

# **UOSSM USA**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**UOSSM USA**

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**DONALD R. FORD**

**CERTIFIED PUBLIC ACCOUNTANT**

**A LIMITED LIABILITY COMPANY**

**MEMBER**

AMERICAN INSTITUTE OF CPAS

SOCIETY OF LOUISIANA CPAS

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
UOSSM USA  
Chevy Chase, Maryland

I have audited the accompanying financial statements of UOSSM USA, which comprise the statement of financial position as of December 31, 2019, and the related statement of activities, functional expenses and cash flows for the year ended December 31, 2019, 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**

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audits 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, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UOSSM USA as of December 31, 2019, and the change in its net assets and its cash flows for the year ended December 31, 2019 in accordance with accounting principles generally accepted in the United States of America.

*Donald Ford*

March 12, 2021

P.O. Box 293, Zachary, LA 70791

**UOSSM USA**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2019 AND 2018**

	<b>December 31, 2019</b>	<b>December 31, 2018</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 94,219	\$ 128,826
Advances to sub-grantees	37,362	71,500
Contributions receivable	7,263	4,966
Pledges receivable, Net	2,860	6,002
Prepaid expenses and other assets	5,706	4,057
Intangible Assets, Net	630	690
Total assets	<b>\$ 148,041</b>	<b>\$ 216,041</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 4,445	\$ 17,131
Grant funds payable	49	5,021
Total liabilities	4,494	22,152
<b>NET ASSETS</b>		
Without donor restrictions	114,502	116,608
With donor restrictions	29,046	77,281
Total net assets	143,548	193,889
Total liabilities and net assets	<b>\$ 148,041</b>	<b>\$ 216,041</b>

See accompanying notes to the financial statements

**UOSSM USA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018**

	<b>2019</b>			<b>2018</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES AND OTHER SUPPORT</b>						
Contributions, grants and contracts	\$ 205,902	\$ 145,418	\$ 351,320	\$ 333,619	\$ 408,070	\$ 741,689
In-kind contributions	46,944		46,944	104,750		104,750
Net assets released from restrictions	193,653	(193,653)	(0)	330,789	(330,789)	-
Total revenues and other support	446,499	(48,235)	398,264	769,158	77,281	846,439
<b>EXPENSES</b>						
Program services	363,838	-	363,838	530,532	-	530,532
Supporting services:						
Management and general	65,679	-	65,679	58,938	-	58,938
Fundraising	19,088	-	19,088	63,234	-	63,234
Total support services	84,767	-	84,767	122,172	-	122,172
Total expenses	448,605	-	448,605	652,704	-	652,704
Change in net assets	(2,106)	(48,235)	(50,341)	116,454	77,281	193,735
Net assets at beginning of year	116,608	77,281	193,889	154	-	154
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 114,502</b>	<b>\$ 29,046</b>	<b>\$ 143,548</b>	<b>\$ 116,608</b>	<b>\$ 77,281</b>	<b>\$ 193,889</b>

See accompanying notes to the financial statements

**UOSSM USA**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Program Services			Supporting Services			Total Expenses
	Medical Services and Supplies	International	Regional	Total Program Services	Management and General	Fundraising	
Salaries and wages	493	31,330	628	32,451	51,514	6,317	90,282
Employee benefits	-	-	-	-	-	-	-
Payroll taxes	38	2,397	48	2,483	3,941	483	6,907
Salaries-National Staff	-	-	-	-	-	-	-
Professional services	-	44,400	-	44,400	2,799	-	47,199
Accounting fees	-	-	1,634	1,634	6,500	-	8,134
Legal fees	-	-	3,531	3,531	-	-	3,531
Consultants	-	17,220	-	17,220	12,709	3,455	33,384
Temporary Labor	-	-	-	-	-	-	-
Advertising and promotion	-	-	-	-	577	221	798
Office expenses	-	-	-	-	783	6	789
Information technology	-	-	-	-	3,329	-	3,329
Communication - Telephone and Internet	-	-	-	-	1,477	-	1,477
Occupancy	-	-	-	-	4,412	-	4,412
Equipment	-	-	-	-	1,537	-	1,537
Travel	1,521	12,831	-	14,352	803	2,002	17,157
Capacity Building	-	2,360	-	2,360	2,792	-	5,152
Capital Expenditure-Vehicles	-	-	-	-	-	-	-
Project Materials and Supplies	732	-	-	732	-	-	732
Fundraising Events	-	-	-	-	-	2,280	2,280
Interest	-	-	-	-	-	-	-
Insurance	-	-	-	-	2,537	-	2,537
Printing	-	-	-	-	527	421	948
Dues, subscriptions and reference	-	-	-	-	1,713	-	1,713
Training and development	-	-	-	-	-	-	-
Grants and other assistance	201,261	10,000	-	211,261	-	-	211,261
Subawards	-	-	-	-	-	-	-
Filing, Registrations	-	-	212	212	1,258	2,168	3,638
Bank Fees	-	-	125	125	1,174	-	1,299
Depreciation and amortization	-	-	-	-	60	-	60
Bad debt expense	-	-	-	-	(627)	-	(627)
Transportation	-	-	-	-	-	-	-
Other	-	-	-	-	676	-	676
Indirect Cost Allocation	21,405	11,054	618	33,077	(34,812)	1,735	-
<b>TOTAL</b>	<b>225,450</b>	<b>131,592</b>	<b>6,796</b>	<b>363,838</b>	<b>65,679</b>	<b>19,088</b>	<b>448,605</b>

