

**MUSLIMS FOR PROGRESSIVE VALUES**

FINANCIAL STATEMENTS  
For the year ended December 31, 2024

**MUSLIMS FOR PROGRESSIVE VALUES**  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Muslims for Progressive Values  
Los Angeles, California

### Opinion

We have audited the accompanying financial statements of Muslims for Progressive Values (a non-profit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows, for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Muslims for Progressive Values as of December 31, 2024, 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.

### Basis for Opinion

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



## Auditor's Responsibilities 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 auditor's 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 GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 judgment 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 Muslims for Progressive Value'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 Muslims for Progressive Value'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.

A handwritten signature in black ink that reads 'MMA CPA INC'.

MMA CPA INC.  
Decatur, GA 30030  
May 4, 2025

**MUSLIMS FOR PROGRESSIVE VALUES  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2024**

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$ 213,945
Contributions and grants receivable	1,097
	215,042
<b>Total Current Assets</b>	215,042
<b>Total Assets</b>	\$ 215,042

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable and other	\$ 10,016
Deferred revenue	228,952
Grants payable	18,050
	257,018
<b>Total Current Liabilities</b>	257,018

**Net Assets**

Without donor restrictions	(343,420)
With donor restrictions	301,444
	(41,976)
<b>Total Net Assets</b>	(41,976)
<b>Total Liabilities and Net Assets</b>	\$ 215,042

**MUSLIMS FOR PROGRESSIVE VALUES  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED  
DECEMBER 31, 2024**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES AND SUPPORT</b>			
Foundation grants	\$ 30,000	\$ 452,167	\$ 482,167
Government grants	-	14,902	14,902
Contributions	75,459	63,900	139,359
Other income	2,852	-	2,852
Net assets released from restrictions for:			
Time	8,988	(8,988)	-
<b>Total Revenues and Support</b>	117,299	521,981	639,280
<b>EXPENSES</b>			
Program services	691,628	-	691,628
Management and general	50,975	-	50,975
Fundraising	37,025	-	37,025
<b>Total Expenses</b>	779,628	-	779,628
<b>Change in net assets before correction</b>	(662,329)	521,981	(140,348)
<b>Correction of Prior Period Error</b>			
Net Assets, beginning of year, as previously reported	128,909	8,988	137,897
Decrease in income	-	(229,525)	(229,525)
Decrease in expenses	190,000	-	190,000
<b>Net assets, beginning of year, as restated</b>	318,909	(220,537)	98,372
<b>Net Assets at the End of the Year</b>	(343,420)	301,444	(41,976)

**MUSLIMS FOR PROGRESSIVE VALUES  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED  
DECEMBER 31, 2024**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Grants	\$ 495,453	\$ -	\$ -	\$ 495,453
Payroll and payroll taxes	107,313	9,050	12,929	129,292
Outside services	47,625	-	23,526	71,151
Legal and professional	-	38,150	-	38,150
Travel and lodging	8,019	-	-	8,019
Insurance	10,345	2,587	-	12,932
Meals and entertainment	2,636	293	-	2,929
Postage	3,141	349	-	3,490
Dues and subscriptions	2,829	-	-	2,829
Miscellaneous	1,627	203	204	2,034
Computer and internet	3,224	180	180	3,584
Bank charges	300	33	-	333
Telephone and utilities	1,544	130	186	1,860
Conference	7,572	-	-	7,572
<b>TOTAL</b>	<b>\$ 691,628</b>	<b>\$ 50,975</b>	<b>\$ 37,025</b>	<b>\$ 779,628</b>

**MUSLIMS FOR PROGRESSIVE VALUES  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED  
DECEMBER 31, 2024**

<b>Cash Flows From Operating Activities</b>	
Change in net assets	\$ (140,348)
Opening balance adjustments	(39,525)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Decrease (increase) in operating assets	
Contributions and grants receivable	207,891
Prepaid expenses	900
Increase (decrease) in operating liabilities	
Grants payable	(194,912)
Deferred revenue	137,423
Accounts payable and other	<u>(385)</u>
<b>Net Cash Used in Operating Activities</b>	<u>(28,956)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	(28,956)
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>242,901</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u><u>\$ 213,945</u></u>

**MUSLIMS FOR PROGRESSIVE VALUES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Muslims for Progressive Values, "the Organization," was incorporated in 2007 and is designated as a California 501 (c) (3) not-for-profit corporation.

The mission of the Organization is to advocate for human rights, social justice, and inclusion in the United States and around the world by inculcating a culture rooted in human rights through public education, advocacy, and the arts. The Organization is headquartered in Los Angeles, California, with local chapters located in New York, New York; Washington, D.C.; Atlanta, Georgia; and Boston, Massachusetts and activities are conducted worldwide.

The Organization also acts as a fiscal sponsor on behalf of certain entities engaging in philanthropic projects. The financial activities of the Organization's fiscally sponsored projects are included in the accompanying financial statements.

**Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**Basis of Presentation**

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, which are described as follows:

**Net Assets Without Donor Restriction** - Net assets that are not subject to or no longer subject to donor imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.

**Net Assets With Donor Restriction** - Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with original maturities of three months or less from the date of purchase to be cash equivalents.

