailings are considered joint costs, and management determines the extent of the fundraising allocation based on the content of each publication.

3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash in several bank deposit and investment accounts, which at times may exceed the federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risks on cash and cash equivalents.

4. LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the Organization’s consolidated financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, contributions restricted by donors beyond one year, or specified purpose, or assets held for others.

	December 31,	
	2020	2019
Financial assets:		
Cash and cash equivalents	\$ 1,744,552	\$ 984,323
Investments	7,940,650	6,836,289
Contributions receivable, net	-	47,100
Interest receivable	19,805	20,553
Financial assets, at year end	<u>9,705,007</u>	<u>7,888,265</u>

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

4. LIQUIDITY AND FUNDS AVAILABLE (Continued)

	December 31,	
	2020	2019
Less those unavailable for general expenditure within one year, due to:		
Agency funds	63,784	60,523
Net assets restricted for time or purpose	276,422	147,365
	340,206	207,888
Financial assets available to meet cash needs for general expenditures within one year	\$ 9,364,801	\$ 7,680,377

The Organization receives significant contributions without donor restrictions and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: Operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 30 days operating expenses. To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. During the years ended December 31, 2020 and 2019, the level of liquidity and reserves was managed within the policy requirements.

5. CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable are due to be collected as follows:

	December 31,	
	2020	2019
Amounts due in:		
Less than one year	\$ 29,908	\$ 62,100
Less: Allowance for uncollectible contributions	(29,908)	(15,000)
	\$ -	\$ 47,100

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

6. INVESTMENTS

Investments consisted of the following:

	December 31, 2020		December 31, 2019	
	Cost	Market Value	Cost	Market Value
Exchange traded funds	\$ 3,509,036	\$ 7,802,411	\$ 3,235,106	\$ 6,742,511
Equities	109,824	138,239	69,722	93,778
	<u>\$ 3,618,860</u>	<u>\$ 7,940,650</u>	<u>\$ 3,304,828</u>	<u>\$ 6,836,289</u>

Net investment income consists of the following:

	Years Ended December 31,	
	2020	2019
Unrealized gain	\$ 801,907	\$ 1,113,237
Interest income	95,079	105,334
Realized gains	782,026	617,079
Less: Investment advisory fees	(36,000)	(33,450)
Total net investment income	<u>\$ 1,643,012</u>	<u>\$ 1,802,200</u>

7. FAIR VALUE MEASUREMENTS

The following tables summarize the Organization's fair value hierarchy for its financial assets measured at fair value on a recurring basis, using quoted prices in active market for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

Description of Assets	Assets at Fair Value as of December 31, 2020			
	Total	Level 1	Level 2	Level 3
Exchange traded funds	\$ 7,802,411	\$ 7,802,411	\$ -	\$ -
Equities:				
Telecommunications	5,752	5,752	-	-
Entertainment	132,487	132,487	-	-
Technology	-	-	-	-
Financial	-	-	-	-
Consumer goods	-	-	-	-
Total equities	<u>138,239</u>	<u>138,239</u>	<u>-</u>	<u>-</u>
Total assets measured at fair value	<u>\$ 7,940,650</u>	<u>\$ 7,940,650</u>	<u>\$ -</u>	<u>\$ -</u>

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

7. FAIR VALUE MEASUREMENTS (Continued)

Description of Assets	Assets at Fair Value as of December 31, 2019			
	Total	Level 1	Level 2	Level 3
Exchange traded funds	\$ 6,742,511	\$ 6,742,511	\$ -	\$ -
Equities:				
Telecommunications	24,090	24,090	-	-
Entertainment	35,035	35,035	-	-
Technology	33,473	33,473	-	-
Financial	1,058	1,058	-	-
Consumer goods	122	122	-	-
Total equities	93,778	93,778	-	-
Total assets measured at fair value	\$ 6,836,289	\$ 6,836,289	\$ -	\$ -

8. PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following:

	December 31,	
	2020	2019
Leasehold improvements	\$ 342,504	\$ 332,492
Computers, software, and equipment	105,784	104,997
Furniture and fixtures	78,268	77,254
	526,556	514,743
Less: Accumulated depreciation	293,470	249,086
	\$ 233,086	\$ 265,657

Depreciation expense related to property and equipment for the years ended December 31, 2020 and 2019 was \$41,600 and \$41,465, respectively.

