

SUDAN RELIEF FUND INC.

Financial Statements
And
Independent Auditor's Report

As of and for the Year Ended December 31, 2018

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, 2018, and the related statements of activities, 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, 2018, 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

November 15, 2019

SUDAN RELIEF FUND INC.
Statement of Financial Position
As of December 31, 2018

ASSETS

Current Assets

Cash	\$ 986,497
Investments in financial securities	3,732,253
Deposits	45,612
Total current assets	<u>4,764,362</u>

TOTAL ASSETS 4,764,362

LIABILITIES

Current Liabilities

Accrued expenses	<u>11,797</u>
Total current liabilities	<u>11,797</u>

TOTAL LIABILITIES 11,797

NET ASSETS

Unrestricted	<u>4,752,565</u>
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TOTAL NET ASSETS 4,752,565

TOTAL LIABILITIES AND NET ASSETS \$ 4,764,362

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

SUDAN RELIEF FUND INC.
Statement of Activities
For the Year Ended December 31, 2018

REVENUE AND SUPPORT

Contributions	\$ 6,027,640
Interest and dividends	83,465
Loss on investments	<u>(136,605)</u>
Total revenue and support	<u>5,974,500</u>

EXPENSES

Program services	4,705,425
Management and general	181,045
Fundraising	<u>1,025,019</u>
Total expenses	<u>5,911,489</u>

CHANGE IN NET ASSETS

63,011

NET ASSETS

Beginning of year	<u>4,689,554</u>
End of year	<u>\$ 4,752,565</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, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 63,011
Adjustments to reconcile change in net assets to cash provided by operating activities	
Increase in deposits	<u>(8,699)</u>
Net cash provided by operating activities	<u>54,312</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Decrease in investments	<u>547,921</u>
Net cash provided by investing activities	<u>547,921</u>

NET INCREASE IN CASH 602,233

CASH AT BEGINNING OF YEAR 384,264

CASH AT END OF YEAR \$ 986,497

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, 2018

Expense Category	Total	Program	Management and General	Fundraising
Advertising	\$ 177,007	\$ 177,007	\$ -	\$ -
Compensation, benefits	35,900	26,925	6,462	2,513
Compensation, payroll tax	15,805	7,903	5,373	2,529
Compensation, salaries	263,022	150,000	77,614	35,408
Fees for service, non-employees				
Accounting	12,000	-	12,000	-
Direct mail	1,249,435	512,269	-	737,166
Fundraising	202,614	-	-	202,614
Information technology	7,140	7,140	-	-
Investment management	40,672	-	40,672	-
Legal	7,541	-	-	7,541
Management	474,473	441,433	-	33,040
Other	2,304	-	2,304	-
Grants	3,271,606	3,271,606	-	-
Insurance	3,269	-	3,269	-
Office	12,175	-	12,175	-
Rent	26,300	13,150	8,942	4,208
Travel	110,226	97,992	12,234	-
Total	\$ 5,911,489	\$ 4,705,425	\$ 181,045	\$ 1,025,019

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 nonprofit 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, the provision of food, clothing, shelter, education, medical attention, and to proclaim the Gospel of Christ to the people of South Sudan.

Significant accounting policies are as follows:

Basis of Presentation:

Financial statement presentation follows the requirements of the FASB ASC 958-205 *Presentation of Financial Statements for Not-for-Profit Organizations*. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had no temporarily or permanently restricted net assets at December 31, 2018.

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 tax-exempt organization that is generally exempt from income taxes, under Sections 501(a) and 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been classified as an organization that is not a private foundation under Section 509(a). Income that is not related to exempt purposes, less applicable deductions, is subject to federal and state income taxes. The Organization did not have any unrelated business income for the year ended December 31, 2018.

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.

Investments:

Investments are classified as trading securities and are stated at fair value.

SUDAN RELIEF FUND INC.
Notes to Financial Statements

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

Revenue Recognition:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All revenue is considered available for the Organization's general programs unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in temporarily restricted net assets, depending on the nature of the restriction and when the restrictions are met. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets in the Statement of Activities. Interest, dividends, and gain or loss on investment are recognized when earned.

NOTE 2: INVESTMENTS IN FINANCIAL SECURITIES

Investments consisted of the following as December 31, 2018:

Money market accounts	\$	1,172,425
Corporate stocks and bonds		54,399
Other funds		510,840
Government securities		36,714
Mutual funds		<u>1,957,875</u>
Total	\$	3,732,253

Investment income for the year ended December 31, 2018, was as follows:

Realized and unrealized gains	\$	(136,606)
Interest and dividends		83,465
Portfolio expenses		<u>(40,672)</u>
Total	\$	(93,813)

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.

SUDAN RELIEF FUND INC.
Notes to Financial Statements

NOTE 3: INVESTMENT FAIR VALUE

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 \$3,221,413. Realized and unrealized gains or losses are included in the Statement of Activities.

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 \$510,840. Realized and unrealized gains or losses are included in the Statement of Activities.

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.

NOTE 4: ADVERTISING COSTS

The Organization incurred advertising costs of \$177,007 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 5: 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 6: 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 2018, joint costs of \$1,249,435 were allocated \$512,269 to program and \$737,166 to fundraising.

NOTE 7: SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 15, 2019, the date the financial statements were available to be issued