

BAITULMAAL, INC.

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2022**

AND INDEPENDENT AUDITORS' REPORT THEREON

TABLE OF CONTENTS

Independent Auditors' Report	1 - 2
Statement of Financial Position	3
Statement of Activities	4
Statement of Changes In Net Assets	5
Statement of Cash Flows	6
Statement of Functional Expenses	7
Notes to Financial Statements	8 - 14

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Baitulmaal, Inc.

Opinion

We have audited the accompanying financial statements of Baitulmaal, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2022, and the related statement of activities, 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 Baitulmaal, Inc. as of December 31, 2022, and the changes in its net assets and their 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 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 Baitulmaal, Inc. 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 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 Baitulmaal, 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 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 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 Baitulmaal, 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 Baitulmaal, 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.

MillerMusmar

Miller Musmar

Reston, Virginia
January 28, 2025

BAITULMAAL, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Assets			
Current assets			
Cash and cash equivalents	\$ -	\$ 491,666	\$ 491,666
Other receivables, net	126,678	-	126,678
Note receivable	682,077	-	682,077
Interest receivable	20,808	-	20,808
Due from net assets without donor restrictions	-	293,441	293,441
Total current assets	<u>829,563</u>	<u>785,107</u>	<u>1,614,670</u>
Non-current assets			
Right-of-use assets	132,769	-	132,769
Property and equipment, net	-	-	-
Security deposit	1,596	-	1,596
Total non-current assets	<u>134,365</u>	<u>-</u>	<u>134,365</u>
Total assets	<u>\$ 963,928</u>	<u>\$ 785,107</u>	<u>\$ 1,749,035</u>
Liabilities and Net Assets			
Current liabilities			
Due to net assets with donor restrictions	\$ 293,441	\$ -	\$ 293,441
Accounts payable and accrued expenses	206,841	-	206,841
Lease liability, current	75,615	-	75,615
Total current liabilities	<u>575,897</u>	<u>-</u>	<u>575,897</u>
Non-current liabilities			
Lease liability, non-current	58,819	-	58,819
Total non-current liabilities	<u>58,819</u>	<u>-</u>	<u>58,819</u>
Total liabilities	<u>634,716</u>	<u>-</u>	<u>634,716</u>
Net assets	<u>329,212</u>	<u>785,107</u>	<u>1,114,319</u>
Total liabilities and net assets	<u>\$ 963,928</u>	<u>\$ 785,107</u>	<u>\$ 1,749,035</u>

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

BAITULMAAL, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
In-kind contributions	\$ -	\$ 27,356,049	\$ 27,356,049
Contributions	3,907,553	5,586,027	9,493,580
Other income	23,428	-	23,428
Release of restricted net assets	33,242,258	(33,242,258)	-
Total support and revenue	37,173,239	(300,182)	36,873,057
Total revenues	\$ 37,173,239	\$ (300,182)	\$ 36,873,057
Expenses			
Program services	36,366,479	-	36,366,479
Supporting services	1,956,793	-	1,956,793
Total expenses	38,323,272	-	38,323,272
Change in net assets	\$ (1,150,033)	\$ (300,182)	\$ (1,450,215)

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

BAITULMAAL, INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balance, December 31, 2021	\$ 1,479,245	\$ 1,085,289	\$ 2,564,534
Change in net assets	(1,150,033)	(300,182)	(1,450,215)
Balance December 31, 2022	<u>\$ 329,212</u>	<u>\$ 785,107</u>	<u>\$ 1,114,319</u>

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

BAITULMAAL, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Cash flows from operating activities

Change in net assets	\$ (1,450,215)
Adjustments to reconcile changes in net assets to net cash provided by/(used in) operating activities:	
Depreciation and amortization	2,510
Decrease/(increase) in assets:	
Note receivable	(682,077)
Contributions receivable	56,549
Right-of-use assets	(132,769)
Other receivables, net	(126,678)
Interest receivable	(20,808)
Increase/(decrease) in liabilities:	
Accounts payable and accrued expenses	142,076
Lease liability	134,434
Accrued payroll and related	(81,862)
Net cash flows used in operating activities	<u>(2,158,840)</u>
Change in cash and cash equivalents	(2,158,840)
Cash and cash equivalents, beginning	2,650,506
Cash and cash equivalents, ending	<u>\$ 491,666</u>

