

AMUDIM COMMUNITY RESOURCES INC.
(a non-profit organization)

FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	1
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	4
STATEMENT OF FUNCTIONAL EXPENSES - 2023	5
STATEMENT OF FUNCTIONAL EXPENSES - 2022	6
STATEMENTS OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Amudim Community Resources, Inc.

Opinion

We have audited the accompanying financial statements of Amudim Community Resources, Inc. (a non-profit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amudim Community Resources, Inc. as of December 31, 2023, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Amudim Community Resources, Inc. 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 Amudim Community Resources, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 Amudim Community Resources, Inc.'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 Amudim Community Resources, Inc.'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.

Prior Year Audited by Other Auditors

The 2022 financial statements were audited by other auditors, and their report thereon, dated September 28, 2023, expressed an unmodified opinion. The comparative information presented herein as of and for the year ended December 31, 2022, is materially consistent with the audited financial statements from which it has been derived.



August 21, 2024

AMUDIM COMMUNITY RESOURCES, INC.
(a non-profit organization)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Cash	\$ 2,029,735	\$ 3,833,446
Accounts receivable	162,121	160,250
Grants and contributions receivable - net of allowance for doubtful accounts of \$1,277,099 in 2023 and \$729,188 in 2022	3,204,781	3,431,295
Prepaid expenses	192,774	61,710
Property and equipment, net (note 4)	3,192,369	3,078,672
Security deposits	1,700	1,700
TOTAL ASSETS	\$ <u>8,783,480</u>	\$ <u>10,567,073</u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 439,542	\$ 516,544
Deferred revenue	224,702	-
Mortgage payable (note 5)	1,040,137	1,050,000
Loans payable (note 6)	391,100	15,000
TOTAL LIABILITIES	<u>2,095,481</u>	<u>1,581,544</u>
 NET ASSETS		
Without donor restrictions	<u>6,687,999</u>	<u>8,985,529</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>8,783,480</u>	\$ <u>10,567,073</u>

See the accompanying notes to the financial statements.

AMUDIM COMMUNITY RESOURCES, INC.
(a non-profit organization)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
REVENUES AND OTHER SUPPORT		
WITHOUT DONOR RESTRICTIONS		
Contributions and special events	\$ 6,462,449	\$ 6,233,229
Less: direct cost of special events	(424,044)	(314,701)
Contribution of nonfinancial asset (note 9)	-	850,000
Foundation and government grants	652,670	656,689
Curriculum licensing revenue	275,939	181,476
Interest	1,178	165
Forgiveness of loan (note 6)	-	424,605
Rental income	86,363	70,700
Other revenue	10,440	-
TOTAL REVENUES AND OTHER SUPPORT	7,064,995	8,102,163
WITHOUT DONOR RESTRICTIONS	7,064,995	8,102,163
 EXPENSES		
Program services		
Crisis intervention	6,846,092	6,083,466
Clinic	57,058	-
Total program services	6,903,150	6,083,466
Supporting services		
Management and general	1,897,135	1,006,420
Fundraising	562,240	335,959
Total supporting services	2,459,375	1,342,379
TOTAL EXPENSES	9,362,525	7,425,845
 CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(2,297,530)	676,318
 NET ASSETS WITHOUT DONOR RESTRICTIONS -		
BEGINNING OF YEAR	8,985,529	8,309,211
 NET ASSETS WITHOUT DONOR RESTRICTIONS -		
END OF YEAR	\$ 6,687,999	\$ 8,985,529

See the accompanying notes to the financial statements.

AMUDIM COMMUNITY RESOURCES, INC.
(a non-profit organization)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	<u>Program Services</u>			<u>Supporting Services</u>		<u>Total</u>
	<u>Crisis Intervention</u>	<u>Clinic</u>	<u>Program Services - Total</u>	<u>Management and General</u>	<u>Fundraising</u>	
Salaries and related expenses	\$ 2,409,786	\$ -	\$ 2,409,786	\$ 641,757	\$ 69,873	\$ 3,121,416
Grant expense	919,643	-	919,643	-	-	919,643
Advertising and public awareness	497,238	-	497,238	16,763	13,521	527,522
Professional fees	127,996	-	127,996	38,577	262,366	428,939
Technology	56,150	1,390	57,540	165,656	12,319	235,515
Occupancy	103,402	39,621	143,023	49,944	6,696	199,663
Supplies	6,349	433	6,782	5,607	132	12,521
Postage and printing	5,836	-	5,836	1,666	131	7,633
Travel	359,410	-	359,410	95,751	59,561	514,722
Insurance	8,450	6,252	14,702	15,644	-	30,346
Office, program, and other	201,236	4,999	206,235	162,445	95,201	463,881
Staff training and development	20,046	-	20,046	13,390	192	33,628
Rehabilitation fees	2,080,868	-	2,080,868	-	-	2,080,868
Entertainment and food	-	-	-	-	424,044	424,044
Bad debt	-	-	-	554,411	-	554,411
Depreciation	-	-	-	93,166	-	93,166
Credit card and other fees	49,682	4,363	54,045	5,131	42,248	101,424
Interest	-	-	-	37,227	-	37,227
	<u>6,846,092</u>	<u>57,058</u>	<u>6,903,150</u>	<u>1,897,135</u>	<u>986,284</u>	<u>9,786,569</u>
Total expenses by function						
Less: direct cost of special events	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(424,044)</u>	<u>(424,044)</u>
TOTAL EXPENSES	<u>\$ 6,846,092</u>	<u>\$ 57,058</u>	<u>\$ 6,903,150</u>	<u>\$ 1,897,135</u>	<u>\$ 562,240</u>	<u>\$ 9,362,525</u>