See accompanying notes to the financial statements.

**UOSSM USA**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Program Services				Supporting Services			
	Medical Services and Supplies	International	Regional	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries and wages	12,361	51,566	6,494	70,421	60,402	37,085	97,487	167,908
Employee benefits	-	-	-	-	-	-	-	-
Payroll taxes	986	3,782	253	5,021	3,967	2,824	6,791	11,812
Salaries-National Staff	19,461	-	-	19,461	-	-	-	19,461
Professional services	-	30,480	825	31,305	170	-	170	31,475
Accounting fees	-	-	-	-	6,500	-	6,500	6,500
Legal fees	-	-	6,546	6,546	2,160	-	2,160	8,706
Consultants	13,609	1,122	7,121	21,852	15,205	9,783	24,988	46,840
Temporary Labor	-	-	-	-	-	-	-	-
Advertising and promotion	-	-	-	-	353	4,504	4,857	4,858
Office expenses	550	-	-	550	101	-	101	651
Information technology	-	-	-	-	3,330	-	3,330	3,330
Communication - Telephone and Internet	1,600	-	490	2,090	3,903	-	3,903	5,994
Occupancy	3,759	-	995	4,754	7,558	-	7,558	12,312
Equipment	1,544	-	(2,350)	(806)	-	-	-	(806)
Travel	-	1,056	-	1,056	948	-	948	2,004
Vehicle	8,655	-	-	8,655	-	-	-	8,655
Capital Expenditure-Vehicles	-	-	-	-	-	-	-	-
Project Materials and Supplies	25,354	-	-	25,354	-	-	-	25,354
Conferences, conventions and meetings	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Insurance	675	157	-	832	2,433	-	2,433	3,265
Printing	30	-	-	30	1,081	1,187	2,268	2,298
Dues, subscriptions and reference	-	-	-	-	1,820	28	1,848	1,848
Training and development	-	-	-	-	-	-	-	-
Grants and other assistance	241,460	39,407	-	280,867	-	-	-	280,867
Subawards	-	-	-	-	-	-	-	-
Filing, Registrations	47	645	141	834	1,110	2,073	3,183	4,017
Bank Fees	1,276	-	34	1,310	1,497	-	1,497	2,807
Depreciation and amortization	-	-	-	-	60	-	60	60
Bad debt expense	-	-	-	-	458	-	458	458
Transportation	1,171	-	-	1,171	-	-	-	1,171
Other	447	-	-	447	411	-	411	858
Indirect Cost Allocation	33,768	12,822	2,193	48,783	(54,531)	5,749	(48,783)	-
<b>TOTAL</b>	<b>366,753</b>	<b>141,037</b>	<b>22,742</b>	<b>530,533</b>	<b>58,938</b>	<b>63,234</b>	<b>122,171</b>	<b>652,704</b>

See accompanying notes to the financial statements.

**UOSSM USA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>December 31, 2019</b>	<b>December 31, 2018</b>
Change in net assets	\$ (50,341)	\$ 193,735
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Amortization of intangible assets	60	60
(Increase) decrease in:		
Advances to sub-grantees	34,138	(71,500)
Other receivable	(2,297)	2,465
Pledges receivable	3,142	-
Prepaid expenses	(499)	(2,383)
Security deposit	(300)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	(18,510)	(19,639)
Refundable advance	-	(397)
Net cash provided by (used in) operating activities	<u>(34,607)</u>	<u>102,341</u>
Net increase (decrease) in cash and cash equivalents	(34,607)	102,341
Cash and cash equivalents, beginning of year	<u>128,826</u>	<u>26,485</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 94,219</u>	<u>\$ 128,826</u>

See accompanying notes to the financial statements.

**UOSSM USA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEAR ENDED DECEMBER 31, 2019 AND 2018**

**1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization -

UOSSM USA was incorporated in the State of Texas on January 29, 2015. UOSSM USA is an independent, non-profit humanitarian and medical non-governmental organization, founded to support the health-related needs and well-being of people and communities affected by crises and their aftermath, regardless of nationality, ethnicity, gender, religion or political affiliation.

