



**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Jusoor

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 - 2
Basic Financial Statements:	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Functional Expenses.....	5 - 6
Statements of Cash Flows.....	7
Notes to Financial Statements	8 - 14



INDEPENDENT AUDITORS' REPORT

**Board of Directors
Jusoor
Menlo Park, California**

Opinion

We have audited the accompanying financial statements of Jusoor (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jusoor as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Jusoor and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Jusoor's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibility 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 auditors' 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, including omissions, 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 judgement 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 Jusoor'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 Jusoor'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.

DeLeon & Stang

DeLeon & Stang, CPAs and Advisors
Frederick, Maryland
May 16, 2024

Jusoor
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
ASSETS		
Cash and equivalents	\$ 2,994,347	\$ 6,425,114
Certificate of deposit	2,000,000	-
Prepaid expenses and other assets	8,950	7,500
Property and equipment, net of accumulated depreciation	-	5,138
TOTAL ASSETS	\$ 5,003,297	\$ 6,437,752

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable and accrued expenses	\$ 72,643	\$ 43,210
Total liabilities	72,643	43,210

Net Assets:

Without donor restrictions	4,278,971	6,053,739
Without donor restrictions, board designated	540,804	75,483
Total without donor restrictions	4,819,775	6,129,222
With donor restrictions	110,879	265,320
Total net assets	4,930,654	6,394,542
TOTAL LIABILITIES AND NET ASSETS	\$ 5,003,297	\$ 6,437,752

Jusoor
Statements of Activities
For the Years Ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:						
Contributions:						
Individual	\$ 176,639	\$ 755,496	\$ 932,135	\$ 400,894	\$ 639,100	\$ 1,039,994
Corporate	52	466,895	466,947	75	509,629	509,704
Foundation	35,729	1,032,570	1,068,299	28,586	933,170	961,756
Total contributions	212,420	2,254,961	2,467,381	429,555	2,081,899	2,511,454
Interest income	42,966	-	42,966	-	-	-
Other income	79,152	-	79,152	56,414	-	56,414
In-kind contributions	10,274	-	10,274	61,200	1,742	62,942
Net assets released from restrictions	2,409,402	(2,409,402)	-	2,144,044	(2,144,044)	-
Total revenue and support	2,754,214	(154,441)	2,599,773	2,691,213	(60,403)	2,630,810
Expenses:						
Program services	3,290,833	-	3,290,833	2,545,256	-	2,545,256
Supporting services	772,828	-	772,828	642,759	-	642,759
Total expenses	4,063,661	-	4,063,661	3,188,015	-	3,188,015
Change in net assets	(1,309,447)	(154,441)	(1,463,888)	(496,802)	(60,403)	(557,205)
Net assets, beginning of year	6,129,222	265,320	6,394,542	6,626,024	325,723	6,951,747
Net assets, end of year	\$ 4,819,775	\$ 110,879	\$ 4,930,654	\$ 6,129,222	\$ 265,320	\$ 6,394,542

See Accompanying Notes to the Financial Statements

Jusoor
Statements of Functional Expenses
For the Years Ended December 31, 2023 and 2022

	2023								
	Program Services				Supporting Services				Total
	Entrepreneurship Training and Support	Higher Education Scholarships	Refugee Primary Education	Other Programs	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Management salaries, Non-US based personnel	\$ 165,694	\$ 135,386	\$ 180,201	\$ 15,209	\$ 496,490	\$ 344,874	\$ 140,981	\$ 485,855	\$ 982,345
Facility and utilities	11,838	94,697	675,591	1,469	783,595	24,562	22,888	47,450	831,045
Scholarships and student fees in the US	-	594,543	19,430	30,778	644,751	-	315	315	645,066
Teachers salaries, Non-US based personnel	-	-	343,354	-	343,354	-	-	-	343,354
Transportation	27,112	6,866	275,261	19	309,258	12,097	11,488	23,585	332,843
Professional fees	173,492	5,894	28,058	5,190	212,634	71,139	44,691	115,830	328,464
Grants to other organizations	5,000	3,000	-	250,001	258,001	-	-	-	258,001
Other expenses	74,278	992	815	153	76,238	5,821	28,615	34,436	110,674
Management salaries, US based personnel	14,066	11,493	15,297	1,291	42,147	27,218	11,967	39,185	81,332
Supplies	-	-	45,975	-	45,975	38	-	38	46,013
Repairs and maintenance	-	-	40,313	-	40,313	-	-	-	40,313
Bank service charges	10	92	7,613	-	7,715	25,263	220	25,483	33,198
Rent	-	-	24,650	-	24,650	-	-	-	24,650
Depreciation	-	-	5,138	-	5,138	-	-	-	5,138
Printing, postage, and shipping	24	-	550	-	574	320	331	651	1,225
Total	\$ 471,514	\$ 852,963	\$ 1,662,246	\$ 304,110	\$ 3,290,833	\$ 511,332	\$ 261,496	\$ 772,828	\$ 4,063,661