See the accompanying notes to the financial statements.

AMUDIM COMMUNITY RESOURCES, INC.
(a non-profit organization)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services - Crisis Intervention	Supporting Services - Management and General	Supporting Services - Fundraising	Total
Salaries and related expenses	\$ 2,255,918	\$ 504,325	\$ 71,238	\$ 2,831,481
Grant expense	1,024,430	-	-	1,024,430
Advertising and public awareness	442,884	-	30,996	473,880
Professional fees	164,027	59,150	95,910	319,087
Technology	51,879	118,496	9,688	180,063
Occupancy	120,078	39,654	6,418	166,150
Supplies	7,034	3,626	5	10,665
Postage and printing	20,968	3,361	36,944	61,273
Travel	60,286	22,938	2,029	85,253
Insurance	25,170	13,088	-	38,258
Educational expenses	6,710	-	-	6,710
Office, program, and other	153,685	95,481	33,411	282,577
Staff training and development	173,254	70,215	14,705	258,174
Rehabilitation fees	1,548,400	-	-	1,548,400
Entertainment and food	-	-	314,701	314,701
Depreciation	-	52,454	-	52,454
Credit card and other fees	28,743	4,936	34,615	68,294
Interest	-	18,696	-	18,696
	<u>6,083,466</u>	<u>1,006,420</u>	<u>650,660</u>	<u>7,740,546</u>
Total expenses by function				
Less: direct cost of special events	<u>-</u>	<u>-</u>	<u>(314,701)</u>	<u>(314,701)</u>
TOTAL EXPENSES	<u><u>\$ 6,083,466</u></u>	<u><u>\$ 1,006,420</u></u>	<u><u>\$ 335,959</u></u>	<u><u>\$ 7,425,845</u></u>

See the accompanying notes to the financial statements.

AMUDIM COMMUNITY RESOURCES, INC.
(a non-profit organization)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ (2,297,530)	\$ 676,318
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Donated property	-	(850,000)
Depreciation	93,166	52,454
Forgiveness of loan	-	(424,605)
(Increase) decrease in assets		
Accounts receivable	(1,871)	(160,250)
Grants and contributions receivable	226,514	125,953
Prepaid expenses	(131,064)	10,128
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(77,002)	74,375
Deferred revenue	224,702	-
Net cash used in operating activities	<u>(1,963,085)</u>	<u>(495,627)</u>
Cash flows from investing activities		
Escrow release	-	100,000
Purchase of property and equipment	(206,863)	(2,260,559)
Net cash used in investing activities	<u>(206,863)</u>	<u>(2,160,559)</u>
Cash flows from financing activities		
Repayment of loans and notes payable	(9,863)	-
Proceeds from loans and note payable	376,100	1,050,000
Net cash provided by financing activities	<u>366,237</u>	<u>1,050,000</u>
Net decrease in cash and cash equivalents	(1,803,711)	(1,606,186)
Cash - beginning of year	<u>3,833,446</u>	<u>5,439,632</u>
CASH - END OF YEAR	<u>\$ 2,029,735</u>	<u>\$ 3,833,446</u>
Supplemental Cash Flows Information		
Cash paid during the year for interest	\$ 37,227	\$ 18,696

See the accompanying notes to the financial statements.

AMUDIM COMMUNITY RESOURCES INC.
(a non-profit organization)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations - Amudim Community Resources, Inc. (“Amudim”) is a non-profit organization providing crisis intervention and case management for individuals suffering from addiction, victims of sexual abuse, and youth at risk. Amudim is supported primarily by contributions, grants, and curriculum licensing revenue.