9. DESIGN AND PRODUCTION COSTS, NET

Website design and production costs include costs associated with the initial implementation of the website, development of new websites, and the Organization's educational DVD and are reported net of accumulated amortization. Amortization expense for the years ended December 31, 2020 and 2019 totaled \$26,830 and \$25,970, respectively.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

9. DESIGN AND PRODUCTION COSTS, NET (Continued)

Design and production costs consisted of the following:

	December 31,	
	2020	2019
Website	\$ 148,186	\$ 148,186
Spanish website	68,061	68,061
Student website	16,751	16,751
DVD production costs	12,041	12,041
1948 website	6,265	6,265
Eyes on Israel	4,285	4,285
Presspectiva website	5,101	4,748
	260,690	260,337
Less: Accumulated amortization	249,510	222,327
	\$ 11,180	\$ 38,010

Estimated future amortization expense associated with the Organization's website design and production costs is as follows:

<u>Year Ending December 31,</u>	
2021	\$ 10,320
2022	860
	\$ 11,180

10. AGENCY FUNDS

In accordance with donor requests, the Organization acts as a fiscal agent of funds held for the benefit of other organizations. There are no formal agreements related to the funds held by the organization. The assets and liabilities for the agency funds totaled \$63,784 and \$60,523 as of December 31, 2020 and 2019, respectively.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

11. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purpose or periods as follows:

	December 31,	
	2020	2019
Subject to expenditure for specified purpose:		
Arabic Project	\$ 176,422	\$ 147,365
Subject to expenditure after a period of time:		
	100,000	-
Total net assets with donor restrictions	\$ 276,422	\$ 147,365

There were no net assets restricted in perpetuity as of December 31, 2020 and 2019.

Certain assets with donor restrictions were released from restriction during the years ended December 31, 2020 and 2019 by satisfaction of the restricted purpose specified by the donor, and were reclassified as net assets without donor restrictions as follows:

	Years Ended December 31,	
	2020	2019
Arab Project	\$ 70,943	\$ 69,472
Birthright Project	-	18,000
	\$ 70,943	\$ 87,472

12. PAYCHECK PROTECTION PROGRAM

The Organization was granted a \$551,200 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the Federal government. The Organization initially recorded the loan as a refundable advance and subsequently recognized grant revenue in accordance with guidance for conditional contributions; that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. The Organization has recognized \$551,200 as grant revenue for the year ended December 31, 2020. In November 2020, the loan was forgiven in full.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

13. JOINT COSTS

Activities related to direct mailings, which include postage, production and printing costs, included joint costs of \$98,796 and \$65,146 for the years ended December 31, 2020 and 2019, which were not specifically identifiable to either the program component or the fundraising component of the activities. Of these joint costs, \$16,533 and \$16,533 was allocated to fundraising in 2020 and 2019, respectively, and the balance was allocated to program activities.

14. RETIREMENT PLAN

The Organization sponsors a qualified retirement plan for all eligible employees, whereby employees may elect to defer a portion of their salary on a pre-tax basis. The Organization matches 50% of the deferral up to the first 6% of the salary. Matching contributions for the years ended December 31, 2020 and 2019 totaled \$54,036 and \$50,334, respectively.

15. COMMITMENTS

The Organization leases office space in Newton, MA under a ten-year lease that expires in August 2027. The office lease requires the Organization to pay a percentage of common area expenses, taxes, and utilities which are included in rent expenses. Monthly payments, excluding charges for common area maintenance costs, range from \$18,975 to \$22,688 over the term of the lease.

The Organization leased office equipment under a five-year lease that expired in December of 2020, subject to total monthly rent of \$507.

The Subsidiary leases an office in Israel under a two-year lease extension agreement expiring October 31, 2021. The lease agreement requires quarterly payments of \$11,793 through October 31, 2021. For securing the lease agreement, the Subsidiary deposited in the bank \$12,927 in a long-term deposit pledged for the purpose of a bank guarantee given to the landlord of the property.

