

Partners Relief & Development

(a nonprofit Nevada corporation)

Financial Statements

December 31, 2023 and 2022

Partners Relief & Development

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Independent Auditor's Report

To the Board of Directors
Partners Relief & Development
Ada, Michigan

Opinion

We have audited the financial statements of Partners Relief & Development (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 the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Partners Relief & Development 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Partners Relief & Development 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 these 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 Partners Relief & Development's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditor's Report (continued)

Auditor's 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 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 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 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 Partners Relief & Development'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 Partners Relief & Development'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.

Brock and Company, CPAs, P.C.

Certified Public Accountants

Boulder, Colorado
September 24, 2024

Partners Relief & Development

Statements of Financial Position

December 31	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,685,424	\$ 1,989,120
Investments, at fair value	-	74,113
Contributions receivable	115,950	53,461
Inventories	4,570	9,686
Prepaid expenses and other current assets	210	210
Total current assets	<u>1,806,154</u>	<u>2,126,590</u>
Equipment and Software		
Equipment	12,148	12,148
Software	11,760	11,760
	<u>23,908</u>	<u>23,908</u>
Less accumulated depreciation	(17,775)	(16,688)
Net equipment and software	<u>6,133</u>	<u>7,220</u>
Other Assets		
Deposit	2,947	2,947
Right-of-use operating lease asset	19,788	36,455
Investments, at cost	185,000	361,000
Total other assets	<u>207,735</u>	<u>400,402</u>
Total assets	<u>\$ 2,020,022</u>	<u>\$ 2,534,212</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 120,898	\$ 89,259
Accrued compensation and benefits	16,890	20,016
Current maturities of operating lease obligation	18,198	16,667
Total current liabilities	<u>155,986</u>	<u>125,942</u>
Long-Term Liabilities		
Operating lease obligation, net of current maturities	1,590	19,788
Total liabilities	<u>157,576</u>	<u>145,730</u>
Net Assets		
Without donor restrictions	1,689,540	2,290,521
With donor restrictions	172,906	97,961
Total net assets	<u>1,862,446</u>	<u>2,388,482</u>
Total liabilities and net assets	<u>\$ 2,020,022</u>	<u>\$ 2,534,212</u>

The accompanying Notes are an integral part of these financial statements

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Partners Relief & Development

Statement of Activities

Year ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating Support			
Contributions and grants	\$ 2,876,854	\$ 216,906	\$ 3,093,760
Net assets released from restrictions			
Satisfaction of program restrictions	88,500	(88,500)	-
Expiration of time restrictions	53,461	(53,461)	-
Total operating support	<u>3,018,815</u>	<u>74,945</u>	<u>3,093,760</u>
Operating Expenses			
Program services	2,902,085	-	2,902,085
Supporting services			
General and administrative	380,540	-	380,540
Fundraising	306,179	-	306,179
Total operating expenses	<u>3,588,804</u>	<u>-</u>	<u>3,588,804</u>
Total operating support in excess (deficit) of operating expenses	(569,989)	74,945	(495,044)
Other Changes			
Investment loss, net	(29,576)	-	(29,576)
Other income	2,000	-	2,000
Loss on merchandise sales, net	(3,416)	-	(3,416)
Total other changes	<u>(30,992)</u>	<u>-</u>	<u>(30,992)</u>
Change in Net Assets	(600,981)	74,945	(526,036)
Net Assets, Beginning of Year	<u>2,290,521</u>	<u>97,961</u>	<u>2,388,482</u>
Net Assets, End of Year	<u>\$ 1,689,540</u>	<u>\$ 172,906</u>	<u>\$ 1,862,446</u>

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part of these financial statements

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Partners Relief & Development

Statement of Activities

Year ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support			
Contributions and grants	\$ 3,710,112	\$ 53,461	\$ 3,763,573
In-kind contributions	2,754	-	2,754
Net assets released from restrictions			
Satisfaction of program restrictions	898,968	(898,968)	-
Expiration of time restrictions	64,454	(64,454)	-
Total operating support	<u>4,676,288</u>	<u>(909,961)</u>	<u>3,766,327</u>
Operating Expenses			
Program services	3,713,481	-	3,713,481
Supporting services			
General and administrative	548,470	-	548,470
Fundraising	<u>300,083</u>	<u>-</u>	<u>300,083</u>
Total operating expenses	<u>4,562,034</u>	<u>-</u>	<u>4,562,034</u>
Total operating support in excess (deficit) of operating expenses	114,254	(909,961)	(795,707)
Other Changes			
Investment income, net	104,825	-	104,825
Other income	2,084	-	2,084
Loss on merchandise sales, net	(17,233)	-	(17,233)
Loss on disposal of equipment	<u>(1,106)</u>	<u>-</u>	<u>(1,106)</u>
Total other changes	<u>88,570</u>	<u>-</u>	<u>88,570</u>
Change in Net Assets	202,824	(909,961)	(707,137)
Net Assets, Beginning of Year	<u>2,087,697</u>	<u>1,007,922</u>	<u>3,095,619</u>
Net Assets, End of Year	<u>\$ 2,290,521</u>	<u>\$ 97,961</u>	<u>\$ 2,388,482</u>