Supplemental cash flow information related to leases

Right-of-use asset	\$ (132,769)
Lease Liability	\$ 134,434
Cash paid for operating leases	\$ 78,009

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

BAITULMAAL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Programs Services										Supporting Services			
											Management & General		Supporting Services	
	WASH	Shelter	Healthcare	Education & Livelihood	Food Security & Nutrition	Orphans Support	Emergency Aid	Islamic Giving	General Programs	Program Services Total	General	Fundraising	Total	Total
In-Kind Assistance	\$ -	\$ -	\$ 27,735,866	\$ -	\$ 6,734	\$ -	\$ -	\$ -	\$ -	\$ 27,742,600	\$ -	\$ -	\$ -	\$ 27,742,600
Financial & Material Assistance	784,191	218,478	718,559	1,075,865	1,268,047	959,300	353,800	188,783	195,574	5,762,597	-	-	-	5,762,597
Salaries & Wages	89,626	44,556	164,744	164,229	178,738	89,626	164,744	89,626	74,603	1,060,491	210,058	224,584	434,642	1,495,133
Contractual Services	21,011	68,573	21,733	46,553	152,002	22,135	39,688	26,808	134,975	533,478	516,464	27,949	544,413	1,077,891
Contributions	3,373	4,123	3,373	132,746	24,199	8,373	3,373	3,373	170,914	353,846	19,940	60,713	80,653	434,499
Travel & Transportation	8,922	8,922	8,922	19,157	34,503	8,922	13,957	8,922	15,983	128,211	49,066	160,598	209,664	337,875
Credit Card Processing Fees	25,629	7,155	3,403	5,388	36,501	39,683	27,526	35,589	111,384	292,258	-	-	-	292,258
Venue Rental Fees & Banquet Cost	3,174	3,349	3,174	6,348	10,223	3,174	4,342	3,174	133,059	170,016	21,578	57,129	78,707	248,723
Fringe Benefits	20,879	4,313	20,879	22,520	18,283	16,069	20,879	10,459	4,313	138,595	36,909	48,934	85,843	224,438
Rent, Parking & Utilities	-	-	-	-	30	-	216	-	2,400	2,646	157,774	435	158,209	160,855
Payroll Tax Expense	6,157	4,320	12,494	11,047	14,798	6,157	12,494	6,157	6,854	80,479	19,826	26,439	46,265	126,744
Information Technology	814	814	814	1,628	2,443	814	814	814	814	9,771	55,368	5,671	61,039	70,810
Advertising & Marketing	1,910	1,910	1,910	3,821	5,731	1,910	1,910	1,910	5,577	26,590	8,959	34,385	43,344	69,934
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	65,850	-	65,850	65,850
Licenses & Permits	2,562	715	340	539	3,649	3,967	2,751	3,557	11,134	29,214	25,077	-	25,077	54,291
Printing	1,264	353	168	266	1,800	1,957	1,358	1,755	5,493	14,414	12,264	15,081	27,345	41,759
Telephone	529	148	70	111	753	819	568	735	2,299	6,032	34,184	-	34,184	40,217
Supplies	362	101	48	76	515	560	389	502	1,669	4,222	23,378	7,976	31,354	35,576
Bank & Service Charges	218	61	29	46	310	337	234	302	945	2,480	14,056	-	14,056	16,536
Due & Subscriptions	537	537	1,073	1,303	1,161	937	1,073	639	312	7,572	1,865	2,487	4,353	11,924
Postage & Shipping	67	19	9	14	95	103	72	93	290	761	4,314	239	4,553	5,314
Depreciation	-	-	-	-	-	-	-	-	-	-	2,510	-	2,510	2,510
Equipment Rental & Maintenance	18	5	2	4	26	28	19	25	78	205	1,162	-	1,162	1,367
Miscellaneous	-	-	-	-	-	-	-	-	-	-	3,472	100	3,572	3,572
Total expenses	\$ 971,241	\$ 368,452	\$ 28,697,611	\$ 1,491,660	\$ 1,760,542	\$ 1,164,872	\$ 650,206	\$ 383,223	\$ 878,672	\$ 36,366,479	\$ 1,284,074	\$ 672,719	\$ 1,956,793	\$ 38,323,272