UOSSM USA is governed by a U.S. National Board of Directors, who work with a network of physicians, health-care professionals and other professionals to fulfill the mission of the Organization: delivering quality medical care and relief to people in need.

UOSSM USA is a member of a larger international umbrella group based in France, the International Union of Medical Care and Relief Organizations (UOSSM), an organization well-known for its long history of extensive medical humanitarian work to support the Syrian people in crisis since 2012. UOSSM USA strives to support the work of UOSSM and empower the local communities and people affected by the ongoing Syrian crisis. UOSSM USA receives the majority of its support from private sources.

Basis of presentation -

The financial statements of UOSSM USA have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

The accompanying financial statements include the financial activities of UOSSM USA during the year ended December 31, 2019 and 2018.

Net assets, revenue, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of UOSSM USA's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of UOSSM USA or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

**UOSSM USA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2019 AND 2018**

**1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Cash and cash equivalents -

For the purpose of the statement of cash flows, UOSSM USA considers all demand deposits and highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Advances, grants, and contracts -

Advances, grants, and contracts receivable represent amounts due from funding organizations for reimbursable expenses incurred in accordance with the terms of the agreements. Grants and contracts receivable and advances approximate fair value. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the donor.

Revenue recognition -

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a 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.

Contract revenue is treated as an exchange transaction, and accordingly, revenue is recognized when benchmarks are met or when qualifying expenditures are incurred; any funds received in advance of achieving benchmarks or incurring qualifying expenditures are recorded as refundable advances.

In-kind contributions -

UOSSM USA receives contributions of donated goods and professional services to further its programs. Contributions of \$46,944 and \$104,750, representing the fair value of these goods and services, have been recorded as revenue and expense in the accompanying financial statements for the year ended December 31, 2019 and 2018.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**UOSSM USA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2019 AND 2018**

**1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Advertising and marketing costs –

UOSSM USA expenses advertising and marketing costs as incurred. Advertising and marketing expense for the year ended December 31, 2019 and 2018 totaled \$798 and \$4,858, respectively.

Tax status -

UOSSM USA is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Fund is not a private foundation and is a publicly supported organization as described in Section 509(a)(1) of the Internal Revenue Code.

Uncertain tax positions -

UOSSM USA 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 accompanying financial statements.

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.

Reclassifications –

Certain prior year amounts have been reclassified to conform to the current year presentation.

New accounting pronouncements -

In May 2014, the FASB issued ASU No. 2014-09, “Revenue from Contracts with Customers,” which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The effective date was delayed by one year due to the COVID-19 pandemic and will now be effective for fiscal years beginning after December 31, 2019. The standard permits the use of either the retrospective or cumulative effect transition method. UOSSM USA is evaluating the effect that ASU 2014-09 will have on its financial statements and related disclosures and has not yet selected a transition method, nor has it determined the effect of the standard on its ongoing financial reporting.

**UOSSM USA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2019 AND 2018**

**1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements of Not-for-Profit Entities (Topic 958), intended to improve financial reporting for not-for-profit entities. The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Statement of Activities and Change in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments. UOSSM USA has adopted ASU 2016-14 and has adjusted the presentation of these statements accordingly. There was no impact to net assets as a whole or the total change in net assets as a result of these reclassifications.

**2. LIQUIDITY AND AVAILABILITY OF RESOURCES**

UOSSM USA's assets are sequenced according to their nearness of conversion to cash and liabilities sequenced according to the nearness of their maturity and use of cash.

UOSSM USA's goal is generally to maintain financial assets to meet 90 days of operating expenses.

The following represents UOSSM USA's financial assets at December 31, 2019 and 2018:

Financial assets at year end:	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 94,219	\$ 128,826
Advances to sub-grantees	37,362	71,500
Other receivable	7,263	4,966
Pledges receivable	<u>2,860</u>	<u>6,002</u>
Total financial assets	141,705	211,294
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>29,047</u>	<u>77,281</u>
	<u>29,047</u>	<u>77,281</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 112,658</u>	<u>\$ 134,013</u>

**3. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following for the years ended December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
<b>Program Services</b>	<u>\$(48,235)</u>	<u>\$77,281</u>

**UOSSM USA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2019 AND 2018**

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

	<u>2019</u>	<u>2018</u>
<b>Program Services</b>	<u>\$193,653</u>	<u>\$330,789</u>

**4. SUBSEQUENT EVENTS**

In preparing these financial statements, UOSSM USA has evaluated events and transactions for potential recognition or disclosure through March 12, 2021, the date the financial statements were available to be issued.