

NUDAY

**AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 & 2019**

**NUDAY
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	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 - 17

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, 2020 and 2019, 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, 2020 and 2019, 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.

Haffner + Company, P.C.

North Andover, Massachusetts
November 15, 2021

NUDAY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 184,416	\$ 130,431
Accounts receivable	983	7,611
Marketable securities	366	366
Prepaid expenses and other current assets	5,000	5,000
Total Current Assets	190,765	143,408
PROPERTY AND EQUIPMENT, NET	163,307	170,309
TOTAL ASSETS	\$ 354,072	\$ 313,717
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accrued expenses	\$ 2,879	\$ 127
Total Current Liabilities	2,879	127
TOTAL LIABILITIES	2,879	127
NET ASSETS		
Without donor restrictions	264,840	202,171
With donor restrictions	86,353	111,419
Total Net Assets	351,193	313,590
TOTAL LIABILITIES AND NET ASSETS	\$ 354,072	\$ 313,717

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

NUDAY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)

	Without Donor Restrictions	With Donor Restrictions	Total 2020	Total 2019
REVENUE AND SUPPORT				
Donations and grants	\$ 1,521,169	\$ 1,016,889	\$ 2,538,058	\$ 2,096,209
Special events	29,557	-	29,557	40,467
In-kind contributions	64,111,904	-	64,111,904	68,775,544
Realized loss on sale of donated securities	-	-	-	-
Interest income	23	-	23	10
Net assets released from restrictions	<u>1,041,955</u>	<u>(1,041,955)</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE AND SUPPORT	<u>66,704,608</u>	<u>(25,066)</u>	<u>66,679,542</u>	<u>70,912,230</u>
EXPENSES				
Program services	66,514,341	-	66,514,341	70,673,181
Management and general	90,130	-	90,130	78,893
Fundraising	<u>37,468</u>	<u>-</u>	<u>37,468</u>	<u>35,523</u>
TOTAL EXPENSES	<u>66,641,939</u>	<u>-</u>	<u>66,641,939</u>	<u>70,787,597</u>
INCREASE (DECREASE) IN NET ASSETS	62,669	(25,066)	37,603	124,633
NET ASSETS - BEGINNING OF YEAR	<u>202,171</u>	<u>111,419</u>	<u>313,590</u>	<u>188,957</u>
NET ASSETS - END OF YEAR	<u>\$ 264,840</u>	<u>\$ 86,353</u>	<u>\$ 351,193</u>	<u>\$ 313,590</u>

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

**NUDAY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

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

NUDAY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services	Management and General	Fundraising	Total
In-kind expense	\$ 64,111,904	\$ -	\$ -	\$ 64,111,904
Wages	240,320	68,663	34,331	343,314
Orphan	332,998	-	-	332,998
Shipping expenses	133,493	-	-	133,493
Other Program Costs	204,906	-	-	204,906
Food security	328,118	-	-	328,118
Education	37,169	-	-	37,169
Seasonal campaigns	103,136	-	-	103,136
Professional fees	52,002	13,001	-	65,003
Resettlement	132,311	-	-	132,311
Container costs	188,198	-	-	188,198
Warehouse rent	63,384	-	-	63,384
Bank & merchant fees	26,777	-	-	26,777
Emergency	36,303	-	-	36,303
Water	245,403	-	-	245,403
Medical	26,258	-	-	26,258
Self-sustainability	188,533	-	-	188,533
Payroll taxes	21,958	6,274	3,137	31,369
Depreciation	20,096	-	-	20,096
Advertising	8,132	-	-	8,132
Travel	784	-	-	784
Utilities	3,401	-	-	3,401
Office	2,731	686	-	3,417
Insurance	6,026	1,506	-	7,532
Total	\$ <u>66,514,341</u>	\$ <u>90,130</u>	\$ <u>37,468</u>	\$ <u>66,641,939</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
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 37,603	\$ 124,633
Adjustments required to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	20,096	19,104
(Increase) decrease in accounts receivable	6,628	(60)
(Increase) decrease in marketable securities	-	(1)
(Increase) decrease in prepaid expenses and other current assets	-	-
(Decrease) increase in accounts payable and accrued expenses	2,751	(5,793)
Total Adjustments	29,475	13,250
Net Cash Provided by (Used in) Operating Activities	67,078	137,883
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(13,093)	(36,078)
Net Cash Used in Investing Activities	(13,093)	(36,078)
NET INCREASE (DECREASE) IN CASH	53,985	101,805
CASH AT BEGINNING OF YEAR	130,431	28,626
CASH AT END OF YEAR	\$ 184,416	\$ 130,431

