

**MOMS AGAINST POVERTY**

**FINANCIAL STATEMENTS FOR THE  
YEAR ENDED DECEMBER 31, 2019  
AND INDEPENDENT AUDITOR'S REPORT**

**MOMS AGAINST POVERTY  
FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Moms Against Poverty  
Burlingame, California

We have audited the accompanying financial statements of Moms Against Poverty (a California nonprofit organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Moms Against Poverty  
Burlingame, California

(Continued)

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Moms Against Poverty as of December 31, 2019, 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.

### Emphasis of Matter

As discussed in Note 7 - Domestic and Foreign Operation conducted through other entities and Note 10 - Commitments & Contingencies – Foreign Operations: The Organization conducts most of its operations through other agent organizations in foreign countries. Some of these entities are non-profit charitable organizations/NGOs registered under the laws of their country jurisdictions and operating as such locally but are not registered exempt entities with the U.S. Internal Revenue Service. This can lead to various internal control challenges. MAP management has consistently been working to address any remaining operational areas still in need of upgrade.



Pleasanton, California  
May 4, 2022

Nicholas & Robison Accounting  
License # COR 6072

**MOMS AGAINST POVERTY  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2019**

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**ASSETS**

Current Assets

Cash and Cash Equivalents	\$ 384,130
Receivables	35,379
Inventory	11,230
Prepaid Expenses	<u>6,750</u>
Total Current Assets	437,489

Property and Equipment

Furniture and Equipment	25,447
Accumulated Depreciation	<u>(8,156)</u>
Net Property and Equipment	<u>17,291</u>

Total Assets	<u><u>\$ 454,780</u></u>
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**LIABILITIES AND NET ASSETS**

Current Liabilities

Accounts Payable and Accrued Liabilities	<u>\$ 6,593</u>
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Total Liabilities	6,593
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Net Assets

Net Assets without Donor Restrictions	290,503
Net Assets with Donor Restrictions	<u>157,684</u>
Total Net Assets	<u>448,187</u>

Total Liabilities and Net Assets	<u><u>\$ 454,780</u></u>
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*The accompanying notes are an integral part of these financial statements*

**MOMS AGAINST POVERTY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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	Without Donor Restrictions	With Donor Restrictions	Total
<b><u>Support &amp; Revenue</u></b>			
Business and Individual Donations	\$ 443,530	\$ 1,020,507	\$ 1,464,037
Special Events:			
Special Event Revenue	578,469	-	578,469
Less: Cost of Direct Benefit to Special Event Donors	(237,641)	-	(237,641)
Net Revenue from Special Events	340,828	-	340,828
Net Assets Released from Restrictions	862,823	(862,823)	-
<b>Total Support and Revenues</b>	1,647,181	157,684	1,804,865
<b><u>Expenses</u></b>			
Foreign Project Contributions	1,162,003	-	1,162,003
U.S. Project Contributions	263,825	-	263,825
Management & General	198,966	-	198,966
<b>Total Expenses</b>	1,624,794	-	1,557,621
<b>Change in Net Assets</b>	22,387	157,684	180,071
Net Assets, Beginning of Year	268,116	-	268,116
<b>Net Assets, End of Year</b>	\$ 290,503	\$ 157,684	\$ 448,187

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*The accompanying notes are an integral part of these financial statements*

**MOMS AGAINST POVERTY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Foreign Project Contributions				
	Senegal Project	Iran Project	Sierra Leone Project	Cambodia Project	India Project
Contributions	\$ 46,000	\$ 957,500	3,550	\$ 104,367	\$ 16,000
Outside Services	-	29	-	-	-
Professional Fees	-	7,568	-	-	-
Travel	-	471	5,400	-	-
Supplies	-	119	-	2,250	-
Telephone and On-line Charges	-	-	-	118	-
Postage	-	-	-	-	-
Printing, Copying and Publishing	-	-	-	-	-
Rent	-	-	-	240	-
Equipment Rental and Repairs	-	-	2,250	-	-
Insurance	26	-	-	-	-
Advertising	-	-	-	-	-
Dues and Memberships	-	-	-	-	-
Fees, Fines and Service Charges	-	10,265	-	-	-
Salaries	-	-	-	5,850	-
Depreciation	-	-	-	-	-
Total Functional Expenses	<u>\$ 46,026</u>	<u>\$ 975,952</u>	<u>\$ 11,200</u>	<u>\$ 112,825</u>	<u>\$ 16,000</u>