(Continued)

Jusoor
Statements of Functional Expenses (Continued)
For the Years Ended December 31, 2023 and 2022

	2022										
	Program Services					Supporting Services					Total
	Entrepreneurship Training and Support	Higher Education Scholarships	Refugee Primary Education	Other Programs	Total Program Services	General and Administrative	Other Supporting Services	Fundraising	Total Supporting Services		
Facility and utilities	\$ 44,499	\$ 1,175	\$ 774,025	\$ 1,680	\$ 821,379	\$ 30,413	\$ 12,709	\$ 19,273	\$ 62,395	\$ 883,774	
Management salaries, Non-US based personnel	150,035	115,941	156,176	36,780	458,932	120,834	81,377	125,833	328,044	786,976	
Scholarships and student fees in the US	-	396,698	-	-	396,698	-	-	2,318	2,318	399,016	
Teachers salaries, Non-US based personnel	-	-	314,131	-	314,131	-	-	-	-	314,131	
Professional fees	89,242	726	8,755	2,341	101,064	123,906	21,031	17,447	162,384	263,448	
Transportation	5,359	7,609	205,109	508	218,585	18,259	-	4,652	22,911	241,496	
Management salaries, US based personnel	14,474	11,185	15,067	3,548	44,274	10,067	7,851	12,139	30,057	74,331	
Other expenses	34,129	2,358	4,831	-	41,318	7,144	1,742	11,917	20,803	62,121	
Rent	-	-	41,000	-	41,000	-	-	-	-	41,000	
Supplies	-	1,136	35,160	-	36,296	-	-	-	-	36,296	
Grants to other organizations	-	30,000	-	-	30,000	-	-	-	-	30,000	
Depreciation	-	-	21,483	-	21,483	-	-	-	-	21,483	
Printing, postage, and shipping	2,312	-	10,985	-	13,297	709	-	-	709	14,006	
Bank service charges	-	-	8	-	8	13,068	61	9	13,138	13,146	
Repairs and maintenance	-	-	6,791	-	6,791	-	-	-	-	6,791	
Total	\$ 340,050	\$ 566,828	\$ 1,593,521	\$ 44,857	\$ 2,545,256	\$ 324,400	\$ 124,771	\$ 193,588	\$ 642,759	\$ 3,188,015	

See Accompanying Notes to the Financial Statements

Jusoor
Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$ (1,463,888)	\$ (557,205)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	5,138	21,483
Increase in operating assets:		
Prepaid expenses and other assets	(1,450)	-
Increase in operating liabilities:		
Accounts payable and accrued expenses	29,433	28,210
Net cash used in operating activities	(1,430,767)	(507,512)
<u>Cash Flows From Investing Activities:</u>		
Purchase of certificate of deposit	(2,000,000)	-
Net cash used in investing activities	(2,000,000)	-
Net decrease in cash and cash equivalents	(3,430,767)	(507,512)
Cash and cash equivalents at beginning of year	6,425,114	6,932,626
Cash and cash equivalents at end of year	\$ 2,994,347	\$ 6,425,114

Jusoor
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 1 - ORGANIZATION AND OPERATIONS

Jusoor (the "Organization") is a nonprofit organization incorporated in 2011 under the laws of the State of Michigan. Jusoor was established by Syrian expatriates to support the country's development by helping youth realize their potential through programs in the fields of education, career development, and global community engagement. The Organization has been granted an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the 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 differ from those estimates.

Description of Net Assets

Net assets are classified based on the existence or absence of donor imposed restrictions as follows:

- *Net Assets Without Donor Restrictions* – Net assets that are currently available for operating purposes under the direction of management and the board of directors or designated by the board for specific use.
- *Net Assets With Donor Restrictions* – Net assets that are stipulated by donors for specific operating purposes or for the acquisition of property and equipment or are time restricted. These include donor restrictions requiring the net assets to be held in perpetuity or for a specific term with investment return specified for a specific purpose. Net assets with donor restrictions at December 31, 2023 and 2022 were \$110,879 and \$265,320, respectively.

