MOTHERS WITHOUT BORDERS

REVIEWED FINANCIAL STATEMENTS

For the Years Ended December 31, 2023 and 2022

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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, 2023 and 2022, 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 9, 2024

MOTHERS WITHOUT BORDERS
STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

	2023	2022
ASSETS		
Current Assets:		
Cash	$ 674,481	$ 722,963
Investments	102,639	-
Contributions receivable	-	5,500
Total current assets	777,120	728,463
Net Fixed Assets	1,316,803	1,156,107
Total assets	$ 2,093,923	$ 1,884,570
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 271	$ 7,851
Accrued expenses	10,509	85,375
Unearned revenue	46,500	81,346
Total current liabilities	57,280	174,572
Net Assets:		
Without donor restrictions	1,594,056	1,462,318
With donor restrictions	442,587	247,680
Total net assets	2,036,643	1,709,998
Total liabilities and net assets	$ 2,093,923	$ 1,884,570

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2023 and 2022

	2023	2022
Net Assets without Donor Restrictions:		
Revenues, support, and gains:		
Contributions	$ 1,339,928	$ 740,422
In-kind contributions	116,452	225,744
Expeditions	184,708	257,662
Special events, net of direct costs	2,513	234,214
Investment income	18,754	1,550
Gain on sale of donated marketable securities	3,364	1,354
Gain on disposal of fixed assets	-	4,000
Gain (loss) on foreign currency translation	(24,547)	3,593
Net assets released from restrictions	139,436	348,749
Total revenues, support, and gains	1,780,608	1,817,288
Expenses:		
Program services	1,300,381	1,413,553
Supporting services:		
Management and general	140,666	215,511
Fundraising	207,823	214,122
Total expenses	1,648,870	1,843,186
Change in net assets without donor restrictions	131,738	(25,898)
Net Assets with Donor Restrictions:		
Donations	331,703	115,120
Investment income	2,640	-
Net assets released from restrictions	(139,436)	(348,749)
Change in net assets with donor restrictions	194,907	(233,629)
Change in Net Assets	326,645	(259,527)
Net Assets at Beginning of Year	1,709,998	1,969,525
Net Assets at End of Year	$ 2,036,643	$ 1,709,998

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2023

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total
Salaries and benefits	$ 366,550	$ 95,898	$ 118,712	$ 581,160
Relief supplies and assistance	526,876	-	3,535	530,411
Office	9,677	2,671	9,076	21,424
Advertising	500	-	36,600	37,100
Occupancy	30,096	11,777	10,106	51,979
Travel	185,473	1,033	6,896	193,402
Professional fees	66,693	18,017	297	85,007
Insurance	-	4,685	-	4,685
Other	34,731	6,585	22,601	63,917
Depreciation	79,785	-	-	79,785
Total expenses	$ 1,300,381	$ 140,666	$ 207,823	$ 1,648,870

Year Ended December 31, 2022

	Program Services	Supporting Services: Management and General	Supporting Services: 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

See accompanying notes and independent accountant's review report.

MOTHERS WITHOUT BORDERS
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities:		
Change in net assets	$ 326,645	$ (259,527)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	79,785	54,394
Investment gains	(5,278)	(1,354)
Contribution of marketable securities	(17,648)	(31,133)
Gain on disposal of fixed assets	-	(4,000)
Changes in operating assets and liabilities:		
Contributions receivable	5,500	212,501
Prepaid expenses	-	5,777
Accounts payable	(7,580)	6,527
Accrued expenses	(74,866)	48,291
Unearned revenue	(34,846)	(52,381)
Net cash provided (used) by operating activities	271,712	(20,905)
Cash Flows from Investing Activities:		
Proceeds from sale of marketable securities	20,287	32,487
Purchase of marketable securitites	(100,000)	-
Proceeds from disposal of fixed assets	-	4,000
Purchases of fixed assets	(240,481)	(405,968)
Net cash used by investing activities	(320,194)	(369,481)
Net Change in Cash	(48,482)	(390,386)
Cash at Beginning of Year	722,963	1,113,349
Cash at End of Year	$ 674,481	$ 722,963

Supplementary Data:

The Organization paid no interest or income taxes during the years ended December 31, 2023 and 2022.

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

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.

Investments

Investments in marketable securities are reported at their fair values in the statements of financial position. Investment income in the statements of activities include realized and unrealized gains and losses, interest, and dividends, net of investment management fees.

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 9, 2024, 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:

	2023	2022
Relief supplies	$ 91,600	$ 190,060
Marketable securities	17,648	31,133
Other	7,204	4,551
	$ 116,452	$ 225,744

NOTE 3 – AVAILABILITY AND LIQUIDITY

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

	2023	2022
Financial assets:		
Cash	$ 674,481	$ 722,963
Accounts receivable	-	5,500
Total financial assets	674,481	728,463
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(442,587)	(247,680)
Financial assets available to meet general expenditures over the next twelve months	$ 231,894	$ 480,783

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 $84,116 and $69,518 from members of the Board of Directors to help fund general operations during the years ended December 31, 2023 and 2022, respectively.

MOTHERS WITHOUT BORDERS
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 – FIXED ASSETS

Fixed assets consisted of the following at December 31:

	2023	2022	Depreciable Lives (Years)
Land	$ 62,006	$ 62,006	
Buildings and improvements	1,233,206	1,168,695	5 to 40
Furniture and fixtures	6,150	6,150	7
Equipment	40,748	40,748	5 to 7
Vehicles	191,661	106,562	5
Construction in progress	90,871	-	
	1,624,642	1,384,161	
Accumulated depreciation	(307,839)	(228,054)	
Net fixed assets	$ 1,316,803	$ 1,156,107	

NOTE 6 – NET ASSETS

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

	2023	2022
Specific-purpose restrictions:		
Expeditions	$ 46,500	$ 50,120
Operations	2,639	-
Capital projects	244,000	197,560
Zambia development	49,448	-
Endowment	100,000	-
	$ 442,587	$ 247,680

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

	2023	2022
Expeditions	$ 50,120	$ 99,001
Capital projects	89,316	225,583
	$ 139,436	$ 324,584

Donor-Restricted Endowment

The Organization established an endowment fund to ensure the future viability of the Organization. At December 31, 2023 the endowment's balance was $100,000. The Organization hopes to raise additional funds and the endowment's investment earnings can support the Organization's activities.

The Organization's Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

Changes to the Organization's endowed net assets are as follows for the year ended December 31, 2023:

Beginning balance	$ -
Contributions	100,000
Net investment return	2,639
Ending balance	$ 102,639

NOTE 7 – FAIR VALUE MEASUREMENTS

The Organization reports fair value measures of its assets and liabilities using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset or liability's measurement within the fair market hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets in markets that are not active.

Level 3 – Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value if observable inputs are not available.

The primary uses of fair value measures in the Organization's financial statements are initial measurement of noncash gifts and recurring measurement of investments.

Fair value of assets measured on a recurring basis at December 31, 2023 is as follows:

		Fair Value Measurements at Reporting Date		
	Fair Value	Level 1	Level 2	Level 3
Mutual funds	$ 5,293	$ 5,293	$ -	$ -
Equity securities	97,346	97,346	-	-
Total	$ 102,639	$ 102,639	$ 102,639	$ 102,639