Future minimal rental payments required over the remaining terms of these leases are as follows:

<u>Year Ending December 31,</u>	
2021	\$ 300,556
2022	249,150
2023	254,100
2024	259,050
2025	264,000
Thereafter	450,450
	<u>\$ 1,777,306</u>

Rent expense for the years ended December 31, 2020 and 2019 totaled \$326,676 and \$325,637, respectively.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

16. RELATED PARTY TRANSACTIONS

The Organization receives donated investment advisory, computer, network, and legal services provided by companies owned by certain members of the Board of Directors. The Organization recognized approximately \$36,000 and \$33,450 for donated investment advisory services for the years ended December 31, 2020 and 2019, respectively. In addition, the Organization recognized approximately \$12,000 for donated computer services for the year ended December 31, 2020.

17. MAJOR CONTRIBUTORS

For the year ended December 31, 2019, one donor accounted for approximately 10% of total contributions. There were no donor concentrations for the year ended December 31, 2020.

SUPPLEMENTARY INFORMATION

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

December 31, 2020

ASSETS				
	<u>CAMERA</u>	<u>CAMERA/ Presspectiva</u>	<u>Eliminating Entries</u>	<u>Consolidated Totals</u>
Cash and cash equivalents	\$ 1,691,399	\$ 53,153	\$ -	\$ 1,744,552
Investments	7,940,650	-	-	7,940,650
Contributions receivable, net	-	-	-	-
Interest receivable	19,805	-	-	19,805
Prepaid supplies	-	-	-	-
Prepaid expenses	222,894	19,958	-	242,852
Deposits	19,185	14,013	-	33,198
Property and equipment, net	206,561	26,525	-	233,086
Design and production costs, net	11,180	-	-	11,180
Trademark	1,639	-	-	1,639
	<u>\$ 10,113,313</u>	<u>\$ 113,649</u>	<u>\$ -</u>	<u>\$ 10,226,962</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 30,574	\$ 3,317	\$ -	\$ 33,891
Accrued expenses	31,707	96,406	-	128,113
Agency funds	63,784	-	-	63,784
Deferred special event revenue	-	-	-	-
Deferred rent	54,450	-	-	54,450
Total liabilities	<u>180,515</u>	<u>99,723</u>	<u>-</u>	<u>280,238</u>
NET ASSETS				
Net assets without donor restrictions	9,656,376	13,926	-	9,670,302
Net assets with donor restrictions	276,422	-	-	276,422
Total net assets	<u>9,932,798</u>	<u>13,926</u>	<u>-</u>	<u>9,946,724</u>
Total liabilities and net assets	<u>\$ 10,113,313</u>	<u>\$ 113,649</u>	<u>\$ -</u>	<u>\$ 10,226,962</u>

See independent auditors' report.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

December 31, 2019

ASSETS				
	CAMERA	CAMERA/ Presspectiva	Eliminating Entries	Consolidated Totals
Cash and cash equivalents	\$ 918,579	\$ 65,744	\$ -	\$ 984,323
Investments	6,836,289	-	-	6,836,289
Contributions receivable, net	47,100	-	-	47,100
Interest receivable	20,553	-	-	20,553
Prepaid supplies	4,892	-	-	4,892
Prepaid expenses	197,145	19,363	-	216,508
Deposits	19,185	13,040	-	32,225
Property and equipment, net	235,820	29,837	-	265,657
Design and production costs, net	38,010	-	-	38,010
Trademark	1,639	-	-	1,639
	\$ 8,319,212	\$ 127,984	\$ -	\$ 8,447,196
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 47,400	\$ 2,989	\$ -	\$ 50,389
Accrued expenses	106,995	65,568	-	172,563
Agency funds	60,523	-	-	60,523
Deferred special event revenue	20,000	-	-	20,000
Deferred rent	43,725	-	-	43,725
Total liabilities	278,643	68,557	-	347,200
NET ASSETS				
Net assets without donor restrictions	7,893,204	59,427	-	7,952,631
Net assets with donor restrictions	147,365	-	-	147,365
Total net assets	8,040,569	59,427	-	8,099,996
Total liabilities and net assets	\$ 8,319,212	\$ 127,984	\$ -	\$ 8,447,196