Cash and Cash Equivalents

The Organization considers all highly liquid instruments with original maturities of three months or less to be cash and cash equivalents.

Jusoor
Notes to the Financial Statements (Continued)
December 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certificate of Deposit

The Organization's certificate of deposit is not an exchange-traded instrument and is recorded at cost plus accrued interest. The certificate of deposit has a maturity greater than three months.

Pledges Receivable and Allowance for Doubtful Accounts

Pledges receivable consist of contributions promised and not received as of the end of the year. Pledges receivable are stated at the amount management expects to collect on the outstanding balance. Management provides for probable uncollectible amounts through an increase in bad debt expense and an increase in allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a decrease in the allowance for doubtful accounts and a decrease in pledges receivable. No allowance for doubtful accounts was required at December 31, 2023 or 2022.

Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$500. Lesser amounts are expensed. Property and equipment are stated at cost, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives (generally three to five years) of the asset. The cost of maintenance is expensed as incurred.

Contributions

Contributions are recorded as with or without donor restrictions, depending upon the existence and/or nature of donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions. Within net assets with donor restrictions, amounts are reclassified to net assets without donor restrictions when the restrictions expire by passage of time or the fulfillment of the stipulated purpose.

In-Kind Contributions

In-kind contributions are recognized and expensed in accordance with U.S. GAAP. In order to meet the criteria for recognition in the financial statements, contributions of donated services must: (a) create or enhance non-financial assets or (b) require specialized skills, be performed by people with those skills and would otherwise have to be purchased by the Organization. All in-kind contributions are recorded at their fair market value as of the date of the gift.

Jusoor
Notes to the Financial Statements (Continued)
December 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expense Allocation

The Organization allocates its expenses on a functional basis among various programs and other activities. Expenses that can be identified with specific programs or supporting services are recorded directly according to their natural expenditure classification. Shared costs are allocated based on various identifiable bases (i.e. allowable occupancy costs are allocated based on the percentage of space occupied).

Foreign Operations

A large portion of the Jusoor's activity occurs in foreign countries. As a result, the transactions of those operations that are denominated in foreign currency are remeasured into U.S. dollars, and any resulting gains or losses are included in earnings.

Income Taxes

Jusoor is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable income tax regulations of the State of Michigan. No provision for income taxes has been established, as the Organization has no unrelated business activity. The Organization has determined that there are no uncertain tax positions which require accrual or disclosure.

The Organization's tax filings are subject to audit by various taxing authorities, generally for three years after filing, hence the Organization's tax returns for the years 2020 and onward are open to examination.

Reclassifications

Certain reclassifications have been made to the 2022 financial statements' presentation to correspond to the current year's format.

Subsequent Events

The financial statements have been evaluated by management for subsequent events requiring disclosure through May 16, 2024, the date the financial statements were available to be issued. There were no events or transactions requiring recognition or disclosure in the financial statements.

Jusoor
Notes to the Financial Statements (Continued)
December 31, 2023 and 2022

NOTE 3 - CERTIFICATE OF DEPOSIT

Certificate of deposit, recorded at cost plus accrued interest, totaled \$2,000,000 at December 31, 2023. The certificate of deposit bears an interest rate of 4.88% and matures in less than one year.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consisted on the following at December 31,:

	<u>2023</u>	<u>2022</u>
Furniture and equipment	\$ 156,414	\$ 156,414
Playground	47,949	47,949
	<u>204,363</u>	<u>204,363</u>
Accumulated depreciation	<u>(204,363)</u>	<u>(199,225)</u>
	<u>\$ -</u>	<u>\$ 5,138</u>

Depreciation expense for the years ended December 31, 2023 and 2022 was \$5,138 and \$21,483, respectively.

NOTE 5 - IN-KIND CONTRIBUTIONS

During the years ended December 31, 2023 and 2022, the Organization was the beneficiary of donated goods and services, which allowed the Organization to provide greater resources toward various programs. These in-kind contributions consist primarily of property converted to a school facility, various pieces of property and equipment, and other supplies. All in-kind contributions have been recorded at their fair market value as of the date of the gift.

