

SUDAN RELIEF FUND INC.

Financial Statements
And
Independent Auditor's Report

As of and for the Year Ended December 31, 2020

Conlon and Associates, LLC
Certified Public Accountant

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CONLON AND ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Sudan Relief Fund Inc.
Washington, DC

We have audited the accompanying financial statements of the Sudan Relief Fund Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and change in net assets, cash flows, and functional expenses, for the year 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.

Auditor's 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 the Sudan Relief Fund Inc. as of December 31, 2020, 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.

Conlon and Associates, LLC

October 25, 2021

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SUDAN RELIEF FUND INC.
Statement of Financial Position
As of December 31, 2020

ASSETS

Current Assets

Cash	\$ 2,953,136
Investments in financial securities	2,770,114
Security deposits	37,212
Total current assets	<u>5,760,462</u>

TOTAL ASSETS 5,760,462

LIABILITIES

Current Liabilities

Accrued expenses	<u>11,830</u>
Total current liabilities	<u>11,830</u>

TOTAL LIABILITIES 11,830

NET ASSETS

Without donor restrictions 5,748,632

TOTAL NET ASSETS 5,748,632

TOTAL LIABILITIES AND NET ASSETS \$ 5,760,462

The Notes to the Financial Statements are an Integral Part of These Statements

SUDAN RELIEF FUND INC.
Statement of Activities and Change in Net Assets
For the Year Ended December 31, 2020

REVENUE AND SUPPORT

Contributions	\$ 6,683,716
Interest and dividends	64,830
Unrealized gain on investments	20,599
Realized gain/(loss)	<u>(10,365)</u>
Total revenue and support	<u>6,758,780</u>

EXPENSES

Program services	4,417,038
Management and general	239,647
Fundraising	<u>711,278</u>
Total expenses	<u>5,367,963</u>

CHANGE IN NET ASSETS 1,390,817

NET ASSETS

Beginning of year	<u>4,349,263</u>
End of year	<u>\$ 5,740,080</u>

The Notes to the Financial Statements are an Integral Part of These Statements

SUDAN RELIEF FUND INC.
Statement of Cash Flows
For the Year Ended December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 1,390,817
Adjustments to reconcile change in net assets to cash from (used by) operating activities:	
Decrease in reimbursement receivable	25,000
Decrease in security deposits	-
Increase in accounts payable	11,830
Net cash used by operating activities	<u>36,830</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Decrease in investments	<u>709,060</u>
Net cash from investing activities	<u>709,060</u>

NET DECREASE IN CASH 2,136,707

CASH AT BEGINNING OF YEAR 816,429

CASH AT END OF YEAR \$ 2,953,136

The Notes to the Financial Statements are an Integral Part of These Statements

SUDAN RELIEF FUND INC.
Statement of Functional Expenses
For the Year Ended December 31, 2020

Expense Category	Total	Program	Management and General	Fundraising
Advertising	\$ 261,461	\$ 261,461	\$ -	\$ -
Compensation, benefits	7,560	5,065	1,588	907
Compensation, payroll tax	16,296	10,918	3,422	1,956
Compensation, salaries	279,830	187,486	58,764	33,580
Fees for service, non-employees				
Accounting	12,000	-	12,000	-
Direct mail	986,881	661,210	-	325,671
Fundraising	324,502	-	-	324,502
Management	408,623	408,623	-	-
Other	106,720	-	106,720	-
Grants	2,781,908	2,781,908	-	-
Insurance	18,700	12,529	-	6,171
Office	84,048	8,404	57,153	18,491
Travel	79,434	79,434	-	-
Total	\$ 5,367,963	\$ 4,417,038	\$ 239,647	\$ 711,278

The Notes to the Financial Statements are an Integral Part of These Statements

SUDAN RELIEF FUND INC.
Notes to Financial Statements

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

The Sudan Relief Fund Inc. (Organization) (formerly Bishop Gassis Sudan Relief Fund Inc.), a non-profit corporation, was founded in 1998 as a non-stock corporation in the State of Delaware. The mission of the Organization is to heighten awareness and to assist in capacity building; to provide food, clothing, shelter, education, and medical attention; and to proclaim the Gospel of Christ to the people of South Sudan.

Significant accounting policies are as follows:

Basis of Presentation:

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, Not-for-Profit Entities. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: net assets without donor restrictions, net assets with donor restrictions, and net assets permanently restricted. The Organization did not have net assets with donor restrictions or permanently restricted net assets on December 31, 2020.

