MOTHERS WITHOUT BORDERS

REVIEWED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

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SQUIRE
HIGHER PERSPECTIVE

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Trustees
Mothers Without Borders

We have reviewed the accompanying financial statements of Mothers Without Borders (a Utah nonprofit organization), which comprise the statements of financial position as of December 31, 2021, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

We are required to be independent of Mothers Without Borders and to meet other ethical responsibilities, in accordance with relevant ethical requirements related to our review.

Accountant's Conclusion

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

Squire & Company, PC

Orem, Utah
March 2, 2022

MOTHERS WITHOUT BORDERS
STATEMENT OF FINANCIAL POSITION
December 31, 2021

ASSETS	
Current Assets:	
Cash	$ 1,113,349
Contributions receivable	218,001
Prepaid expenses	5,777
Total current assets	1,337,127
Net Fixed Assets	804,533
Total assets	$ 2,141,660
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable	$ 1,324
Accrued expenses	37,084
Unearned revenue	133,727
Total current liabilities	172,135
Net Assets:	
Without donor restrictions	1,488,216
With donor restrictions	481,309
Total net assets	1,969,525
Total liabilities and net assets	$ 2,141,660

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

Net Assets without Donor Restrictions:	
Revenues, support, and gains:	
Contributions	$ 666,061
In-kind contributions	320,497
Expeditions	220,350
Special events, net of direct costs	168,037
Interest	10,991
Gain on sale of donated marketable securities	147
Gain on foreign currency translation	50,314
Net assets released from restrictions	175,304
Total revenues, support, and gains	1,611,701
Expenses:	
Program services	931,434
Supporting services:	
Management and general	124,720
Fundraising	146,612
Total expenses	1,202,766
Change in net assets without donor restrictions	408,935
Net Assets with Donor Restrictions:	
Donations	424,958
Net assets released from restrictions	(175,304)
Change in net assets with donor restrictions	249,654
Change in Net Assets	658,589
Net Assets at Beginning of Period	1,310,936
Net Assets at End of Period	$ 1,969,525

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2021

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total
Salaries and benefits	$ 312,983	$ 75,247	$ 89,505	$ 477,735
Relief supplies and assistance	278,544	-	-	278,544
Office	5,349	1,939	9,683	16,971
Advertising	277	-	580	857
Occupancy	11,799	8,889	6,456	27,144
Travel	248,996	235	38	249,269
Professional fees	4,686	29,707	6,000	40,393
Insurance	-	1,371	-	1,371
Other	30,612	7,332	34,350	72,294
Depreciation	38,188	-	-	38,188
Total expenses	$ 931,434	$ 124,720	$ 146,612	$ 1,202,766

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENT OF CASH FLOWS

Year Ended December 31, 2021

Cash Flows from Operating Activities:	
Change in net assets	$ 658,589
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	38,188
Gain on sale of marketable securities	(147)
Contribution of marketable securities	(169,495)
Changes in operating assets and liabilities:	
Contributions receivable	(218,001)
Prepaid expenses	(5,777)
Accounts payable	(666)
Accrued expenses	4,141
Unearned revenue	68,020
Net cash provided by operating activities	374,852
Cash Flows from Investing Activities:	
Proceeds from sale of marketable securities	169,642
Purchases of fixed assets	(117,207)
Net cash provided by investing activities	52,435
Net Change in Cash	427,287
Cash at Beginning of Period	686,062
Cash at End of Period	$ 1,113,349

Supplementary Data:

The Organization paid no interest during the year ended December 31, 2021.

The Organization had no noncash investing or financing activities during the year ended December 31, 2021.

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Mothers Without Borders (the Organization) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization

Mothers Without Borders was incorporated in 2000 in the state of Colorado as a nonprofit organization. The mission of the Organization is to offer hope to orphaned and vulnerable children by nurturing and caring for them as if they were our own.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to the following net asset classifications:

> *Net assets without donor restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and board of directors.
>
> *Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors and grantors.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as contributions without donor restrictions.

Revenue Recognition

The Organization recognizes contributions when earned. The Organization generates revenue primarily from contributions and fees for expeditions or events. Amounts received after year end from donors, but dated before year end, are recorded as contributions receivable.

The Organization records payments received from individuals who participate in humanitarian expeditions to Zambia as expedition revenue in the period during which the expeditions occur. Unearned revenue consists of payments received for expeditions that will occur in a future period and recognized upon completion of the expedition.

Income Taxes

The Organization is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRS). Also, the Organization is exempt from state income taxes.

Fixed Assets

Fixed assets are recorded at cost or estimated fair value if donated. Fixed assets valued at more than $2,500 are capitalized and depreciated using the straight-line depreciation method over the estimated useful lives of the assets ranging from 5 to 40 years.

Foreign Currency

The U.S. dollar is the Organization's functional currency. Amounts held in Zambian kwacha are converted to U.S. dollars. As such, any gains or losses on the translation from Zambian kwacha to U.S. dollars are included in the statement of activities.

Allocation of Expenses

Directly identifiable expenses are charged to programs and support services and indirect costs are allocated based on personnel costs. Management and general expenses include those expenses that are not directly identifiable with any specific function, but provide overall support and direction of the Organization. Fundraising expenses include those activities involved in soliciting contributions, conducting fundraising events, and other similar activities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and support and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through March 2, 2022, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

NOTE 2 – DONATED MATERIALS AND SERVICES

Volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed materials and professional services are recorded at fair value at the date of donation, or when services are received.

NOTE 3 – AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2020:

Financial assets:	
Cash	$ 1,113,349
Accounts receivable	218,001
Total financial assets	1,331,350
Less amounts not available to be used within one year:	
Net assets with donor restrictions	481,309
Financial assets available to meet general expenditures over the next twelve months	$ 850,041

The Organization's goal is generally to maintain financial assets to meet 6 months of operating expenses (approximately $580,000). Operating expenses are defined by the Organization as total expenses less depreciation.

NOTE 4 – FIXED ASSETS

Fixed assets consisted of the following at December 31, 2021:

		Depreciable Lives (Years)
Land	$ 62,006	
Buildings and improvements	749,570	5 to 40
Furniture and fixtures	6,150	7
Equipment	40,748	5 to 7
Vehicles	69,999	5
Construction in progress	61,479	
	989,952	
Accumulated depreciation	(185,419)	
Net fixed assets	$ 804,533	

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Donor-restricted net assets are summarized as follows at December 31, 2021:

Specific-purpose restrictions:	
Software leasing	$ 15,890
Expeditions	99,001
Capital projects	358,143
Zambia development	8,275
	$ 481,309

Net assets released from restrictions are summarized as follows for the year ending December 31, 2021:

Software leasing	$ 14,100
Fundraising expansion	39,557
Expeditions	9,922
Zambia development	111,725
	$ 175,304

NOTE 6 – RELATED PARTY TRANSACTIONS

The Organization received contributions totaling $155,638 from members of the Board of Directors to help fund general operations during the year ended December 31, 2021.