*The accompanying notes are an integral part of these financial statements*

**MOMS AGAINST POVERTY  
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Total Foreign Project Contributions	United States - Project Contributions	Fundraising	Management & General	Total
Contributions	\$ 1,127,417	\$ 196,266	\$ -	\$ -	\$ 1,323,683
Outside Services	29	686	56,599	1,988	59,302
Professional Fees	7,568	-	6,200	66,546	80,314
Travel	5,871	73	6,707	3,362	16,013
Supplies	2,369	189	40,149	3,711	46,418
Telephone and On-line Charges	118	-	-	4,919	5,037
Postage	-	-	817	278	1,095
Printing, Copying and Publishing	-	-	769	-	769
Rent	240	391	64,537	21,839	87,007
Equipment Rental and Repairs	2,250	-	7,329	-	9,579
Insurance	26	-	-	8,567	8,593
Advertising	-	-	-	29,455	29,455
Dues and Memberships	-	-	-	483	483
Fees, Fines and Service Charges	10,265	-	2,474	5,932	18,671
Salaries	5,850	66,220	52,060	46,921	171,051
Depreciation	-	-	-	4,965	4,965
Total Functional Expenses	<u>\$ 1,162,003</u>	<u>\$ 263,825</u>	<u>\$ 237,641</u>	<u>\$ 196,978</u>	<u>\$ 1,862,435</u>

*The accompanying notes are an integral part of these financial statements*



**MOMS AGAINST POVERTY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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Cash Flows from Operating Activities:	
Change in Net Assets	\$ 180,071
Adjustments to Reconcile Change in Net Assets to Cash Provided by Operating Activities	
Depreciation	4,965
(Increase) Decrease in Operating Assets:	
Accounts Receivable	(27,641)
Inventory	28,035
Prepaid Expenses	6,500
Increase (Decrease) in Operating Liabilities	
Accounts Payable and Accrued Liabilities	<u>(7,300)</u>
Net Cash Provided by Operating Activities	184,630
Cash Flows from Investing Activities:	
Acquisition of Office Equipment	<u>(3,298)</u>
Net Cash Used in Investing Activities	<u>(3,298)</u>
Net Increase in Cash and Cash Equivalents	181,332
Cash and Cash Equivalents, December 31, 2018	<u>202,798</u>
Cash and Cash Equivalents, December 31, 2019	<u><u>\$ 384,130</u></u>

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*The accompanying notes are an integral part of these financial statements*

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Note 1: Organization and Basis of Presentation**

Moms Against Poverty (the “Organization”) is a California nonprofit, locally-based 501(c)(3) public and charitable organization which was established in 2006. Moms Against Poverty (MAP) is a global non-profit organization with the mission to nurture and educate underprivileged children to their fullest potential, so that one day they can contribute and lead within their own communities and break the cycle of poverty. The organization's work is holistically minded, advancing communities one program at a time toward well-being and self-sufficiency. First, the organization addresses children’s basic needs, such as food, shelter, and healthcare. Then, using education and vocational programs, it provides them with the tools and environment they need to thrive and become successful members of their community and the world at large. The organization’s programs include education, hunger relief and basic provisions, health and wellness, and orphan care.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are presented on the accrual basis of accounting following the standards of accounting and reporting in accordance with Financial Accounting Standards Board’s (FASB) Accounting Standard Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which is an enhancement to Accounting Standard Codification (ASC) 958. Under FASB ASU 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets; without donor restrictions and with donor restrictions.