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

BAITULMAAL, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Baitulmaal, Inc. (Organization) is a nonprofit organization incorporated under the laws and statutes of the Commonwealth of Virginia in 2004. The Organization is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

The purpose of the Organization is to improve the lives of disaster victims, underprivileged children, the sick, elderly, orphans, widows, and needy families, regardless of nationality, race, or religion.

The Organization's goal is to restore dignity and instill hope in communities hit hard by poverty and disaster. The Organization accomplishes its goal through short-term emergency disaster relief in the form of food, medical supplies, clothing, and shelter, and in two ways: 1) through the long-term distribution of basic necessities, and 2) through the repair of social infrastructure by building and supporting family housing, orphanages, and healthcare facilities. For the year ended December 31, 2022, the Organization operated the following programs:

- **WASH:** The Water, Sanitation, and Hygiene (WASH) Program provides access to clean drinking water, improves sanitation facilities, and promotes hygiene education in underserved areas. By reducing waterborne diseases, the program helps communities lead healthier, more productive lives with clean water and reducing waterborne diseases.
- **Shelter:** The Shelter Program ensures access to safe and dignified living conditions for crisis-affected populations and needy groups. It includes shelter solutions (emergency, transitional, and permanent), non-food items (NFIs) like clothes, mattresses, and blankets (winter aid), technical guidance for safe construction, and site planning, following Sphere standards.
- **Healthcare:** Through the Healthcare Program, we deliver primary and advanced medical services and health education to marginalized communities. This includes Building and equipping health facilities, medical surgery camps and mobile clinics, mother and child healthcare initiatives, and capacity-building initiatives for medical staff. This program is dedicated to improving overall well-being and ensuring access to healthcare services for all.
- **Education & Livelihood:** The Education Program provides school supplies, scholarships, and safe learning environments for children in underserved communities. The Program builds and/or equips schools or classrooms with school supplies and creates safe learning environments. It also includes rehabilitating special needs children, literacy initiatives, and teacher training to uplift generations and provides scholarships to create pathways for a brighter future.

The Livelihood Program focuses on empowering vulnerable communities by fostering sustainable livelihoods. Through vocational training, microfinance opportunities, and entrepreneurship support, the program equips individuals with the skills and resources they need to break free from the cycle of poverty, ensuring long-term stability and dignity.

BAITULMAAL, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

- **Food Security & Nutrition:** The Food Security & Nutrition Program addresses hunger and malnutrition by distributing food parcels, hosting community feeding programs, and supporting agricultural projects. It ensures no family goes hungry, especially during economic hardship, displacement, or disaster.
- **Orphans Support:** The Orphans Support Program provides comprehensive care for children who have lost their breadwinner, ensuring they receive education, healthcare, and psychological support. By nurturing their potential, the program creates a safe and loving environment where children can thrive and achieve their dreams.
- **Emergency Aid:** When disasters strike, the Emergency Program responds swiftly and effectively. Whether providing shelter, food, water and sanitation, medical aid, or psychological support, this program ensures that families affected by crises have the resources they need to save their lives with dignity and resilience.
- **Islamic Giving:** The Islamic Giving Program is rooted in faith and compassion. The Islamic Giving Program allows donors to fulfill their religious obligations through zakat, sadaqah, and other charitable contributions. Baitulmaal directs these funds towards impactful initiatives that uplift vulnerable families, restore dignity, and foster hope through culture and education.

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Revenue Recognition

The Organization follows *ASC 958, Not-for-Profit Entities*. Under *ASC 958-605, Not-for-Profit Organizations, Revenue Recognition* the Organization recognizes revenue in the statements of activities as follows:

Foundations and Other Grants:

Support from these sources is recognized in the accounting period in which the grants are pledged (or if not pledged, when received).