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, 2020 AND 2019

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 works to empower women, children and vulnerable populations experiencing humanitarian gaps internationally through dignified and sustainable aid. Programs include rebuilding housing and infrastructure, orphan sponsorships, creating livelihood opportunities, and sending cargo containers with humanitarian and medical aid from the United States abroad. 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

Issued and Adopted Accounting Pronouncements

The Organization has adopted the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (“ASU”) 2018-08 Not-for-Profit Entities: Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes contributions, and therefore no changes to the previously audited financial statements were required on a retrospective basis.

In May 2014, the FASB issued Accounting Standards update 2014-9, Revenue Recognition (Topic 606): Revenue from Contracts with Customers. This ASU introduces a new five-step revenue recognition model in which an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Organization implemented ASU 2014-09 effective January 1, 2020. The adoption of this accounting standard did not have an impact on the Foundation’s financial position or changes in its net assets.

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.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$983 and \$7,611 from a third-party online platform, as of December 31, 2020 and 2019, 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 \$366 as of December 31, 2020, and 2019, 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.

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.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 \$8,132 and \$15,069 for the years ended December 31, 2020 and 2019, respectively.

Reclassifications

Certain amounts in the financial statements for the year ended December 31, 2019 have been reclassified to conform to the current year presentation.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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:

	2020	2019
Cost	\$ 366	\$ 366
Fair Value	366	366
Unrealized appreciation (depreciation) in market value	\$ -	\$ -
Investment return is summarized as follows:		
Realized loss on sale of securities	-	-

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

	2020	2019
Leasehold improvements	\$ 165,704	\$ 165,704
Construction in process	13,039	-
Computers and equipment	10,431	10,431
Vehicles	<u>46,970</u>	<u>46,970</u>
	236,144	223,105
Less: accumulated depreciation	<u>(72,891)</u>	<u>(52,796)</u>
Net Property and Equipment	<u>\$ 163,253</u>	<u>\$ 170,309</u>

In December 2020 the Organization began construction of 43 housing units to improve the living conditions of the suffering and displaced Syrian people. Accordingly, the costs incurred through December 31, 2020 are capitalized on the balance sheet as Construction in Process until the project is complete. The housing units were completed in 2021.

Depreciation expense was \$20,096 and \$19,104 for the years ended December 31, 2020 and 2019, respectively.

5. PAYROLL PROTECTION PROGRAM LOAN

During May of 2020, the Organization received approval for a Small Business Administration (SBA) Payroll Protection Program (“PPP”) Loan in the amount of \$53,724. Under the PPP, funds are forgivable if utilized for qualified expenditures according to the program criteria incurred over an eight-to-twenty-four-week period following the date of funding. To qualify for forgiveness, the funding must be spent on eligible payroll expenses, with up to 40% allowed to be spent on other eligible expenditures such as rent and utilities. As outlined by the SBA, any unforgiven balance must be repaid over five years at an annual interest rate of 1%.

The Organization’s policy is to account for the PPP loan in accordance with Accounting Standards Codification (ASC) Subtopic 958-605, Not-for-Profit Entities: Revenue Recognition. The loan is recognized as a contribution in whole or part when the criteria for forgiveness are substantially met or explicitly waived. The Organization met the criteria for forgiveness during 2020 and in July 2021, received notification from the SBA that the loan had been forgiven. Accordingly, the forgiven loan has been included in Donations and Grants on the accompanying Statement of Activities.

6. RELATED PARTIES

In 2020, the Organization employed two daughters of a member of management. The total amount paid to these two employees was \$101,060. 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 \$7,945 and \$17,150 during the years ended December 31, 2020 and 2019, respectively. This expense is included in professional fees in the Statement of Functional Expenses.