- Without Donor Restrictions include those assets over which the Board of Directors has discretionary control in carrying out the operations of the Organization. Under this category, the Organization maintains an operating fund and other funds as designated by the Board for specific purposes. The Organization has elected to report as an increase in without donor restrictions net assets any restricted revenue received in the current period for which the restrictions have been met in the current period.
- With Donor Restrictions include those assets subject to donor restrictions and for which the applicable restrictions were not met as of the end of the current reporting period. These net assets also include assets subject to non-expiring donor restrictions, such as endowments.

In the opinion of management, the accompanying financial statements include all necessary adjustments for a fair presentation of the financial position and the results of operations for the period presented.

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Note 2: Summary of Significant Accounting Policies**

**Cash and Cash Equivalents**

The Organization considers instruments that are guaranteed by the Federal Reserve, can be converted into cash within a short term, and have maturities of three months or less to be cash equivalents. The Organization does not have any cash equivalents, only cash. At December 31, 2019, one of the Organization's bank accounts exceeded the Federal Deposit Reserve Insurance limit.

**Revenue Recognition**

Contributions are recognized as revenue when received or unconditionally promised. Contributions are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Distinguishing Contributions from Exchange Transactions**

Exchange transactions are reciprocal transfers, such as purchases of goods and services from another entity. For example, an arts patron who buys tickets to an opera is purchasing goods from that organization. A transfer of assets that is in substance a purchase of goods or services is not a contribution. Revenues resulting from exchange transactions are classified on the statement of activities as "Sales" rather than "Donations" when the potential benefits resulting from a transfer of assets are intended to serve the general public, such that the general public is receiving the primary benefit, that transfer of assets is considered a "Contribution."

**Using Donor-Restricted Contributions First**

The Organizations often incurs expenses for which both net assets without donor restrictions and net assets with donor restrictions are available. If so, the donor-imposed restrictions are considered to be fulfilled and net assets with donor restrictions are used first unless the expense is directly attributable to another specific outside source of revenue, such as a conditional award from a government agency or private foundation.

**Property and Equipment**

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repair and maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost or, if donated, at the approximate fair market value at the time of date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the property and equipment.

Total depreciation expense for the year ended December 31, 2019 was \$4,965.

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Note 2: Summary of Significant Accounting Policies (continued)**

**Income Tax**

The Organization is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code and from California Franchise taxes under Section 23701(d) of the Revenue and Taxation Code. The Organization is only required to submit annual federal and state informational returns, therefore, no provision for federal and/or state income taxes are included in the financial statements. Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination.

The Organization files information returns in the U.S. federal jurisdiction and the State of California. The Organization's open tax years subject to examination by taxing authorities include 2021, 2020, and 2019. The California state return is subject to an additional year and therefore the 2018 return is open as well.

**Donated Services**

FASB ASC 958-605-25-16 generally requires the fair value of donated services to be recognized in the financial statements if either the services (a) create or enhance non-financial assets or (b) require specialized skills, performed by people with those skills, and would otherwise be purchased by the Organization.

**Donated Goods**

Donated good are recognized as in-kind donations on the statement of activities at the fair market value of the goods, at the time of the contribution. Once the goods are contributed to subrecipients, a contribution is recorded and reported as such on the statement of functional expenses.

**Long-Lived Assets**

The Organization's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future expected cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized to the extent the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of their carrying amount or the fair value of the asset, less costs to sell.

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Note 2: Summary of Significant Accounting Policies (continued)**

**Use of Estimates**

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could be different from those estimates.

Significant items subject to such estimates and assumptions include the useful lives of property and equipment, and other contingencies. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. Management believes its estimates to be reasonable under the circumstances. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates.

**Recent Accounting Standards**

In September 2020, FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which will require the value of contributed nonfinancial assets to be reported as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. In addition, nonprofit organizations must disclose gifts-in-kind by category in the notes to the financial statements. FASB ASU No. 2020-07 is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted.