Donations:

Revenue from this source is recognized in the accounting period during which the contribution is pledged (or if not pledged, when received).

In-kind contributions

In-kind contributions are recorded at fair value of the services or items received at the time of the donation if the items received enhance nonfinancial assets and would otherwise need to be purchased by the Organization.

BAITULMAAL, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Interest Income

The Organization recognizes interest income on its note receivable in accordance with ASC 310-10-35, *Receivables—Overall—Subsequent Measurement*. Interest income is recognized using the effective interest method, which reflects the contractual interest rate applied to the outstanding principal balance over the term of the note.

For the year ended December 31, 2022, the note receivable accrued interest at a rate equal to the Prime Rate plus 1% (8.5% as of December 31, 2022). Interest income is recorded when earned and collectability is reasonably assured.

Net Assets

The Organization follows ASC 958, *Not-for-Profit Entities*. Under ASC 958-205, *Not-for-Profit Organizations, Presentation of Financial Statements*, the Organization is required to report information regarding its financial position and activities according to the following classes:

Net assets without donor restrictions:

Net assets without donor restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designation.

Net assets with donor restrictions:

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with original maturities of 90 days or less to be cash equivalents. Temporarily restricted cash represents funds designated for construction and certain other programs; these funds are available for current use for their specified purposes.

Contributions Receivable

Contributions receivable consist of promises to give made by individuals, foundations, and corporate donors. The Organization evaluates its receivables and establishes an allowance for doubtful accounts according to its historical collections. Based on management's evaluation of collectability of the receivables, an allowance for doubtful accounts of \$65,850 was recorded for the year ended December 31, 2022.

Property and Equipment

Property and equipment are capitalized and stated at cost. Assets acquired through donation are recorded at their estimated fair value at the date of the gift. Assets with values greater than or equal to \$1,000 and estimated useful lives extending beyond one year are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the assets over 3, 5, and 7 years.

BAITULMAAL, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Leases

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, which requires lessees to recognize almost all of their leases on the balance sheet by recording a right-of-use asset and lease liability. The guidance also requires improved disclosures to help users of the financial statements better understand the amount, timing, and uncertainty of cash flows arising from leases. Additionally, the Organization elected to apply practical expedients allowing it to not reassess: 1) whether any expired or existing contracts previously assessed as not containing leases are, or contain leases; 2) the lease classification for any expired or existing leases; and 3) initial direct costs for any existing leases.

A modified retrospective transition approach is required, applying the new standard to all leases existing at the date of initial application. An entity may choose to use either (1) its effective date or (2) the beginning of the earliest comparative period presented in the financial statements as its date of initial application. The Organization elected to adopt the new standard on January 1, 2022 and use the effective date as the date of initial application.

The Organization determines if an arrangement is a lease at its inception. Operating lease right-of-use ("ROU") assets are included in "Non-current assets," and operating lease liabilities are included in "Current liabilities" and "Non-current liabilities" as of December 31, 2022 on the statement of financial position.

On adoption date the Organization recognized lease liabilities of \$134,434 and ROU asset of \$132,769.

A rate implicit in the lease when readily determinable is used in arriving at the present value of lease payments. As most of the Organization's leases do not provide an implicit rate, the Organization uses an incremental borrowing rate based on information available at lease commencement date for most of its leases. The incremental borrowing rate is based on the Organization's U.S. dollar denominated senior unsecured borrowing curves using public credit ratings adjusted down to a collateralized basis using a combination of recovery rate and credit notching approaches and translated into major contract currencies as applicable. Since the Organization's borrowing rate is not readily-available, the Organization elected to use the risk-free rate, which is the 20-year US Treasury rate, at the date adoption of the standard.

The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that it will exercise that option. The Organization does not separate lease components from non-lease components across all lease categories. Instead, each separate lease component and non-lease component are accounted for as a single lease component. Lease expense for operating leases is recognized on a straight-line basis. The Organization did not have variable leases or finance leases.

BAITULMAAL, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Functional Expense Allocation

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

Tax Exempt Status

The Organization is exempt from income tax under section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. Currently, the Organization has no obligation for any unrelated business income tax.

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 and assumptions.