**Fair Values of Financial Instruments**

The Organization's financial instruments consist of the cash and cash equivalents, receivables, payables, and accrued expenses. The carrying amounts reported in the statement of financial position approximate fair values based on quoted market prices or due to the short-term maturities of those instruments.

**MUSLIMS FOR PROGRESSIVE VALUES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Contributions and Grants Receivable and Allowance for Credit Losses**

Contributions and grants receivable are stated at unpaid balances, less an allowance for credit losses. Management evaluates the collectability of receivables based on historical loss experience, current economic conditions, and reasonable and supportable forecasts about future conditions. An allowance for credit losses is maintained to reflect management's estimate of lifetime expected credit losses. Receivables are charged off when deemed uncollectible. At December 31, 2024, an allowance for credit losses was not considered necessary. All contributions and grants receivable outstanding at December 31, 2024 are due within one year.

**Website**

The Organization's website is stated at cost less accumulated amortization. The cost of the website is amortized over the estimated useful life of three years. Amortization is computed on the straight-line method. The Organization capitalizes expenditures that materially increase asset lives and expenses ordinary repairs and maintenance to operations as incurred.

**Deferred Revenue**

Deferred revenue consists of amounts received under a conditional grant, which is conditional upon the Organization incurring allowable costs, with a requirement to return unspent monies. As of December 31, 2024, deferred revenue totaled \$228,952, of which \$121,054 relates to a discontinued project. The final amount to be returned to the grantor for this project is currently under negotiation.

**Revenue Recognition**

**Contributions**

Contributions received, consisting of gifts and grants, are recorded as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Contributions for which donors have imposed restrictions which limit the use of the donated assets are reported as net assets with donor restrictions if the restrictions are not met in the same reporting period. When such donor-imposed restrictions are met in subsequent reporting periods, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. The Organization has adopted a policy to classify donor restricted contributions as net assets without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Unconditional promises to give, with payments due in future periods, are reported as restricted support when the promises are received. Conditional promises to give, which depend on the occurrence of a specified future and uncertain event to bind the promisor, are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional.

**Other**

Noncontribution revenues consist of various services transferred at a point in time, and are recognized upon completion of the Organization's performance obligations.

**MUSLIMS FOR PROGRESSIVE VALUES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Revenue Recognition (continued)**

**Contributed Services**

A substantial number of volunteers have donated significant amounts of their time to the Organization and its programs; however, these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

**Functional Allocation of Expenses**

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between program services, management and general, and fundraising expenses. Certain indirect or shared costs are allocated among program, management and general, and fundraising expenses by a method that best measures the relative degree of benefit, including the use of labor time estimates to allocate indirect costs.

**Income Taxes**

The Organization is a not-for-profit organization and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization that is not a private foundation. Accordingly, no provision for income tax is made in the financial statements. The 2021 through 2024 tax years remain subject to examination by the Internal Revenue Service. In addition, the 2020 through 2024 tax years remain subject to examination by the State of California.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, and disclosures 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.

**Recently Adopted Accounting Guidance**

**Allowance for Credit Losses**

In June 2016, the FASB issued Accounting Standards Update No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" ("ASU 2016-13"), which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. The financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were trade accounts receivable. The Organization adopted the standard effective January 1, 2024. The impact of the adoption was not considered material to the financial statements.

**MUSLIMS FOR PROGRESSIVE VALUES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available for general expenditure within one year of December 31, 2024 are as follows:

Cash and cash equivalents	213,945
Contributions and grants receivable	<u>1,097</u>
Financial assets available to meet cash needs for general expenditures within one year of the statement of financial position date.	<u>215,042</u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization is substantially supported without donor restrictions or contributions with donor restrictions that are expected to be satisfied within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and contributions receivable. For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization includes financial assets that are not subject to donor or contractual restrictions, as well as contributions restricted by time that are expected to be collected and used within the next fiscal year.

**NOTE 3 - CONCENTRATION OF CREDIT RISK**

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist primarily of cash and receivables. The Organization maintains its cash with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits. For the year ended December 31, 2024, one funding source accounted for approximately 67% of the Organization's total revenues and support.

**NOTE 4 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated by the Organization through May 4, 2025, which is the date of the financial statements were available to be issued. Management concluded there are no subsequent events to report.

**NOTE 5 – PRIOR PERIOD ADJUSTMENTS**

During 2024, the Organization identified errors in previously issued financial statements related to the timing of revenue and expense recognition. In 2022, a grant agreement was signed covering activities for 2023 and 2024. The first instalment of \$200,000 was received in 2022. Income and related grant expense of \$190,000 were incorrectly recorded in 2022 rather than in 2023 and 2024, resulting in a net overstatement of net assets by \$10,000 as of December 31, 2022. In addition, in December 2024, the Organization received communication from a donor disallowing EUR 27,281 (\$29,525) related to a restricted grant previously reported as revenue in 2023. As a result, net assets as of December 31, 2023, were overstated by \$29,525, and deferred revenue was understated by the same amount.

These corrections have been recorded retrospectively. The comparative financial statements for 2023 have been restated to reflect these adjustments. The cumulative effect of these corrections was an increase in beginning net assets without donor restrictions of \$190,000 and a decrease to beginning net assets with donor restrictions of \$229,525.