

NUDAY

**AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 & 2018**

**NUDAY
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	PAGE
Independent Auditors' Report	1-2
Statements of Financial Position	3
Statements of Activities	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
Notes to Financial Statements	9-16

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
NuDay
Windham, NH

We have audited the accompanying financial statements of NuDay (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NuDay as of December 31, 2019 and 2018, respectively, 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.

Raffahr + Company, P.C.

November 11, 2020

NUDAY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash	\$ 130,431	\$ 28,626
Accounts receivable	7,611	7,551
Marketable securities	366	365
Prepaid expenses and other current assets	<u>5,000</u>	<u>5,000</u>
Total Current Assets	143,408	41,542
PROPERTY AND EQUIPMENT, NET	<u>170,309</u>	<u>153,335</u>
TOTAL ASSETS	\$ <u><u>313,717</u></u>	\$ <u><u>194,877</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accrued expenses	\$ <u>127</u>	\$ <u>5,920</u>
Total Current Liabilities	<u>127</u>	<u>5,920</u>
TOTAL LIABILITIES	<u>127</u>	<u>5,920</u>
NET ASSETS		
Without donor restrictions	202,171	120,799
With donor restrictions	<u>111,419</u>	<u>68,158</u>
Total Net Assets	<u>313,590</u>	<u>188,957</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u><u>313,717</u></u>	\$ <u><u>194,877</u></u>

The accompanying notes are an integral part of these financial statements.

NUDAY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)

	Without Donor Restrictions	With Donor Restrictions	Total 2019	Total 2018
REVENUE AND SUPPORT				
Donations and grants	\$ 1,193,367	\$ 902,842	\$ 2,096,209	\$ 1,583,849
Special events	40,467	-	40,467	21,249
In-kind contributions	68,775,544	-	68,775,544	37,787,099
Realized loss on sale of donated securities	-	-	-	(1,467)
Interest income	10	-	10	3,377
Net assets released from restrictions	856,581	(856,581)	-	-
TOTAL REVENUE AND SUPPORT	<u>70,865,969</u>	<u>46,261</u>	<u>70,912,230</u>	<u>39,394,107</u>
EXPENSES				
Program services	70,673,181	-	70,673,181	39,470,318
Management and general	78,893	-	78,893	75,969
Fundraising	35,523	-	35,523	29,294
TOTAL EXPENSES	<u>70,787,597</u>	<u>-</u>	<u>70,787,597</u>	<u>39,575,581</u>
INCREASE (DECREASE) IN NET ASSETS	78,372	46,261	124,633	(181,474)
NET ASSETS - BEGINNING OF YEAR	<u>123,799</u>	<u>65,158</u>	<u>188,957</u>	<u>370,431</u>
NET ASSETS - END OF YEAR	<u>\$ 202,171</u>	<u>\$ 111,419</u>	<u>\$ 313,590</u>	<u>\$ 188,957</u>

The accompanying notes are an integral part of these financial statements.

**NUDAY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Without Donor Restrictions	With Donor Restrictions	Total 2018
REVENUE AND SUPPORT			
Donations	\$ 1,465,988	\$ 117,861	\$ 1,583,849
Special events	21,249	-	21,249
In-kind contributions	37,787,099	-	37,787,099
Realized gain on sale of donated securities	(1,467)	-	(1,467)
Interest income	3,377	-	3,377
Net assets released from restrictions	<u>110,861</u>	<u>(110,861)</u>	<u>-</u>
TOTAL REVENUE AND SUPPORT	<u>39,387,107</u>	<u>7,000</u>	<u>39,394,107</u>
EXPENSES			
Program services	39,470,318	-	39,470,318
Management and general	75,969	-	75,969
Fundraising	<u>29,294</u>	<u>-</u>	<u>29,294</u>
TOTAL EXPENSES	<u>39,575,581</u>	<u>-</u>	<u>39,575,581</u>
INCREASE IN NET ASSETS	(188,474)	7,000	(181,474)
NET ASSETS - BEGINNING OF YEAR	<u>312,273</u>	<u>58,158</u>	<u>370,431</u>
NET ASSETS - END OF YEAR	<u>\$ 123,799</u>	<u>\$ 65,158</u>	<u>\$ 188,957</u>

The accompanying notes are an integral part of these financial statements.