In February 2016, the FASB issued amended authoritative guidance on accounting for leases. The new provisions require that a lessee of operating leases recognize, in the statement of financial position, a liability to make lease payments (the lease liability) and a right-of-use asset, representing its right to use the underlying asset for the lease term. The lease liability will be equal to the present value of lease payments, with the right-of-use asset based upon the lease liability. The classification criteria for distinguishing between finance (or capital) leases and operating leases are substantially similar to the previous lease guidance, but with no explicit bright lines. As such, operating leases will result in straight-line rent expense similar to current practice. For short term leases (term of 12 months or less), a lessee is permitted to make an accounting election not to recognize lease assets and lease liabilities, which would generally result in lease expense being recognized on a straight-line basis over the lease term. This guidance applies to all entities and is effective for annual periods beginning after December 15, 2021, which will be the Organization's fiscal year 2022, with early adoption permitted. The adoption of this standard is not expected to have a material impact on the Organization's financial statements.

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Note 2: Summary of Significant Accounting Policies (continued)**

**Special Events**

Contributions may be solicited by special events such as fund-raising dinners or by “sales” of items, for which the price charged is substantially greater than the cost of the items. These special events generate both revenue from the exchange transaction (the “sale” of goods or services) and support from the excess price charged, which represents a contribution. According to FASB ASC 958-220-45-19, the statement of activities should report the *gross* amounts of revenues and expenses from such special events when they are ongoing and major activities.

**Subsequent Events**

The Organization has evaluated transactions that occurred after the statement of financial position date through May 4, 2022, the date the financial statements were issued, and determined that any transactions that require adjustments to, or disclosure have been included in the financial statements, see Note 11.

**Note 3: Net Assets**

At December 31, 2019, the Organization had \$157,684 in funds that were restricted by donors.

**Note 4: In-Kind Contributions**

The Organization recognizes donated goods and services as income in the period contributed, and expense in the period the donated good or service benefits. Donated services must create and enhance non-financial assets or require specialized skills (such as professional services which would otherwise need to be purchased if not provided by donation) in order to qualify for recognition in the statement of activities. During the year ended December 31, 2019, the Organization received \$700 of in-kind income in the form of goods and \$200 of in-kind income in the form of services.

**Note 5: Furniture and Equipment**

Property and equipment consist of the following at December 31, 2019:

Furniture and Equipment	\$ 25,447
Accumulated depreciation	<u>(8,156)</u>
Net Property and Equipment	<u>\$ 17,291</u>

**Note 6: Loan Payable**

The Organization entered into a line of credit (LOC) agreement under a master revolving note with a bank on August 4, 2017. This note has a maximum draw amount of \$250,000 with principal due on demand by the bank at any time. The bank is not under obligation to make any advances under this note at any given time. The note carries various covenants that the Organization is required to meet. The Organization was in compliance with these covenants except for the covenant requiring an annual CPA audited financial statements of the Organization within 120 days of each Organization fiscal year end. Advances are subject to a floating annual interest rate that changes based upon various indexes. As of December 31, 2019, the Organization did not carry a balance owed on this LOC.

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Note 7: Domestic and Foreign Operation Conducted Through Other Entities**

The Organization gives grants and other donations to various organizations (other entities) that operate in foreign countries and the United States. These entities generally are not registered exempt entities with the U.S. Internal Revenue Service. During 2019 the countries/geographical regions these other foreign entity organizations operated in were: Africa, Cambodia, India and Iran.

Operating in multiple foreign locations, with different languages and business customs, through agency organizations makes for a challenging internal control environment. The Organization monitors the agency organizations and their operations with internal staff and volunteers. The Organization generally enters into written agreements with these other entities called “Memorandums of Understanding,” “Agency Agreements” and “Grant Agreements.” These agreements generally lay out MAP’s objectives in the applicable country and how the other entity is to spend funds MAP provides as well as reporting obligations. These agreements are, in essence, agency agreements that these other entities will act as MAP’s agent in administering the operations and funding by MAP in those areas. The funds provided to and type of agreement with the other entities is listed in the table below.