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Partners Relief & Development

Statement of Functional Expenses

Year ended December 31, 2023

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries and wages	\$ 660,133	\$ 255,548	\$ 195,795	\$ 1,111,476
Payroll taxes	19,400	12,073	17,148	48,621
Employee benefits	25,670	23,371	21,897	70,938
Total personnel costs	<u>705,203</u>	<u>290,992</u>	<u>234,840</u>	<u>1,231,035</u>
Program expenses	1,909,492	-	-	1,909,492
Travel and meals	80,622	9,393	24,814	114,829
Legal and professional fees	68,343	26,442	148	94,933
Technology and communications	14,600	32,804	13,830	61,234
Occupancy	46,192	2,063	337	48,592
Insurance	31,300	10,391	-	41,691
Office expenses	26,160	4,280	152	30,592
Marketing	1,408	470	26,882	28,760
Printing and postage	7,957	19	3,621	11,597
Bank and credit card fees	6,975	2,133	1	9,109
Miscellaneous expenses	1,753	466	1,554	3,773
Training and education	2,080	-	-	2,080
Depreciation	-	1,087	-	1,087
Total operating expenses	<u>\$ 2,902,085</u>	<u>\$ 380,540</u>	<u>\$ 306,179</u>	<u>\$ 3,588,804</u>

The accompanying Notes are an integral
part of these financial statements

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Partners Relief & Development

Statement of Functional Expenses

Year ended December 31, 2022

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries and wages	\$ 605,713	\$ 350,457	\$ 209,246	\$ 1,165,416
Payroll taxes	28,208	15,410	12,148	55,766
Employee benefits	53,900	32,468	11,144	97,512
Total personnel costs	687,821	398,335	232,538	1,318,694
Program expenses	2,656,930	-	-	2,656,930
Legal and professional fees	144,881	43,950	40	188,871
Travel and meals	126,580	16,385	16,488	159,453
Technology and communications	15,343	37,494	18,923	71,760
Insurance	15,373	25,712	-	41,085
Occupancy	28,812	9,224	378	38,414
Marketing	243	-	25,852	26,095
Office expenses	19,109	1,317	1,318	21,744
Printing and postage	15,597	50	4,104	19,751
Miscellaneous expenses	731	13,411	322	14,464
Bank and credit card fees	1,166	1,724	-	2,890
Training and education	895	50	120	1,065
Depreciation	-	818	-	818
Total operating expenses	\$ 3,713,481	\$ 548,470	\$ 300,083	\$ 4,562,034

The accompanying Notes are an integral
part of these financial statements

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Partners Relief & Development

Statements of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

Years ended December 31	2023	2022
Cash Flows From Operating Activities		
Change in net assets	\$ (526,036)	\$ (707,137)
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation	1,087	818
Amortization of right-of-use operating lease asset	16,667	15,633
Net realized and unrealized (gain) loss on investments	(5,973)	22,315
Loss on impairment of investment	176,000	-
Loss on disposal of equipment	-	1,106
Donated equipment	-	(2,754)
Increase (decrease) from changes in assets and liabilities		
Contributions receivable	(62,489)	10,993
Inventories	5,116	21,109
Prepaid expenses and other current assets	-	16,160
Accounts payable	31,639	47,724
Accrued compensation and benefits	(3,126)	18,325
Operating lease obligation	(16,667)	(15,633)
Net cash used by operating activities	<u>(383,782)</u>	<u>(571,341)</u>
Cash Flows From Investing Activities		
Purchases of investments	(77,390)	(12,504)
Net proceeds from sale of investments	157,476	13,334
Net cash provided by investing activities	<u>80,086</u>	<u>830</u>
Net Decrease in Cash and Cash Equivalents	(303,696)	(570,511)
Cash and Cash Equivalents, Beginning of Year	1,989,120	2,559,631
Cash and Cash Equivalents, End of Year	\$ 1,685,424	\$ 1,989,120

The accompanying Notes are an integral part of these financial statements

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Partners Relief & Development

Notes to Financial Statements

December 31, 2023 and 2022

Note 1 – Nature of Organization and Significant Accounting Policies

Nature of Organization. Partners Relief & Development (the Organization) is a Nevada non-profit corporation established in 2001 to provide direct care to children and families affected by war and oppression in Southeast Asia and the Middle East through sustainable development, the strengthening of families, and emergency relief. The Organization's work spans the following key areas: nutrition; education; health; care for children; income generation; migrant assistance; shelter and emergency relief. The Organization's revenues and other support are derived principally from charitable contributions from interested parties.