Income taxes - Amudim has been granted exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been held to be a publicly supported organization, and not a private foundation under Section 509(a). However, Amudim is subject to federal income tax on any unrelated business taxable income. Amudim files tax returns in the U.S. federal jurisdiction.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Accounts receivable - Accounts receivable are stated at the amount of consideration from customers, of which Amudim has an unconditional right to receive. Amudim provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Interest income is not accrued or recorded on outstanding accounts receivable.

Contract assets - Contract assets are recorded when Amudim has a right to consideration in exchange for goods or services that Amudim has transferred to the customer.

Property and equipment - Property and equipment are stated at cost, less accumulated depreciation. Items with a cost in excess of \$5,000 and an estimated useful life of greater than one year are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is computed on the straight-line method over the shorter of the estimated useful lives of the assets or the term of the lease.

Long-Lived asset impairment - Amudim evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended December 31, 2023 and 2022.

Deferred revenue – Revenue received in advance of certain events are deferred and recognized in the period in which the event occurs. All deferred revenue is expected to be earned in the next fiscal year.

Net assets - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor restrictions.

AMUDIM COMMUNITY RESOURCES INC.
(a non-profit organization)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions.

Contributions - Contributions are provided to Amudim either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts, with or without restriction</i>	
Gifts that depend on Amudim overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, <i>i.e.</i> , the donor-imposed barrier is met
<i>Unconditional gifts, with or without restriction</i>	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment, and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment, and other long-lived assets are reported when those assets are placed in service.

Gifts and conditional contributions having donor stipulations, which are satisfied in the period the gift is received, are recorded as revenue and net assets without donor restrictions.

Government grants - Support funded by grants is recognized as Amudim meets the conditions prescribed by the grant agreement, performs the contracted services, or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

AMUDIM COMMUNITY RESOURCES INC.
(a non-profit organization)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Curriculum licensing revenue - Curriculum licensing revenue is recognized at the time that the goods are provided to the customer. Revenue is reported at the estimated transaction price or amount that reflects the consideration to which Amudim expects to be entitled in exchange for providing customers the curriculum for them to use.

Rental income - Rental income pertains to rental payments earned on a month-to-month basis. There is no lease agreement.

Advertising - Advertising costs are expensed in the year they are incurred.

Functional allocation of expenses - The costs of providing services have been summarized on a functional basis. The functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on the actual expenditures and cost allocations estimated by Amudim's personnel, based on hours worked and other methods.

Subsequent events - Amudim has reviewed subsequent events and transactions for potential recognition and disclosure in the financial statements through August 21, 2024, the date the financial statements were available to be issued. No subsequent events were identified.

NOTE 2 - REVENUE FROM CONTRACTS WITH CUSTOMERS

Curriculum licensing revenue - Performance obligations are determined based on the nature of the goods provided by Amudim in accordance with the contract. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to the customers at a single point in time and Amudim does not believe it is required to provide additional goods or services related to that sale.

Transaction price and recognition - Amudim determines the transaction price based on standard charges for goods provided. Amudim does not have any implicit price concessions as typically payment is due prior to goods being provided.

Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the customer's ability to pay are recorded as bad debt expense.

Amudim has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected customers that have different reimbursement and payment methodologies.

For the years ended December 31, 2023 and 2022, Amudim recognized revenue of \$275,939 and \$181,476, respectively, from goods that transfer to the customer at a point in time.

Amudim did not have any contract assets as of January 1, 2022, December 31, 2022, or December 31, 2023. The balance of accounts receivable at December 31, 2023 and 2022, was \$162,121 and \$160,250, respectively.

AMUDIM COMMUNITY RESOURCES INC.
(a non-profit organization)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 3 - GRANT REIMBURSEMENT RECEIVABLE AND FUTURE COMMITMENTS

Amudim receives grant support through periodic claims filed with the respective funding sources, not to exceed a limit specified in the funding agreement. Since the financial statements of Amudim are prepared on the accrual basis, all earned portions of the grants not yet received at December 31, 2023 and 2022, have been recorded as receivables. The following are grant commitments that extend beyond December 31, 2023:

Funder	Term	Grant Amount	Earned Through 12/31/2023	Funding Still Available
U.S. Department of Health and Human Services	9/30/21 - 9/29/26	\$ 625,000	\$ 324,091	\$ 300,909
NYC Department of Health and Mental Hygiene	7/1/22 - 6/30/23	50,000	50,000	-
NYC Department of Health and Mental Hygiene	7/1/23 - 6/30/24	50,000	26,000	24,000
U.S. Department of Justice	10/1/22 - 9/30/25	<u>739,322</u>	<u>344,956</u>	<u>394,366</u>
		<u>\$ 1,464,322</u>	<u>\$ 745,047</u>	<u>\$ 719,275</u>

