

Muslim Response USA For Relief and Development

Financial Report

December 31, 2023

Muslim Response USA For Relief and Development
PO Box 2101
Post Office Rd, Manassas, VA

Financial Report

December 31, 2023

TABLE OF CONTENTS

	Page
Independent Auditor's Report	2
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Statements of Functional Expenses	6
Notes of Financial Statements	7-10

Compilation Report

July 15, 2024

To the Board of Trustees of Muslim Response USA
for Relief and Development (Muslim Relief USA)

Manassas, VA

We have compiled the accompanying financial statements of Muslim Relief USA (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.



Accounting, Tax and Financial Services, LLC

July 15, 2024

Muslim Response USA For Relief and Development

Statements of Financial Position

As of December 31,2023

	<u>Without donor restriction</u>	<u>With donor restriction</u>	<u>Total</u>	<u>2022</u>
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 172,770	\$ 42,601	\$ 215,371	\$ 180,238
Total Cash and Investments	\$ 172,770	\$ 42,601	\$ 215,371	\$ 180,238
Other Current Assets				
Other Current Assets	-	-	-	3,814
Total Current Assets	172,770	42,601	215,371	184,052
Total Assets	\$ 172,770	\$ 42,601	\$ 215,371	\$ 184,052
Liabilities				
Current Liabilities	10,267		10,267	100
Other Liabilities	4,792		4,792	5,667
	-		-	-
Total Liabilities	\$ 15,059	\$ -	\$ 15,059	5,767
Net Assets	\$ 157,711	\$ 42,601	\$ 200,312	\$ 178,285
Total Liabilities and Net Assets	\$ 172,770	\$ 42,601	\$ 215,371	\$ 184,052

The accompanying notes are an integral part of these financial statements

Muslim Response USA For Relief and Development

Statements of Activities

For the Year Ending December 31, 2023

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>	<u>2022</u>
Revenues and Support				
Direct Public Support	\$ 100,322	\$ 645,105	\$ 745,427	\$ 524,465
In Kind Donations		1,250,686	1,250,686	2,284,491
			-	
Total Support and Contributions	\$ 100,322	\$ 1,895,791	\$ 1,996,113	\$ 2,808,956
Earned Revenues				
Total Support and Revenue	\$ 100,322	\$ 1,895,791	\$ 1,996,113	\$ 2,808,956
Net Assets Released from Restrictions	1,857,424	(1,857,424)	\$ -	-
Total Support and Revenue	\$ 1,957,746	\$ 38,367	\$ 1,996,113	2,808,956
Expenses				
Program Services				
Program Services	\$ 1,802,447	\$ -	\$ 1,802,447	2,581,509
Total Program Services	\$ 1,802,447	\$ -	\$ 1,802,447	\$ 2,581,509
Supporting Services				
General and Administrative	\$ 73,258	\$ -	\$ 73,258	185,150
Fundraising Expense	69,104		69,104	74,847
Total Supporting Services	\$ 142,362	\$ -	\$ 142,362	\$ 259,997
Total Expenses	\$ 1,944,809	\$ -	\$ 1,944,809	\$ 2,841,506
Excess of Revenue & Support				
Over Expenses Before Other Income	\$ 12,937.29	\$ 38,367	\$ 51,304	(32,550)
Change in Net Assets	\$ 12,937	\$ 38,367	\$ 51,304	(32,550)
Beginning of the Year	\$ 144,491	\$ 33,794	178,285	217,791
Prior Period Adjustment		(29,560)	(29,560)	
End of the Year	\$ 157,428	\$ 42,601	\$ 200,029	\$ 185,241

The accompanying notes are an integral part of these financial statements

Muslim Response USA For Relief and Development

Statements of Cash Flows

For the Year Ending December 31, 2023

	<u>2023</u>
Cash Flows from Operating Activities	
Change in Net Assets	\$ 51,587
Change in Operating Assets and Liabilities	
Change in Current Assets	(3,814)
Change in Liabilities	9,292
Net Cash Provided by Operating Activities	<u>\$ 57,065</u>
Cash Flows from Investing Activities	
Net Cash Provided by Investing Activities	<u>\$ -</u>
Cash Flows from Financing Activities	
Adjustment	(21,932)
Net Cash Provided by Financing Activities	<u>(21,932)</u>
Net Increase in Cash	<u>\$ 35,133</u>
Cash	
Beginning of the year	180,238
End of the Year	<u>\$ 215,371</u>

The accompanying notes are an integral part of these financial statements

Muslim Response USA For Relief and Development
Statements of Functional Expenses
For the Year Ending December 31, 2023

Program Services

Support Services

	Emergency Relief	Gaza Emergency	Feed the Fasting	Medical Supplies	Food Aid	Qurbani Program	WASH Program	Zakah Program	Orphan Support Program	All Other Programs	Total Program Services	Fundraising Expense	Administrative	Total Support Services	Total Expense	2022
Advertising and Marketing					1,900					95,380	97,280	38,706	9,501	48,207	145,487	111,847
Bank Service Charges										20,976	20,976		147	147	21,123	10,006
Communication Expense										2,041	2,041		770	770	2,810	2,337
Dues and Subscriptions										464	464		4,182	4,182	4,646	16,600
Employee Expense										53,463	53,463	15,978	41,751	57,729	111,192	128,554
GIK, Handling & Related Fees				19,100							19,100			-	19,100	12,200
Grants to Other Organizations										4,980	4,980				4,980	
Fundraising Expense Publication & Mailer											-	14,420		14,420	14,420	16,995
In-Kind Assistant to Individuals				1,250,686							1,250,686			-	1,250,686	2,284,491
Interest Expense											-		594	594	594	2,138
Insurance											-		2,554	2,554	2,554	806
Other Expenses										486	486		461	461	947	2,535
Office Supplies										1,069	1,069		1,724	1,724	2,793	577
Office Expenses										1,497	1,497		278	278	1,775	4,379
Postage and Delivery										777	777		290	290	1,067	1,973
Professional Fee	3,500		10,500			9,500				54,509	78,009	14,420	9,105	23,525	101,534	77,819
Program Services Expense	1,500	54,000	12,355		3,913	1,127	59,771	22,889	21,812	57,814	235,181			-	235,181	153,643
Travel & Meeting										8,773	8,773		628	628	9,401	8,830
Conferences, Conventions & Meetings										13,984	13,984		250	250	14,234	5,777
Total	\$ 5,000	\$ 54,000	\$ 22,855	\$ 1,269,786	\$ 5,813	\$ 10,627	\$ 59,771		\$ 21,812	\$ 316,213	\$ 1,788,766	\$ 83,524	\$ 72,236	\$ 155,760	\$ 1,944,526	2,841,506