Basis of Accounting. The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation. The Organization reports 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.

Net Assets Without Donor Restrictions. Net assets resulting from revenues generated by receiving contributions that have no donor stipulations and receiving investment and other income, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions. Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents. Cash consists of checking and savings accounts held at financial institutions. For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents.

Investments. The Organization's investments in mutual funds and exchange traded funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment advisors and custodians. Investments in the form of mineral rights are presented at the lower of cost or market.

Unrealized gains and losses are included in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Partners Relief & Development

Notes to Financial Statements

December 31, 2023 and 2022

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Fair Value Measurements. The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Organization values mutual funds and exchange traded funds with readily determinable market values at fair value as determined by quoted market prices on national securities exchanges valued at the closing price on the last business day of the fiscal year. Securities traded on the over-the-counter market are valued at the last reported bid price.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodology used at December 31, 2023 and 2022.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statement of financial position.

Partners Relief & Development

Notes to Financial Statements

December 31, 2023 and 2022

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Contributions Receivable. Unconditional promises to give are recognized as revenue in the period received. Contributions receivable are recorded at the amount the Organization expects to receive, allowing for estimated uncollectible contributions. The allowance for uncollectible contributions is estimated based on management's review of specific contributions outstanding. As of December 31, 2023 and 2022, management believes all contributions receivable are fully collectible, and accordingly, no allowance for doubtful accounts has been recorded. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Inventories. Inventories consist of books, blankets and other accessories, and is stated at the lower of cost (first-in, first-out method) or net realizable value.

Equipment and Software. It is the Organization's policy to capitalize equipment and software at cost for purchases over \$2,500, while repair and maintenance items are charged to expense. Donations of equipment and software are capitalized at their estimated fair value at the date of gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Equipment and software is depreciated using straight-line methods over the estimated useful lives of the assets, which is generally five to ten years for equipment and software. Depreciation expense totaled \$1,087 and \$818 for the years ended December 31, 2023 and 2022, respectively. Amortization of software is included in depreciation expense.

Leases and Right-of-Use Assets. The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Organization recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The Organization made a policy election not to separate lease and nonlease components for all leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable, or otherwise, the Organization uses its incremental borrowing rate based on the information available at the commencement date for all leases to discount certain lease asset class obligations. The Organization has also elected to exclude leases with terms of 12 months or less from right-of-use asset and operating lease obligation recognition.

Impairment of Long-Lived Assets. In the event that facts and circumstances indicate that equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary.

Contributions. Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Partners Relief & Development

Notes to Financial Statements

December 31, 2023 and 2022

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Contributed Services. Contributed services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. There were no contributed services for the years ended December 31, 2023 and 2022.

Functional Allocation of Expenses. The costs of providing programs and other activities have been summarized on a functional basis in the statement of functional expenses and in the statement of activities. Accordingly, direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

Income Taxes. The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

Subsequent Events. The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through September 24, 2024, the date at which the financial statements were available for release.

Note 2 – Liquidity and Availability

The Organization had \$1,801,374 and \$2,116,694 in financial assets available within one year of December 31, 2023 and 2022, respectively. The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these guiding principles, the Organization forecasts its future cash flows and monitors its liquidity monthly. During the years ended December 31, 2023 and 2022, the level of liquidity and reserves was managed within the guiding principles.

Note 3 – Investments and Fair Value Measurements

The Organization's investments consist of mineral rights carried the lower of cost or market value of \$185,000 as of December 31, 2023. The Organization did not have investments measured at fair value as of December 31, 2023.