NUDAY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Services	Management and General	Fundraising	Total
In-kind expense	\$ 68,775,544	\$ -	\$ -	\$ 68,775,544
Wages	193,675	55,336	27,668	276,679
Orphan	404,938	-	-	404,938
Shipping expenses	191,689	-	-	191,689
Other Program Costs	130,857	-	-	130,857
Food security	176,340	-	-	176,340
Education	45,301	-	-	45,301
Seasonal campaigns	48,510	-	-	48,510
Professional fees	57,009	14,252	-	71,261
Resettlement	74,221	-	-	74,221
Container costs	17,064	-	-	17,064
Warehouse rent	54,861	-	-	54,861
Bank & merchant fees	5,844	-	-	5,844
Emergency	8,735	-	-	8,735
Water	108,806	-	-	108,806
Medical	10,549	-	-	10,549
Self-sustainability	218,205	-	-	218,205
Payroll taxes	16,172	4,621	2,310	23,103
Depreciation	19,104	-	-	19,104
Advertising	15,069	-	-	15,069
Travel	11,909	-	-	11,909
Utilities	8,693	-	-	8,693
Office	1,672	3,518	-	5,190
Special Events	-	-	5,545	5,545
Dues	21,732	-	-	21,732
Insurance	4,663	1,166	-	5,829
Social Business	20,063	-	-	20,063
Field Site	31,544	-	-	31,544
Taxes	412	-	-	412
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	\$ <u>70,673,181</u>	\$ <u>78,893</u>	\$ <u>35,523</u>	\$ <u>70,787,597</u>

The accompanying notes are an integral part of these financial statements.

NUDAY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Program Services	Management and General	Fundraising	Total
In-kind expense	\$ 37,787,099	\$ -	\$ -	\$ 37,787,099
Wages	198,533	54,366	18,931	271,830
Orphan	241,037	-	-	241,037
Shipping expenses	230,527	-	-	230,527
Other Program Costs	206,770	-	-	206,770
Food security	115,839	-	-	115,839
Education	90,635	-	-	90,635
Seasonal campaigns	79,536	-	-	79,536
Professional fees	54,388	13,597	-	67,985
Resettlement	62,065	-	-	62,065
Container costs	52,109	-	-	52,109
Warehouse rent	49,699	-	-	49,699
Bank & merchant fees	42,076	-	-	42,076
General assistance	42,000	-	-	42,000
Emergency	41,261	-	-	41,261
Water	30,754	-	-	30,754
Medical	27,878	-	-	27,878
Self-sustainability	21,900	-	-	21,900
Payroll taxes	15,818	4,331	1,508	21,657
Depreciation	14,633	-	-	14,633
Advertising	12,268	-	-	12,268
Travel	11,634	-	-	11,634
Utilities	10,149	-	-	10,149
Office	7,220	1,805	-	9,025
Special Events	-	-	8,855	8,855
Transfer expenses	7,171	-	-	7,171
Dues	5,992	-	-	5,992
Repairs	3,913	978	-	4,891
Insurance	3,567	892	-	4,459
Meals & entertainment	2,980	-	-	2,980
Food	867	-	-	867
	<u>39,470,318</u>	<u>75,969</u>	<u>29,294</u>	<u>39,575,581</u>
Total	\$ <u>39,470,318</u>	\$ <u>75,969</u>	\$ <u>29,294</u>	\$ <u>39,575,581</u>

The accompanying notes are an integral part of these financial statements.

NUDAY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 124,633	\$ (181,474)
Adjustments required to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	19,104	14,633
(Increase) decrease in accounts receivable	(60)	3,792
(Increase) decrease in marketable securities	(1)	19,334
(Increase) decrease in prepaid expenses and other current assets	-	120,599
(Decrease) increase in accounts payable and accrued expenses	(5,793)	(15,365)
 Total Adjustments	 13,250	 142,993
 Net Cash Provided by (Used in) Operating Activities	 137,883	 (38,481)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(36,078)	-
 Net Cash Used in Investing Activities	 (36,078)	 -
 NET INCREASE (DECREASE) IN CASH	 101,805	 (38,481)
 CASH AT BEGINNING OF YEAR	 28,626	 67,107
 CASH AT END OF YEAR	 \$ 130,431	 \$ 28,626

SUPPLEMENTAL CASH FLOW DISCLOSURES

CASH PAID DURING THE YEAR

Interest	\$ -	\$ -
Taxes	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

1. NATURE OF ORGANIZATION

Based in Windham, New Hampshire, NuDay (“the Organization”) was founded in 2013 as a private, charitable, not-for-profit organization. Guided by its mission statement, “One Person at Time, One Humanity Closer,” NuDay champions the empowerment of Syrian mothers and children through immediate humanitarian assistance and long-term, socio-economic projects and programming for Syrian internally displaced persons and Syrian refugees in bordering Turkey and in the US. Programs range from orphan sponsorship, medical clinics, educational institutions, psycho-social support, and cargo containers sending humanitarian and medical aid from the United States to Syria. The end goal of NuDay is simple: to rebuild agency through confidence and self-reliance while building bridges across geographical and cultural differences.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned rather than received and expenses are recognized when incurred rather than paid.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months.