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

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

6. RELATED PARTIES (CONTINUED)

There were no amounts due to or from any related parties as of December 31, 2020 or 2019, respectively.

7. 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, Lebanon and Syria to assist in the humanitarian work and care provided to displaced refugees and low-income vulnerable populations. The nature of these contributions, which is included in the statement of activities, is as follows for the year ended December 31, 2020 and 2019, respectively:

	2020	2019
Food	\$ 160,040	\$ 172,480
Clothing & household items	12,635,650	10,158,671
Medical supplies & equipment	<u>51,316,214</u>	<u>58,444,393</u>
 Total	 <u>\$ 64,111,904</u>	 <u>\$ 68,775,544</u>

8. 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, 2020 and 2019 was \$29,557 and \$34,922 for the years ended December 31, 2020 and 2019, respectively.

9. 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, 2020 or 2019.

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2020 and 2019 consist of the following:

	2020	2019
Restricted by contributors for the Ahmad Alkhalaf Project	\$ 21,379	\$ 33,158
Restricted by contributors for container costs	32,550	20,000
Restricted by contributors for humanitarian farming projects	<u>32,424</u>	<u>58,261</u>
 Total Net Assets with Donor Restrictions	 <u>\$ 86,353</u>	 <u>\$ 111,419</u>

The assets restricted for Ahmad Alkhalaf as of December 31, 2020 were fully disbursed in 2021.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

10. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

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 \$1,041,955 and \$841,581, for the years ended December 31, 2020 and 2019, respectively.

11. 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, 2020, the Organization had no uninsured bank deposit account balances.

For the year ended December 31, 2020, approximately 81% of the Organization's in-kind contributions came from two donors.

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

12. COMMITMENTS AND CONTINGENCIES

The Organization leased program and office spaces under multiple operating leases with varying terms. In October 2020, the Organization signed a five-year lease agreement for warehouse space in Derry, New Hampshire. The required minimum lease amounts are detailed below for the five-year term. 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 \$63,384 and \$54,861 for the years ended December 31, 2020 and 2019, respectively.

Future minimum lease payments as of December 31, 2020 are as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 52,000
2022	52,000
2023	52,000
2024	52,000
2025	52,000
Total	\$ <u>260,000</u>

In November 2020, the New Hampshire Charitable Trusts Unit opened an investigation into the Organization's financial records. The Organization has complied with all documentation requests and is optimistic the investigation will conclude with no findings. As of November 9th, 2021 the investigation remains ongoing.

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

13. 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, 2020 and 2019, reduced by amounts not available for general expenditures within one year due to donor-imposed restrictions.

	2020	2019
Financial assets:		
Cash and cash equivalents, including restricted cash	\$ 184,416	\$ 130,431
Accounts receivable, net, to be collected in less than one year	983	7,611
Marketable securities	<u>366</u>	<u>366</u>
Total financial assets, at year-end	<u>185,765</u>	<u>138,408</u>
Less those unavailable for general expenditure within one year:		
Restricted by contributors for the Ahmad Alkhalaf Project	\$ 21,379	\$ 33,158
Restricted by contributors for container costs	32,550	20,000
Restricted by contributors for humanitarian farming projects	<u>32,424</u>	<u>58,261</u>
	86,353	111,419
Financial assets available to meet cash needs for expenditures within one year	<u>\$ 99,412</u>	<u>\$ 26,989</u>

14. 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>181</u>	<u>181</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>365</u>	<u>365</u>

NUDAY
NOTES TO AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

15. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 15, 2021, the date on which the financial statements were available to be issued. The following transactions have occurred since December 31, 2020.

In July of 2021, the Organization received notification from the SBA that its PPP round 1 loan of \$53,724 had been forgiven. Accordingly, the forgiven PPP loan is reported as Donations and Grants on the accompanying Statements of Activities.

In February of 2021, the Organization received PPP round 2 funding of \$62,452. In November 2021 the Organization applied for forgiveness of round 2 PPP funding. The Organization anticipates the PPP loan to be forgiven in full. Accordingly, the forgiven PPP loans will be reported as income on the Statement of Activities for the year-ended December 31, 2021.