Partners Relief & Development

Notes to Financial Statements

December 31, 2023 and 2022

Note 3 – Investments and Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's investments, at fair value, as of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Investments carried at fair value				
Mutual Funds				
Equity funds	\$ 40,406	\$ -	\$ -	\$ 40,406
Bond funds	11,759	-	-	11,759
Other	107	-	-	107
Exchange Traded Funds	21,841	-	-	21,841
	<u>\$ 74,113</u>	<u>\$ -</u>	<u>\$ -</u>	<u>74,113</u>
Investments carried at lower of cost or market				
Mineral rights				<u>361,000</u>
Total investments				<u>\$ 435,113</u>

Mineral Rights. In April 2021, the Organization received overriding royalty interests in oil and gas wells (mineral rights) located in Lea County, New Mexico. An appraisal was performed to value the mineral rights at the date of gift. The ongoing fair value of the mineral rights is not readily determinable and the interests are considered for impairment annually. An impairment loss of \$176,000 was recognized during 2023 due to decreased well production. No impairment losses were recorded during 2022.

Investment (loss) income consisted of the following for the years ended December 31:

	2023	2022
Royalties	\$ 98,174	\$ 126,148
Interest and dividends	42,632	1,822
Net realized gain on investments	5,973	3,014
Net unrealized loss on investments	-	(25,329)
Loss on impairment of investment	<u>(176,000)</u>	<u>-</u>
	(29,221)	105,655
Investment fees	<u>(355)</u>	<u>(830)</u>
Net investment (loss) income	<u>\$ (29,576)</u>	<u>\$ 104,825</u>

Note 4 – Contributions Receivable

Contributions receivable totaled \$115,950 and \$53,461 as of December 31, 2023 and 2022, respectively. Amounts outstanding at December 31, 2022 were collected during 2023, and management estimates the outstanding amount at December 31, 2023 will be collected during 2024.

Partners Relief & Development

Notes to Financial Statements

December 31, 2023 and 2022

Note 5 – Operating Lease

The Organization leases office space in Ada, Michigan under a noncancelable operating lease. The lease includes rent escalation terms equal to the national inflation rate and expires in January 2025. The lease also requires the Organization to pay for its share of the shared costs. The rent escalation and the shared costs were determined to be variable lease payments and are not included in lease payments used to determine lease obligations and are recognized as variable costs when incurred. The operating lease obligation and related right-of-use asset as of December 31, 2023 and 2022 each totaled \$19,788 and \$36,455, respectively.

Operating lease costs consist of the following for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Amortization of right-of-use asset	\$ 16,667	\$ 15,633
Interest on lease liability	2,413	3,447
Variable rent expense	2,411	9,893
	<u>\$ 21,491</u>	<u>\$ 28,973</u>

Cash paid for amounts included in the measurement of operating lease liabilities totaled \$19,080 and \$17,490 for the years ended December 31, 2023 and 2022, respectively. A right-of-use asset obtained in exchange for an operating lease liability totaled \$50,498 for the year ended December 31, 2022.

The remaining lease term on the operating lease at December 31, 2023 and 2022 was 1.08 years and 2.08 years, respectively. The discount rate applied to the operating lease is 8.82%.

Scheduled maturities of operating lease liabilities are as follows at December 31, 2023:

<u>Year</u>	<u>Amount</u>
2024	\$ 19,080
2025	1,590
	<u>20,670</u>
Less amount representing interest	(882)
	<u>\$ 19,788</u>

Note 6 – Net Assets With Donor Restrictions

The following summarizes the changes in net assets with donor restrictions:

	<u>Regional Funds</u>	<u>Time Restrictions</u>	<u>Total</u>
Balance, January 1, 2022	\$ 943,468	\$ 64,454	\$ 1,007,922
Additions	-	53,461	53,461
Releases	(898,968)	(64,454)	(963,422)
Balance, December 31, 2022	44,500	53,461	97,961
Additions	100,956	115,950	216,906
Releases	(88,500)	(53,461)	(141,961)
Balance, December 31, 2023	<u>\$ 56,956</u>	<u>\$ 115,950</u>	<u>\$ 172,906</u>

Partners Relief & Development

Notes to Financial Statements

December 31, 2023 and 2022

Note 7 – Retirement Plan

The Organization participates in a deferred compensation retirement plan under Internal Revenue Code Section 403(b). The plan covers substantially all employees and allows the Organization to provide a discretionary matching contribution equal to a uniform percentage or dollar amount of each employee's elective deferral. The Organization determines the formula for the discretionary matching contribution annually. The Organization contributed \$27,350 and \$38,143 to the plan for the years ended December 31, 2023 and 2022, respectively.

Note 8 – Concentrations

Bank Deposits. The Organization routinely maintained cash balances in excess of federally insured limits during the years ended December 31, 2023 and 2022.

Major Donors. The Organization had two donors that comprised 24% and 37% of total revenues for the years ended December 31, 2023 and 2022, respectively.