Accounts Receivable

Throughout the year the Organization receives donations via third party online platforms. In some cases, those donations are not remitted to the Organization immediately. The Organization was due \$7,611 and \$7,551 from a third-party online platform, as of December 31, 2019 and 2018, respectively. The Organization considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Marketable Securities

Occasionally, the Organization receives donations of marketable securities, which are transferred to a brokerage account in the name of the Organization and shortly thereafter placed for sale. Marketable securities of the Organization were \$366 and \$365 as of December 31, 2019, and 2018, respectively.

Property and Equipment

Property and equipment is recorded at cost or, if donated, at the fair market value at the date of the donation. Improvements are depreciated over the respective lives of the leases, or the life of the improvements, whichever is shorter. Depreciation is computed using the straight-line method. Routine repairs and maintenance expenditures are expensed as incurred.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

The Organization is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code. Therefore, no provision is made for federal income taxes in the accompanying financial statements.

Uncertain Tax Positions

Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Organization's tax returns remain open for three years for both federal, New Hampshire and Massachusetts income tax examination.

Cost Allocation

The cost of providing various programs and management and general expenses has been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

The preparation of the 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Statement Presentation

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 ("US GAAP"). The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net Assets Without Donor Restriction—Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

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

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

The Organization recognizes contribution revenue when an unconditional pledge is made or when cash is received if a pledge was not made. Contributions received are reported as unrestricted, temporarily restricted, or permanently restricted, based on donor intent.

Revenue Recognition

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets.

Advertising

The Organization follows the policy of charging the cost of advertising to expense when incurred. Advertising costs were \$15,069 and \$12,268 for the years ended December 31, 2019 and 2018, respectively.

Reclassifications

Certain amounts in the financial statements for the year ended December 31, 2018 have been reclassified to conform to the current year presentation.

Fair Value Measurements

FASB guidance on fair value measurements defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. The guidance applies to all assets and liabilities that are measured and reported on a fair value basis. The carrying amounts of financial instruments, including cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities, approximate fair value due to the short maturity of these instruments.

Fair Value of Financial Instruments

Accounting principles generally accepted in the United States establishes a fair value measurement hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 – Fair value input consists of unadjusted quoted prices in active markets for identical assets, which have the highest priority.

Level 2 – Fair value input consists of observable inputs other than quoted prices for identical assets.

Level 3 – Fair value input consists of unobservable inputs and have the lowest priority.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

Fair Value of Financial Instruments (continued)

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures the fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

3. MARKETABLE SECURITIES

Marketable securities are stated at fair value and consist of publicly traded securities as follows as of December 31:

	2019	2018
Cost	\$ 366	\$ 365
Fair Value	<u>366</u>	<u>365</u>
Unrealized appreciation (depreciation) in market value	<u>\$ -</u>	<u>\$ -</u>
Investment return is summarized as follows:		
Realized loss on sale of securities	<u>-</u>	<u>1,467</u>

4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

	2019	2018
Leasehold improvements	\$ 165,704	\$ 165,704
Computers and equipment	10,431	10,431
Vehicles	<u>46,970</u>	<u>7,500</u>
	223,105	183,635
Less: accumulated depreciation	<u>(52,796)</u>	<u>(30,300)</u>
Net Property and Equipment	<u>\$ 170,309</u>	<u>\$ 153,335</u>

Depreciation expense was \$19,104 and \$14,633 for the years ended December 31, 2019 and 2018, respectively.

5. RELATED PARTIES

In 2019, the Organization employed two daughters of a member of management. The total amount paid to these two employees was \$74,640. In 2018, only one daughter of a member of management was employed. The compensation to this employee was \$72,840 in 2018. This compensation is classified as wages in the Statement of Functional Expenses.

The Organization was provided consulting services by the daughter of a member of management. This related party was compensated \$17,150 and \$8,194 during the years ended December 31, 2019 and 2018, respectively. This expense is included in professional fees in the Statement of Functional Expenses.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

5. RELATED PARTIES (CONTINUED)

One board member is the spouse of a member of management. This board member received no compensation for the services performed for the Organization.

There were no amounts due to or from any related parties as of December 31, 2019 or 2018, respectively.

6. IN-KIND CONTRIBUTIONS

The Organization receives contributions of an in-kind nature, which represent the estimated fair market value of donated supplies and services. These in-kind donations were recorded both as support revenue and program expense upon the export shipments to Turkey and Syria to assist in the humanitarian work and care provided to displaced Syrian refugees. The nature of these contributions, which is included in the statement of activities, is as follows for the year ended December 31, 2019 and 2018, respectively:

	2019	2018
Food	\$ 172,480	\$ 425,500
Clothing & household items	10,158,671	8,103,268
Medical supplies & equipment	<u>58,444,393</u>	<u>29,258,331</u>
Total	<u>\$ 68,775,544</u>	<u>\$ 37,787,099</u>

7. SPECIAL EVENTS

Revenue reported on the statement of activities, and expenses reported on the statement of functional expenses, as special events, consists of major fundraising events held during the year.