The accompanying notes are an integral part of these financial statements

Muslim Response USA for Relief and Development
For the Year ended December 31, 2023

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Muslim Response USA for Relief and Development is a not-for-profit organization established in 2018. Organization's mission is to provide material and financial assistance to relieve the sufferings of *any* and all persons affected by disasters, conflicts, disease, and hunger, irrespective of race, creed or ethnicity.

To support schools and other learning centers for the purpose of providing quality education to any and all students in need, irrespective of race, creed or ethnicity; to improve the quality and efficiency of healthcare systems so that the health needs of poor vulnerable and marginalized communities are met, irrespective of race, creed or ethnicity; to work with the government, nonprofit organizations and other stakeholders for developing cost effective models for participatory community development, poverty alleviation and provision of basic social services; to support or assist in any other humanitarian relief, educational, religious and or charitable activities that may be within the means of, and as may come before the Corporation

1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared using the accrual basis of accounting in accordance with the accounting principles generally accepted in the United State of America (GAAP).

Financial Statement Presentation

The classification of a not-for profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor imposed restrictions that amounts each of the classes of net assets – with donor restriction and without donor restrictions - be displayed in a statement of financial position and that the amounts of changes in each of those classes of net assets de displayed in a statement of activities.

These classes of net assets are defined as follows:

With Donor Restrictions – This class consists of net assets resulting from contribution and other inflow of assets whose use by the organization is limited by the donor imposed stipulation that either expire by the passage of time or can be fulfilled and removed by the action of the organization. When such stipulations are fulfilled, such donor restricted net assets are classified to net assets without donor restrictions. Net assets resulting from contributions whose use is limited by donor imposed restriction are classified as net assets with donor restriction.

Without donor restrictions – Contributions and other inflow of assets that are not subject to donor-imposed restrictions.

As of December 31, 2023 the organization's net assets were classified as without donor restrictions and with donor restrictions net assets.

Restricted revenue whose restrictions are met within the same year as received (that is, when the purpose restriction is accomplished) are reported as with donor restriction revenue and as net assets released from restriction in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may vary.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the organization considers all highly liquid investments with an original maturity of six months or less to be cash equivalents.

Concentration of Risk

The Organization maintains its cash deposits in accounts at various financial institutions which, at times may exceed the federally insured limit. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution.

At December 31, 2023, the Organization had \$-0- in excess of the FDIC insured limit.

Accounts and Pledge Receivable

The organization's accounts receivable balance as of December 31, 2023 was \$ -0-.

Revenue Recognition

The organization recognizes contributions from direct public support when funds are actually received. The organization does not recognize pledges as the contributors are under no obligation to pay or continue their support. It is the understanding, of the donor and the organization, that the amounts designated by the donors are neither conditional nor restricted funds but unrestricted.

Functional Expense Allocation

The cost of providing for the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain expenses have been allocated among the programs and supporting services benefited.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information. With respect to the statement of activities, the prior year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior year expenses are presented by expense classification in total rather than by functional category. Such information does not include sufficient detail to constitute a presentation in conformity with the generally accepted accounting principles. Accordingly, such information should be read in conjunction with Muslim Response USA's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Contributed Services:

The organization receives a substantial amount of services donated by its donors in carrying out the organization's ministry. These services are not reflected in the financial statements of the organization, because they do not meet the criteria for recognition under ASC 958-10, "Not-for-Profit Entities."

Accounts Payable

The organization recognizes expenses as the vendor invoices are received. Accounts Payable balance as of December 31, 2023 was \$15,059.

Income Taxes

The organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except to the extent of any unrelated business income. The organization has unrelated business income of \$-0- for the fiscal year 2023.

2. In-Kind Donations – Contributed Non-Financial Assets

Organization recognized contributed non-financial assets within its revenue. For the years ended December 31, 2023 contributed nonfinancial assets recognized within the statement of activities included:

Pharmaceuticals	\$1,250,686
-----------------	-------------

Contributed pharmaceuticals were restricted by donors to use outside the United States and were utilized in international health services and natural disaster services. In valuing contributed pharmaceuticals otherwise legally permissible for sale in the United States, the Organization used the Federal Lower Limit based on the weighted average of the most recently reported monthly Average Manufacturer Prices (AMP) that approximate wholesale prices in the United States (that is, the principal market).

3. Liquidity and Availability of Resources

The organization regularly monitors liquidity required to meet its operating needs and other contractual commitments.

Cash and other financial assets available within one year at December 31, 2023:

Cash and Cash Equivalent	\$ 215,371
Pledges Receivable	-0-
Total Financial Assets	\$ 215,371
Less: Unavailable for General expenditures within one year, due to Donor-imposed restrictions	\$ 42,601
Financial Assets Available for General Use Within One Year	<u>\$ 172,770</u>