2) LIQUIDITY AND AVAILABILITY

The table below summarizes the Organization's financial assets that are available for general expenditure within one year as of December 31:

Note receivable	\$ 682,077
Interest receivable	20,808
Other receivables, net	126,678
Less: Current liabilities	(575,897)
Total	<u>\$ 253,666</u>

The Organization manages its financial assets to be available as its operating expenditures, liabilities, and other obligations come due. The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses as part of its liquidity plan.

3) CONCENTRATION OF RISK

Financial instruments that subject the Organization to a concentration of credit risk consist of deposits with financial institutions in excess of the federal insurance limits of \$250,000 per financial institution for interest bearing amounts. As of December 31, 2022, the Organization had no balances that were above the insured limit. The at-risk amount changes daily depending upon the actual account balances on deposit with the respective financial institution.

BAITULMAAL, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

4) OTHER RECEIVABLES, NET

Other receivables are follows as of December 31:

Other receivables	192,528
Less: allowance for doubtful accounts	(65,850)
Total	<u>\$ 126,678</u>

5) NOTE RECEIVABLE

On August 22, 2022, the Organization issued a promissory note to Becca Endowment, a Texas nonprofit corporation ("Becca"), in the amount of \$682,077 to partially fund Becca's purchase of a real property asset. The promissory note, which is payable upon demand, accrues interest at a rate equal to the Prime Rate plus one percent (1%) per annum (8.5% at December 31, 2022).

As of December 31, 2022, the outstanding principal balance on the note receivable is \$682,077, and accrued interest receivable is \$20,808.

6) PROPERTY AND EQUIPMENT

Property and equipment as of December 31:

Vehicles	\$ 40,041
Furniture and equipment	23,965
Total property and equipment	<u>64,006</u>
Less accumulated depreciation	(64,006)
Property and equipment, net	<u>\$ -</u>

Depreciation expense for the year ended December 31, 2022 totaled \$2,510.

7) IN-KIND CONTRIBUTIONS

The Organization receives substantial in-kind contributions in the form of donated humanitarian relief supplies. For the year ending December 31, 2022, the Organization received medical supplies and equipment from different non-profit Organizations. In-kind contributions and the corresponding expenses are reported at fair market value in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification ASC 958-605, *Not-for-Profit Organizations, Revenue Recognition*. Medical supplies, medicines, and meals received in-kind for the year ended December 31, 2022, totaled \$27,356,049.

BAITULMAAL, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

8) NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets are as follows:

	WASH	Shelter	Healthcare	Education & Livelihood	Food Security & Nutrition	Orphan Support	Emergency Aid	Total
As of January 1, 2022	\$ -	\$ 27,196	\$ -	\$ -	\$ 598,391	\$ 324,098	\$ 135,604	\$ 1,085,289
Additions	1,025,371	203,744	27,454,515	153,988	2,030,840	1,223,164	850,454	32,942,076
Less: releases	(1,025,371)	(230,940)	(27,454,515)	(153,988)	(1,844,124)	(1,547,262)	(986,058)	(33,242,258)
As of December 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 785,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 785,107</u>

9) OFFICE LEASES

The Organization leases office space in Texas, Chicago and California with various start and termination dates. All the leases are operating leases and are non-cancelable before their expiration date.

Total lease expense was \$79,674 for the year ended December 31, 2022, including \$78,009 paid by the Organization for operating lease liabilities for the year ended December 31, 2022. The remaining lease term has a weighted average of 1.88 years, and the discount rate has a weighted average of 2.05%.

Maturities of lease liabilities as of December 31:

2023	\$ 77,526
2024	54,843
2025	4,582
Total undiscounted cash flows	136,951
Less: present value discount	(2,517)
Total lease liabilities	<u>\$ 134,434</u>

10) SUBSEQUENT EVENTS

On November 1, 2024, Becca Endowment transferred property with an appraised value of \$1,800,000 to the Organization in full satisfaction of the \$682,077 loan receivable and all accrued interest (Note 5).

The Organization has evaluated subsequent events through January 28, 2025, the date the financial statements were available to be issued. There were no additional subsequent events that require disclosure.