MOTHERS WITHOUT BORDERS

REVIEWED FINANCIAL STATEMENTS

For the Years Ended December 31, 2022 and 2021

TABLE OF CONTENTS

	Page
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
REVIEWED FINANCIAL STATEMENTS:	
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to the Financial Statements	6

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Trustees
Mothers Without Borders

We have reviewed the accompanying financial statements of Mothers Without Borders (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, the related statements of activities, functional expenses, and cash flows for the years 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
April 7, 2023

Salt Lake City Office
801.533.0409
215 S State Street #850
Salt Lake City, UT 84111

Orem Office
801.225.6900
1329 South 800 East
Orem, UT 84097

MOTHERS WITHOUT BORDERS
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash	$ 722,963	$ 1,113,349
Contributions receivable	5,500	218,001
Prepaid expenses	-	5,777
Total current assets	728,463	1,337,127
Net Fixed Assets	1,156,107	804,533
Total assets	$ 1,884,570	$ 2,141,660
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 7,851	$ 1,324
Accrued expenses	85,375	37,084
Unearned revenue	81,346	133,727
Total current liabilities	174,572	172,135
Net Assets:		
Without donor restrictions	1,462,318	1,488,216
With donor restrictions	247,680	481,309
Total net assets	1,709,998	1,969,525
Total liabilities and net assets	$ 1,884,570	$ 2,141,660

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2022 and 2021

	2022	2021
Net Assets without Donor Restrictions:		
Revenues, support, and gains:		
Contributions	$ 740,422	$ 666,061
In-kind contributions	225,744	320,497
Expeditions	257,662	220,350
Special events, net of direct costs	234,214	168,037
Interest	1,550	10,991
Gain on sale of donated marketable securities	1,354	147
Gain on disposal of fixed assets	4,000	-
Gain on foreign currency translation	3,593	50,314
Net assets released from restrictions	348,749	175,304
Total revenues, support, and gains	1,817,288	1,611,701
Expenses:		
Program services	1,413,553	931,434
Supporting services:		
Management and general	215,511	124,720
Fundraising	214,122	146,612
Total expenses	1,843,186	1,202,766
Change in net assets without donor restrictions	(25,898)	408,935
Net Assets with Donor Restrictions:		
Donations	115,120	424,958
Net assets released from restrictions	(348,749)	(175,304)
Change in net assets with donor restrictions	(233,629)	249,654
Change in Net Assets	(259,527)	658,589
Net Assets at Beginning of Year	1,969,525	1,310,936
Net Assets at End of Year	$ 1,709,998	$ 1,969,525

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2022

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 558,640	$ 143,439	$ 142,609	$ 844,688
Relief supplies and assistance	469,086	-	-	469,086
Office	8,133	12,158	11,874	32,165
Advertising	1,374	-	3,945	5,319
Occupancy	22,067	14,061	14,047	50,175
Travel	233,816	4,888	4,830	243,534
Professional fees	2,485	28,285	18,308	49,078
Insurance	-	1,528	-	1,528
Other	63,558	11,152	18,509	93,219
Depreciation	54,394	-	-	54,394
Total expenses	$ 1,413,553	$ 215,511	$ 214,122	$ 1,843,186

Year Ended December 31, 2021

		Supporting Services		
	Program Services	Management and General	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
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities:		
Change in net assets	$ (259,527)	$ 658,589
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	54,394	38,188
Gain on sale of marketable securities	(1,354)	(147)
Contribution of marketable securities	(31,133)	(169,495)
Gain on disposal of fixed assets	(4,000)	-
Changes in operating assets and liabilities:		
Contributions receivable	212,501	(218,001)
Prepaid expenses	5,777	(5,777)
Accounts payable	6,527	(666)
Accrued expenses	48,291	4,141
Unearned revenue	(52,381)	68,020
Net cash provided (used) by operating activities	(20,905)	374,852
Cash Flows from Investing Activities:		
Proceeds from sale of marketable securities	32,487	169,642
Proceeds from disposal of fixed assets	4,000	-
Purchases of fixed assets	(405,968)	(117,207)
Net cash provided (used) by investing activities	(369,481)	52,435
Net Change in Cash	(390,386)	427,287
Cash at Beginning of Year	1,113,349	686,062
Cash at End of Year	$ 722,963	$ 1,113,349

Supplementary Data:

The Organization paid no interest or income taxes during the years ended December 31, 2022 and 2021.

The Organization had no noncash investing or financing activities during the years ended December 31, 2022 and 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 statements 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 April 7, 2023, 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.

Donated materials and services consisted of the following for the years ended December 31:

	2022	2021
Relief supplies	$ 190,060	$ 73,385
Airfare	-	61,826
Marketable securities	31,133	169,495
Other	4,551	15,791
	$ 225,744	$ 320,497

NOTE 3 – AVAILABILITY AND LIQUIDITY

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

	2022	2021
Financial assets:		
Cash	$ 722,963	$ 649,806
Accounts receivable	5,500	218,001
Total financial assets	728,463	867,807
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(247,680)	(481,309)
Financial assets available to meet general expenditures over the next twelve months	$ 480,783	$ 386,498

The Organization's goal is generally to maintain financial assets to meet 6 months of operating expenses (approximately $900,000). Operating expenses are defined by the Organization as total expenses less depreciation.

NOTE 4 – RELATED PARTY TRANSACTIONS

The Organization received contributions totaling $69,518 and $155,638 from members of the Board of Directors to help fund general operations during the years ended December 31, 2022 and 2021, respectively.

NOTE 5 – FIXED ASSETS

Fixed assets consisted of the following at December 31:

	2022	2021	Depreciable Lives (Years)
Land	$ 62,006	$ 62,006	
Buildings and improvements	1,168,695	749,570	5 to 40
Furniture and fixtures	6,150	6,150	7
Equipment	40,748	40,748	5 to 7
Vehicles	106,562	69,999	5
Construction in progress	-	61,479	
	1,384,161	989,952	
Accumulated depreciation	(228,054)	(185,419)	
Net fixed assets	$ 1,156,107	$ 804,533	

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

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

	2022	2021
Specific-purpose restrictions:		
Software leasing	$ -	$ 15,890
Expeditions	50,120	99,001
Capital projects	197,560	358,143
Zambia development	-	8,275
	$ 247,680	$ 481,309

Net assets released from restrictions are summarized as follows for the years ending December 31:

	2022	2021
Software leasing	$ 15,890	$ 14,100
Fundraising expansion	-	39,557
Expeditions	99,001	9,922
Capital projects	225,583	-
Zambia development	8,275	111,725
	$ 348,749	$ 175,304