See independent auditors' report.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES**

	Year Ended December 31, 2020			
	CAMERA	CAMERA/ Presspectiva	Eliminating Entries	Consolidated Totals
REVENUES				
Contributions	\$ 4,321,578	\$ 634,135	\$ (633,501)	\$ 4,322,212
Special event revenue	-	-	-	-
Less: Direct costs of event	-	-	-	-
Net revenue from special event	-	-	-	-
Net investment income	1,643,012	-	-	1,643,012
Grant from government agency	551,200	-	-	551,200
Rental of lists	655	-	-	655
Total revenues	<u>6,516,445</u>	<u>634,135</u>	<u>(633,501)</u>	<u>6,517,079</u>
OPERATING EXPENSES				
Program services	4,120,226	585,899	(633,501)	4,072,624
<u>Supporting services -</u>				
Management and general	264,246	93,737	-	357,983
Fundraising	242,437	-	-	242,437
Total supporting services	<u>506,683</u>	<u>93,737</u>	<u>-</u>	<u>600,420</u>
Total expenses	<u>4,626,909</u>	<u>679,636</u>	<u>(633,501)</u>	<u>4,673,044</u>
OTHER INCOME				
Foreign currency translation adjustment	2,693	-	-	2,693
Change in net assets	1,892,229	(45,501)	-	1,846,728
NET ASSETS - BEGINNING OF YEAR	<u>8,040,569</u>	<u>59,427</u>	<u>-</u>	<u>8,099,996</u>
NET ASSETS - END OF YEAR	<u>\$ 9,932,798</u>	<u>\$ 13,926</u>	<u>\$ -</u>	<u>\$ 9,946,724</u>

See independent auditors' report.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES**

	Year Ended December 31, 2019			
	CAMERA	CAMERA/ Presspectiva	Eliminating Entries	Consolidated Totals
REVENUES				
Contributions	\$ 3,521,683	\$ 665,357	\$ (658,667)	\$ 3,528,373
Special event revenue	943,204	-	-	943,204
Less: Direct costs of event	(309,354)	-	-	(309,354)
Net revenue from special event	633,850	-	-	633,850
Net investment income	1,802,200	-	-	1,802,200
Grant from government agency	-	-	-	-
Rental of lists	6,664	-	-	6,664
Total revenues	5,964,397	665,357	(658,667)	5,971,087
OPERATING EXPENSES				
Program services	4,488,325	571,821	(658,667)	4,401,479
<u>Supporting services -</u>				
Management and general	380,024	96,512	-	476,536
Fundraising	292,603	-	-	292,603
Total supporting services	672,627	96,512	-	769,139
Total expenses	5,160,952	668,333	(658,667)	5,170,618
OTHER INCOME				
Foreign currency translation adjustment	6,984	-	-	6,984
Change in net assets	810,429	(2,976)	-	807,453
NET ASSETS - BEGINNING OF YEAR	7,230,140	62,403	-	7,292,543
NET ASSETS - END OF YEAR	\$ 8,040,569	\$ 59,427	\$ -	\$ 8,099,996

See independent auditors' report.

**COMMITTEE FOR ACCURACY IN MIDDLE EAST REPORTING IN
AMERICA, INC. AND SUBSIDIARY
SCHEDULES OF SPECIAL EVENT**

	Years Ended December 31,	
	2020 Annual Dinner	2019 Annual Dinner
SPECIAL EVENT REVENUE	\$ -	\$ 943,204
DIRECT COSTS OF EVENT		
Conference	-	209,008
Payroll	-	69,932
Printing and postage	-	16,799
Photography and video	-	6,625
Advertising costs	-	2,200
Travel	-	2,185
Independent contractor costs	-	1,500
Design costs	-	1,105
Total expenses	-	309,354
NET REVENUE FROM SPECIAL EVENT	\$ -	\$ 633,850

See independent auditors' report.

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