In-kind contributions consisted of the following for the years ended December 31, 2023 and 2022:

	<u>2023</u>		
	<u>Revenue Recognized</u>	<u>Programs/Activities</u>	<u>Donor Restrictions</u>
Artwork	<u>\$ 3,200</u>	Fundraising	N/A
Monetized in-kind	3,200		
Student supplies	<u>7,074</u>	Refugee Primary Education	N/A
Utilized in-kind	<u>7,074</u>		
	<u>\$ 10,274</u>		

Jusoor
Notes to the Financial Statements (Continued)
December 31, 2023 and 2022

NOTE 5 - IN-KIND CONTRIBUTIONS (Continued)

	2022		
	<u>Revenue Recognized</u>	<u>Programs/Activities</u>	<u>Donor Restrictions</u>
Computers and supplies	\$ 18,200	Refugee Primary Education	N/A
Computers	<u>1,742</u>	Refugee Primary Education	Yes
Monetized in-kind	19,942		
Building renovations	25,000	All	
Building lease	<u>18,000</u>	Refugee Primary Education	N/A
Utilized in-kind	<u>43,000</u>		
	<u>\$ 62,942</u>		

NOTE 6 - OPERATING LEASES

The Organization maintains three (3) facilities located in Lebanon, used for their educational programs. The lease description of each facility is as follows:

- *Bekaa Center:* The Organization maintained a twelve (12) month lease agreement with Saad Jad Aloun. The lease required yearly rental fees of \$14,000. The lease was renewed during 2023, extending the term of the lease to December 31, 2023. The lease was subsequently renewed an additional twelve (12) month term, through December 31, 2024.
- *Jurahiya Center:* The Organization operates a tent school in collaboration with Sawa for Aid and Development (Sawa). Sawa previously agreed to provide the facilities to the Organization without charge. In-kind costs for the facility are approximately \$18,000 for the year ended December 31, 2022. This support was terminated, and the Organization entered into a lease agreement commencing February 15, 2023, and terminating February 15, 2024. The lease agreement required a yearly payment of \$1,600. The lease was subsequently renewed for an addition one year period at the same rate.
- *Beirut Center:* The Organization was granted the use of this facility, provided the Organization pays an amended monthly rental fee of \$750 and utilities fees beginning November 1, 2021. This lease was renewed for one additional year, to terminate October 30, 2023, at the same rate. The lease was again renewed for an additional year, to terminate October 30, 2024, and increases rent to \$875.

Jusoor
Notes to the Financial Statements (Continued)
December 31, 2023 and 2022

NOTE 6 - OPERATING LEASES

Future minimum lease payments required under the above leases are as follows:

<u>Years Ending December 31,</u>	
2024	<u>\$ 15,600</u>
Total	<u>\$ 15,600</u>

Total rent expense for the years ended December 31, 2023 and 2022 was \$24,650 and \$41,000, respectively.

NOTE 7 - LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the Organization's financial assets as of December 31, 2023 and 2022, reduced by amounts not available for general expenditure within one year, if any. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, assets held for others, endowments and accumulated earnings net of appropriations within one year and board designated endowments. These board designations could be drawn upon if the board approves that action.

Financial assets available to meet cash needs for general expenditures within one year as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Financial assets		
Cash and equivalents	\$ 2,994,347	\$ 6,425,114
Certificate of deposit	2,000,000	-
Subtotal	4,994,347	6,425,114
Less: Net assets with donor restrictions	(110,879)	(265,320)
Less: Net assets, board designated	<u>(540,804)</u>	<u>(75,483)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,342,664</u>	<u>\$ 6,084,311</u>

In addition to financial assets available to meet general expenditures over the next 12 months, Jusoor operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

NOTE 8 - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

Credit

The Organization maintains cash balances at various financial institutions. Accounts at each institution in the United States are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2023 and 2022, \$2,709,949 and \$6,175,075 was uninsured, respectively.

Jusoor
Notes to the Financial Statements (Continued)
December 31, 2023 and 2022

NOTE 8 - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK (Continued)

Revenues

For the years ended December 31, 2023 and 2022, contributions from several donors aggregated \$1,782,703, representing approximately 69% of total revenue and support, and \$1,860,892, representing approximately 71% of total revenue and support, respectively. The major donors for the years ended December 31, 2023 and 2022 were from the following sources:

2023		
	Revenue	
LDS Charities	\$ 713,372	27%
Chalhoub Group	458,895	18%
Amr Salahieh	255,000	10%
Spark	233,764	9%
Fadi Ghandour	121,672	5%
Total major donors	<u>\$ 1,782,703</u>	<u>69%</u>
Total revenue	<u>\$ 2,599,773</u>	

2022		
	Revenue	
LDS Charities	\$ 748,673	28%
Chalhoub Group	435,810	17%
Amr Salahieh	340,000	13%
Spark	178,839	7%
Fadi Ghandour	157,570	6%
Total major donors	<u>\$ 1,860,892</u>	<u>71%</u>
Total revenue	<u>\$ 2,630,810</u>	