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: (1) the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements; and (2) the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes:

The Organization is a Delaware non-stock non-profit corporation. It has been recognized by the Internal Revenue Service (IRS) as an organization that is generally exempt from income taxes, under Sections 501(a) and 501(c)(3) of the Internal Revenue Code. It qualifies for the charitable contribution deduction and has been determined not to be a private foundation. The Organization is required annually to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. It is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Organization did not have any unrelated business income for the year ended December 31, 2020. The Organization's income tax informational return is subject to review and examination by federal and state authorities. The Organization is not aware of activities that are subject to tax on unrelated business income or excise or other tax.

SUDAN RELIEF FUND INC.

Notes to Financial Statements

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Uncertain Tax Positions:

For the year ended December 31, 2020, the Organization has documented its consideration of FASB ASC 740-10, Income Taxes, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Revenue Recognition:

The Organization recognizes revenue in accordance with FASB ASC 958, as updated by FASB Accounting Standards Update (ASU) 2018-08. The Organization recognizes all unconditional contributed support in the period in which the commitment to give is made. Grants and contributions are considered unrestricted revenue and support and available for general operations unless specifically restricted by the donor. The Organization reports grants of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use to a particular purpose or to future periods. When the stipulated time restriction ends or the purpose of the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying Statement of Activities and Change in Net Assets as net assets released from restrictions. Grants and contributions with donor restrictions, which are used for the intended purpose in the current year, are classified as without restrictions in the Statement of Activities and Change in Net Assets.

Interest, dividends, unrealized gain on investments, and other revenue is recognized when earned. Other revenue resulted from decrease in the estimate of a liability.

Fair Value Measurement:

The Organization adopted the provisions of FASB ASC 820, Fair Value Measurement. FASB ASC 820 defines fair value, establishes a framework for measuring fair value of assets and liabilities, and establishes a fair value hierarchy, based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities). The valuation method includes assumptions about risk used to measure fair value and enhances disclosure requirements for fair value measurements.

NOTE 2: INVESTMENTS IN FINANCIAL SECURITIES

Investment assets, which are recorded at fair value in the balance sheet, are categorized based upon the level of judgment associated with the inputs used to measure their value. Level inputs are defined as follows:

Level 1: Fair value is measured on unadjusted quoted prices in active markets for identical assets. The portion of investments categorized as Level 1 total \$833,034. Realized and unrealized gains or losses are included in the Statement of Activities and Change in Net Assets.

SUDAN RELIEF FUND INC.
Notes to Financial Statements

NOTE 2: INVESTMENTS IN FINANCIAL SECURITIES, CONTINUED

Level 2: Fair value is measured on observable inputs other than those in Level 1, such as quoted market prices for similar assets in active markets or quoted market prices for identical assets in inactive markets. The portion of investments categorized as Level 2 total \$1,937,080. Realized and unrealized gains or losses are included in the Statement of Activities and Change in Net Assets.

Level 3: Fair value is measured on unobservable inputs reflecting management's own assumptions about the inputs used in pricing the assets. No portion of investments are categorized as level 3.

The investments are subject to various risks, such as interest rate, credit, and overall market volatility risks. Further, due to the level of risk associated with these investments, it is reasonably possible that changes in value could occur in the near term and such changes could materially affect the amounts reported in the Statement of Financial Position and the Statement of Activities and Change in Net Assets.

NOTE 3: ADVERTISING COSTS

The Organization incurred advertising costs of \$261,461 in accomplishing its mission. These costs were incurred for education and outreach. These costs, which are classified as program costs, are expensed when incurred.

NOTE 4: FUNCTIONAL CLASSIFICATION OF EXPENSES

The Organization allocates its expenses on a functional basis among program, management and general, and fundraising, according to their natural expenditure classification.

NOTE 5: JOINT COSTS RELATING TO PROGRAM AND FUNDRAISING

The Organization conducts direct mail campaigns that are partly a fund-raising function and partly provide education and awareness of the condition and needs of the people in South Sudan. Certain costs associated with direct mail, including data base management, processing, printing, and content, are allocated to program and fundraising costs, based on the facts and circumstances of each mailing. During 2020, joint costs of \$1,311,383 were allocated \$661,210 to program and \$650,173 to fundraising.

SUDAN RELIEF FUND INC.
Notes to Financial Statements

NOTE 7: SUBSEQUENT EVENTS

In preparing these statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 16, 2021, the date the financial statements were available to be issued. Subsequent to the Organization's 2020 year-end, the United States and global markets experienced significant declines in value resulting from uncertainty caused by the world-wide coronavirus pandemic. The Organization continues to monitor closely its liquidity and actively works to identify and minimize any impact the pandemic may have on its activities. These financial statements do not include adjustments to fair value that may have resulted from declines related to the pandemic.