

**Muslim Response USA For Relief and Development**  
**Financial Statements**  
**December 31, 2024**

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## Muslim Response USA For Relief and Development

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**Kelly & Company LLC**  
**Certified Public Accountants**  
**1934 Old Gallows Road**  
**Tysons Corner, VA 22182**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Muslim Response USA For Relief and Development  
800 Maine Ave SW Suite 246  
Washington DC 20024

**Opinion**

We have audited the accompanying financial statements of Muslim Response USA For Relief and Development (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Muslim Response USA For Relief and Development as of December 31, 2024, 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.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Muslim Response USA For Relief and Development and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Muslim Response USA For Relief and Development's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Muslim Response USA For Relief and Development's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Muslim Response USA For Relief and Development's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Kelly and Company, LLC*

Tysons Corner, Virginia  
August 21, 2025

**Muslim Response USA For Relief and Development**  
**Statement of Financial Position**  
**As of December 31, 2024**

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Assets

Current assets

Cash & cash equivalents	\$ 603,089
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Total Assets	<u>\$ 603,089</u>
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Liabilities and Net Assets

Current liabilities

Accounts payable & accrued liabilities	\$ 35,277
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Total liabilities	<u>35,277</u>
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Net Assets

Without donor restrictions	112,302
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With donor restrictions	<u>455,510</u>
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Total net assets	<u>567,812</u>
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Total Liabilities & Net Assets	<u>\$ 603,089</u>
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**Muslim Response USA For Relief and Development**  
**Statement of Activities and Changes in Net Assets**  
**For the year ended December 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Direct public support	\$ 359,858	\$ 922,127	\$ 1,281,985
In kind donations		4,002,449	4,002,449
Net assets released from restrictions			
Satisfaction of program restrictions	4,511,667	(4,511,667)	-
Total revenue	4,871,525	412,909	5,284,434
Expenses			
Program Services	4,541,362	-	4,541,362
Management and general	174,792	-	174,792
Fundraising expense	200,780	-	200,780
Total expenses	4,916,934	-	4,916,934
Change in net assets	(45,409)	412,909	367,500
Net assets beginning of year	157,711	42,601	200,312
Net assets end of year	\$ 112,302	\$ 455,510	\$ 567,812

**Muslim Response USA For Relief and Development**  
**Statement of Functional Expenses**  
**For the year ended December 31, 2024**

	Emergency	Feed the Fasting	HealthCare	Food Aid	Qurbani	WASH
Gift in kinds	\$ -	\$ -	\$ 4,002,449	\$ -	\$ -	\$ -
Program services	54,572	33,116			107,905	30,561
Advertising and marketing	28,000	14,500		2,500	12,000	
Salaries and wages						
Professional fees		22,415			14,424	
Employee benefits						
Bank service charges						
Handling fees			11,700			7,800
Supplies and materials				790		
Conferences and meetings		201		1,770		
Travel						
Miscellaneous						
Publication and mailer		1,498			3,089	
Payroll taxes						
Telephone and internet						
Dues and subscriptions						
Postage						
Insurance						
	\$ 82,572	\$ 71,730	\$ 4,014,149	\$ 5,060	\$ 137,418	\$ 38,361

**Muslim Response USA For Relief and Development**  
**Statement of Functional Expenses**  
**For the year ended December 31, 2024**

	Orphan Support	Other	Total Program services	Management and general	Fundraising Expense	Total
Gift in kinds	\$ -	\$ -	\$ 4,002,449	\$ -	\$ -	\$ 4,002,449
Program services	43,686	15,316	285,156	1,960		287,116
Advertising and marketing	-	8,000	65,000	8,956	177,494	251,450
Salaries and wages		85,409	85,409	21,748		107,157
Professional fees			36,839	37,356	16,100	90,295
Employee benefits		31,894	31,894	4,810		36,704
Bank service charges			-	34,143		34,143
Handling fees			19,500			19,500
Supplies and materials			790	18,153		18,943
Conferences and meetings		550	2,521	4,139	7,186	13,846
Travel			-	13,183		13,183
Miscellaneous		400	400	9,417		9,817
Publication and mailer			4,587	5,054		9,641
Payroll taxes		6,817	6,817	2,285		9,102
Telephone and internet			-	5,037		5,037
Dues and subscriptions			-	2,955		2,955
Postage			-	2,833		2,833
Insurance			-	2,763		2,763
	\$ 43,686	\$ 148,386	\$ 4,541,362	\$ 174,792	\$ 200,780	\$ 4,916,934



**Muslim Response USA For Relief and Development**  
**Statement of Cash Flows**  
**For the year ended December 31, 2024**