Net revenue generated from special events during the years ended December 31, 2019 and 2018 was \$34,922 and \$12,394 for the years ended December 31, 2019 and 2018, respectively.

8. CASH FLOWS

Occasionally, the Organization receives donations of marketable securities, which are sent to a brokerage account in the name of the Organization and shortly thereafter placed for sale. When the securities are sold, the funds are transferred to an operating account. No donations of marketable securities were received during the year ended December 31, 2019 or 2018.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2019 and 2018 consist of the following:

	2019	2018
Restricted by contributors for the Ahmad Alkhalaf Project	\$ 33,158	\$ 48,158
Restricted by contributors for container costs	20,000	20,000
Restricted by contributors for the Women's Empowerment Center	58,261	-
Total Net Assets with Donor Restrictions	\$ 111,419	\$ 68,158

During the year nets assets were released from donor restrictions by incurring expense satisfying the restricted purposes or by occurrence of other events specified by donors. The total amount released from restrictions was \$841,581 and \$110,861, for the years ended December 31, 2019 and 2018, respectively.

10. CONCENTRATIONS

The Organization places its cash equivalents in bank deposit accounts at credit-worthy financial institutions. The Organization has not experienced any losses on its cash equivalents. From time to time the bank deposit account balances may exceed federal depository insurance coverage and management considers this to be a normal business risk. At December 31, 2019, the Organization had no uninsured bank deposit account balances.

For the year ended December 31, 2019, approximately 85% of the Organization's in-kind contributions came from three donors.

For the year ended December 31, 2018, approximately 70% of the Organization's in-kind contributions came from three donors.

11. LEASE COMMITMENTS

The Organization leased program and office spaces under multiple operating leases with varying terms. The Organization has leased land in Syria for which it has constructed homes, a school and a mosque. The land is leased to the Organization free of charge, however, at the end of the 20-year lease, the constructed property will become the property of the lessor. Rent expense under these agreements was \$54,861 and \$49,699 for the years ended December 31, 2019 and 2018, respectively.

Future minimum lease payments as of December 31, 2019 are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 54,106

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

12. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has a policy to manage its liquidity and reserves following three guiding principles: operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The following table reflects the Organization's financial assets (cash and cash equivalents and investments) as of December 31, 2019 and 2018, reduced by amounts not available for general expenditures within one year due to donor-imposed restrictions.

	2019	2018
Financial assets:		
Cash and cash equivalents, including restricted cash	\$ 130,431	\$ 28,626
Accounts receivable, net, to be collected in less than one year	7,611	7,551
Marketable securities	<u>366</u>	<u>365</u>
Total financial assets, at year-end	<u>138,408</u>	<u>36,542</u>
Less those unavailable for general expenditure within one year:		
Donor imposed restriction - reserved for container costs	20,000	20,000
Donor imposed restriction - reserved for Women's Empowerment Center	<u>58,261</u>	<u>-</u>
Financial assets available to meet cash needs for expenditures within one year	<u><u>60,147</u></u>	<u><u>16,542</u></u>

The Organization has received donations for the medical and educational benefit of Ahmad Alkhalaf. The restricted assets reserved for Ahmad amounted to \$33,158 and \$48,158 as of December 31, 2019 and 2018, respectively. These assets with donor-imposed restrictions are not expected to be spent until 2024 for Ahmed's higher education. The Organization has received approval from Ahmad's family to use the funds for general operations until 2024 at which point the \$33,158 will be provided to Ahmad.

13. FAIR VALUE DISCLOSURES

The Organization's investments measured at fair value subject to the disclosure requirements of FASB ASC No. 820, *Fair Value Measurement*, are as follows:

Assets at Fair Value as of December 31, 2019

	<u>Fair Value</u>	<u>(Level 1)</u>
Marketable securities	\$ <u>181</u>	\$ <u>181</u>
Total	<u><u>181</u></u>	<u><u>181</u></u>

Assets at Fair Value as of December 31, 2018

	<u>Fair Value</u>	<u>(Level 1)</u>
Marketable securities	\$ <u>365</u>	\$ <u>365</u>
Total	<u><u>365</u></u>	<u><u>365</u></u>

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

14. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 11, 2020, the date on which the financial statements were available to be issued. The following transactions have occurred since December 31, 2019.

In May 2020, the Company received loan proceeds in the amount of \$53,724 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period and those reductions are not cured by December 31, 2020. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%. The Company intends to use the proceeds for purposes consistent with the PPP. While the Company currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, actions could be taken that could cause the Company to be ineligible for forgiveness of the loan, in whole or in part.