Organization	Contribution	Type of Agreement
APA Family Support Services	\$ 621	Memorandum of Understanding
Bret Harte Elementary	3,762	Memorandum of Understanding
Bryant Early Education School	6,206	Memorandum of Understanding
Building Features	910	Memorandum of Understanding
Burckhalter Elementary	2,552	Memorandum of Understanding
Carver Elementary	1,124	No formal agreement
Castro Valley Unified School District	8,577	Memorandum of Understanding
Destiny Art Center	5,000	Memorandum of Understanding
Families Without Borders	11,200	Grant Agreement
First African Methodist Episcopal Church	1,700	Memorandum of Understanding
Food Across Centers	1,338	Memorandum of Understanding
Frick Impact Academy	475	Memorandum of Understanding
Guilford ES	296	Loudon County Contractor Agreement
Holiday Helping Hand Project Distribution AC	14,008	Memorandum of Understanding
Hygiene Across Centers	4,810	Memorandum of Understanding
Ile Omode	3,743	No formal agreement
Kaleo Christian Fellowship Church	2,115	Memorandum of Understanding
MAP Cambodia	112,825	Memorandum of Understanding
Missey, Inc	3,982	Memorandum of Understanding
Mother Miracle Community	16,000	Grant Agreement
Muhammad University	2,181	No formal agreement
Natangue Senegal USA	46,000	Memorandum of Understanding

(continued)

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**Note 7: Domestic and Foreign Operation Conducted Through Other Entities (continued)**

(continued)

Organization	Contribution	Type of Agreement
Nikgaman Jamshid	973,905	Agency Agreement
Oakland County Schools, Churches and Centers	47,146	Memorandum of Understanding
Pennisula Family Service	10,785	Memorandum of Understanding
Pledge to Humanity	-	Memorandum of Understanding
San Francisco Unified School District	12,577	Memorandum of Understanding
San Marcos Foundation	3,000	Memorandum of Understanding
Selma Olinder Elementary	1,624	No formal agreement
Sterling ES	4,726	Loudon County Contractor Agreement
Sugarland ES	359	Loudon County Contractor Agreement
Virginia County Across Schools	32,297	Loudon County Contractor Agreement
Zaida Rodriguez Early Education School	3,109	Memorandum of Understanding
Zia Inc	6,251	Memorandum of Understanding
Total	<u>\$ 1,345,204</u>	

**Note 8: Detail of Restricted Funds by Country**

Certain donated funds are restricted to specific country and project usage. Due to shortage in contributions for specific program projects, the Board of Directors may designate unrestricted funds to help with the cost of its programs at various times during the year. For the year ended December 31, 2019, the Board of Directors designated \$929,918 of its net assets without donor restrictions to use for additional expenditures to these restricted funds projects during 2019. For the year ended December 31, 2019, the changes in donor restricted net assets and board designated net assets were as follows:

	Donor Restricted Net Assets, Beginning of Year	Donor Restrictions and Board Designated Funds Received During the Year	Released from Donor Restrictions and Board Designated Funds During Year	Remaining Restricted Net Assets, End of Year
Senegal Project	\$ -	\$ 46,026	\$ (46,026)	\$ -
Iran Project	-	1,073,407	(975,952)	97,455
Sierra Leone Project	-	11,200	(11,200)	-
Cambodia Project	-	169,150	(112,825)	56,325
India Project	-	16,000	(16,000)	-
United States - Project Contributions	-	267,729	(263,825)	3,904
Total	<u>\$ -</u>	<u>\$ 1,583,512</u>	<u>\$ (1,425,828)</u>	<u>\$ 157,684</u>



**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Note 9: Quantitative Liquidity**

FASB ASC 958-205-55-21 requires that the Organization provide a disclosure concerning financial asset liquidly available to meet operational needs in the coming year. See below table with this disclosure:

Financial assets, at year end		
Cash and Cash Equivalents	\$ 384,130	
Receivables	35,379	\$ 419,509
Less those unavailable for general expenditure within one year, due to		
Board designations	929,918	
Donor restrictions	157,684	(1,087,602)
Financial assets available to meet cash needs for general expenditures within one year		\$ -

**Note 10: Commitments & Contingencies**

**Foreign Operations**

The Organization gives grants and other donations to various other agent organizations that operate in foreign countries. Some of these entities are non-profit charitable organizations/NGOs registered under the laws of their country jurisdictions and operating as such locally but are not registered exempt entities with the U.S. Internal Revenue Service. Monitoring the use of these grants and other donations in foreign countries is often challenging due to limited MAP staffing, distance, remote locations, local languages, government regulations, and currency transactions. These monitoring challenges, while generally addressed by the Organization’s internal controls, have caused the Organization to have some operational areas still in need of upgrade to meet all regulatory and exemption requirements. MAP management has consistently been working to address any remaining operational areas still in need of upgrade.

The Organization has a license from the US Treasury Department to conduct charitable activities in Iran through March 31, 2023.

**Management Letter**

The auditor has issued management an advisory letter with recommendations for enhancing internal controls, restricted asset tracking, management payments, insurance, and supervision of foreign operations.

**MOMS AGAINST POVERTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**Note 10: Commitments & Contingencies (continued)**

**Budgetary Commitments for Expenditures in 2020**

The Organization's board of directors has made commitments, contingent upon availability of funds, to donate approximately \$2,921,318 to ongoing charitable operations and new projects during 2020. The details of these commitments are contained in the Organization's 2020 budget.

	Board Designated Commitments	Budgeted Upon Availability	Totals
Iran			
Orphanage in Kerman	\$ 70,000	\$ -	\$ 70,000
Nikgaman Jamshid Project Management	132,000	-	132,000
Flood relief	-	211,000	211,000
Schools in Impoverished Areas	-	381,000	381,000
Rural Daycare Centers	-	38,500	38,500
Orphanage in Rasht	-	30,000	30,000
Bushehr Cultural Center	-	7,000	7,000
Omid-e Farda Mental Health Clinic for Orphans and Homeless Youth	-	50,000	50,000
COVID-19 Relief*	-	789,000	789,000
Small Projects	-	9,000	9,000
United States	480,000	-	480,000
Cambodia	135,402	-	135,402
Senegal	96,516	-	96,516
India	16,000	-	16,000
Other Small Projects	-	100,000	100,000
Operations and Management	-	375,900	375,900
Totals	<u>\$ 929,918</u>	<u>\$ 1,991,400</u>	<u>\$ 2,921,318</u>

\* The 2020 budget was revised mid-year 2020 as a result of the pandemic and COVID relief was added

**Note 11: Subsequent Events**

**Economic Injury Disaster Loan**

In June 2020, the Organization received an Economic Injury Disaster Loan (EIDL), which is established by the United States Small Business Administration (SBA), in the amount of \$150,000. This loan is to be used solely as working capital to alleviate economic injury caused by all current disasters. This note carries an interest rate of 3.75% and requires monthly payments of \$731 commencing in June 2022 through June 2050. This note was fully repaid, principal and interest, by the Organization in 2021.

**MOMS AGAINST POVERTY  
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**Note 11: Subsequent Events (continued)**

**Covid-19 Shutdown and Re-Openings**

Since March 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses have been forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in economic slowdowns. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The Organization has determined that these events are non-adjusting current and subsequent events. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods.

**Paycheck Protection Promissory Note**

In March 2021 and April 2021, the Organization entered into Paycheck Protection Promissory (PPP) notes, both in the amount of \$34,895 with BSD Capital, LLC. These loans, which are established by the SBA and USA Cares Act, provided the Organization with cash needed to compensate its employees. Both of these notes were forgiven entirely, prior to the auditor's report date.