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Cash flows from operating activities	
Change in net assets	\$ 367,500
Adjustment to reconcile change in net assets to net cash provided by operating activities	
Accounts payable & accrued liabilities	20,218
Net cash provided by operating activities	<u>387,718</u>
Net increase in cash	<u>387,718</u>
Cash at beginning of year	<u>215,371</u>
Cash at end of year	<u><u>\$ 603,089</u></u>
Cash and cash equivalents	\$ 147,579
Restricted cash	455,510
Total cash and cash equivalents	<u><u>\$ 603,089</u></u>
Supplemental financial information:	
Interest paid during year	\$ -
Income taxes paid	\$ -

## **Muslim Response USA For Relief and Development**

### **Notes to Financial Statements**

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#### **Note 1. Organization and nature of activities**

Muslim Response USA for Relief and Development is a not-for-profit organization established in 2018. It delivers humanitarian aid when disasters e.g. floods, earthquakes, drought and hurricanes strike; when people are driven from their homes and countries by conflicts and wars; when economies collapse and when there are deadly disease outbreaks around the globe. Through its community development programs, it helps build futures with local people, empower them and mitigate the effects of future disasters. Its program strategy is guided by the following three principles:

- High quality and participatory programming
- A long-term engagement with the poor and vulnerable communities
- Commitment to gender and diversity, and serving the program participants regardless of their religion, race and nationality

Muslim Response USA is committed to the Humanitarian Charter and Code of Conduct and works with the extremely poor and at risk families around the globe. For achieving its vision and mission, Muslim Response USA works with key stakeholders – Governments, NGOs, UN bodies, private sector, research institutions and community based groups/leaders.

#### **Note 2. Summary of significant accounting policies**

**Basis of accounting and presentation:** Financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) in its Statement of Financial Accounting Standards (FASB ASC 958) Financial Statements of Nonprofit Organizations. Under FASB ASC 958, the Organization is required to present net assets and revenues, expenses, gains, and losses classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes there in are classified and reported as follows:

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 by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

## Muslim Response USA For Relief and Development

### Notes to Financial Statements

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#### Note 2. Summary of significant accounting policies – continued

**Basis of accounting:** The accompanying financial statements have been prepared on the accrual basis of accounting.

**Cash and cash equivalents:** All highly liquid investments, excluding amounts included in investments, with a maturity of less than 90 days at the date of acquisition are considered cash equivalents.

**Contributions:** Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

**Contributed Services:** The Organization receives a substantial amount of services donated by its members in carrying out the center'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."

**Use of estimates:** The Organization prepares its financial statements in conformity with accounting principles general accepted in the United States of America, which requires management to make estimates and assumptions that affect certain reported amounts and disclosures.

**Income taxes:** The Organization is exempt from income taxes as a non-profit organization under section 501(c)(3) of the Internal Revenue Code, except for unrelated business income taxes.

**Concentration of credit risk:** The Organization maintains its cash in bank accounts which at times, may exceed federally insured limits. The Organization had not experiences any losses in such accounts and management believes it is not exposed to any significant credit risk on its cash balances.

**Functional allocation of expenses:** The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Cost Allocation:** The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied.

## Muslim Response USA For Relief and Development

### Notes to Financial Statements

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#### Note 3. Net asset with donor restrictions

Net assets with donor restrictions are restricted for the following purposes:

Subject to expenditure for specified purposes:

Emergency	\$ 405,614
Food Aid	32,818
WASH	7,266
Orphan Support	8,627
Total	<u>\$ 455,510</u>

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

Purpose restrictions accomplished:

HealthCare	\$ 4,003,193
Other	148,386
Qurbani	131,700
Emergency	82,572
Feed the Fasting	58,709
Orphan Support	43,686
WASH	38,361
Food Aid	5,060
Total restrictions released	<u>\$ 4,511,667</u>

#### Note 4. Availability and liquidity

The following represents the Organization's financial assets at December 31, 2024:

Financial assets at year end:

Cash & cash equivalents	\$ 603,089
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Less those unavailable for general expenditures within one year, due to

Donor-imposed restrictions for program purposes	<u>(455,510)</u>
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Financial assets available to meet general

expenditures over the next twelve months	<u>\$ 147,579</u>
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## **Muslim Response USA For Relief and Development**

### **Notes to Financial Statements**

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#### **Note 5. In-Kind Donations**

The Organization recognized in-kind donations of pharmaceuticals within its revenue and subsequent donations to recipients of \$4,002,449.

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).

#### **Note 6. Subsequent events**

The management of the Organization has analyzed subsequent events through August 21, 2025, the date on which the financial statements were available to be issued. No events have occurred since the balance sheet date that would have a material impact on the financial statements.