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2023 and 2022, are summarized as follows:

	(Years)	2023	2022
Land	-	\$ 771,189	\$ 771,189
Building and improvements	30	2,483,711	2,313,567
Leasehold improvements	5	29,010	29,010
Furniture and equipment	3-7	<u>92,146</u>	<u>55,427</u>
		3,376,056	3,169,193
Less: Accumulated depreciation		<u>183,687</u>	<u>90,521</u>
		<u>\$ 3,192,369</u>	<u>\$ 3,078,672</u>

Depreciation expense was \$93,166 and \$52,454 for the years ended December 31, 2023, and 2022, respectively.

AMUDIM COMMUNITY RESOURCES INC.
(a non-profit organization)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 - MORTGAGE PAYABLE

In May 2022, Amudim entered into a mortgage agreement in the amount of \$1,050,000 in order to finance the purchase of a building. Interest-only payments were due each month through June 2023. Beginning July 2023, principal and interest were due each month. Interest is charged at a fixed rate of 3.5% through June 2027. Beginning July 2027, interest is charged at the greater of 3.5% or the sum of 2.25% and the Pittsburgh Federal Home Loan Bank five-year rate. The mortgage is collateralized by the purchased building. The mortgage matures in June 2032 and the remaining principal balance is due at that time. The balance on the mortgage was \$1,040,137 and \$1,050,000 at December 31, 2023, and 2022, respectively. Interest expense on the mortgage was \$37,227 and \$18,696 for the years ended December 31, 2023 and 2022, respectively.

Total future principal payments on the mortgage are as follows:

2024	\$	20,259
2025		21,093
2026		21,854
2027		19,458
2028		17,096
Thereafter		<u>940,377</u>
	\$	<u><u>1,040,137</u></u>

NOTE 6 - LOANS PAYABLE

Amudim has uncollateralized loans from individuals unrelated to the organization. The loans are interest free and there are no specific repayment terms. The balance of the loans at December 31, 2023 and 2022, was \$391,100 and \$15,000, respectively.

On March 27, 2021, the *Coronavirus Aid, Relief, and Economic Security Act* was signed into law. On May 1, 2020, Amudim received a loan in the amount of \$280,823 pursuant to the Paycheck Protection Program (“PPP”). The loan was fully forgiven on May 4, 2021, and was recorded as revenue in 2021. On February 5, 2021, Amudim received a second PPP loan in the amount of \$424,605. The loan was forgiven on May 11, 2022, and was recorded as revenue in 2022.

NOTE 7 - LINE OF CREDIT

Amudim entered into a line of credit agreement for the amount of \$500,000 during 2022. Interest is charged at 1% plus the prime rate, which was 9.5% and 8.5% at December 31, 2023 and 2022, respectively. The line of credit does not have a maturity date. Amudim did not draw any funds from the line during 2023 or 2022.

AMUDIM COMMUNITY RESOURCES INC.
(a non-profit organization)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 8 - OCCUPANCY

Amudim leased space for its operations. The lease agreement expired in June 2023 and was not renewed. Rent is currently being charged on a month-by-month basis. Rent expense for the years ended December 31, 2023 and 2022, was \$150,211 and \$148,763, respectively.

NOTE 9 - CONTRIBUTED NONFINANCIAL ASSETS

For the year ended December 31, 2022, nonfinancial assets recognized within the statements of activities included a contributed portion of a building valued at \$850,000. Contributed nonfinancial assets did not have donor-imposed restrictions. The building will be used as a mental health clinic. The estimated fair value of the building was based on an appraisal. There were no contributed nonfinancial assets during the year ended December 31, 2023.

NOTE 10 - CONCENTRATIONS

Amudim maintains its cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. At December 31, 2023, Amudim had approximately \$1,750,000 of uninsured bank balances.

NOTE 11 - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2023 and 2022, comprise the following:

	2023	2022
Cash	\$ 2,029,735	\$ 3,833,446
Accounts receivable	162,121	160,250
Grants and contributions receivable - net	<u>3,204,781</u>	<u>3,431,295</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,396,637</u>	<u>\$ 7,424,991</u>

Amudim 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. Amudim monitors its liquidity and cash flow on an ongoing basis to ensure an appropriate amount of cash and cash equivalents are available for 90 days of general expenditures. To help manage liquidity needs, Amudim has a \$500,000 line of credit agreement, which it can draw upon (See note 7).