



CHRISTIAN RELIEF SERVICES, INC.

Financial Statements

For the Year Ended June 30, 2022

(With Summarized Financial Information for the Year Ended June 30, 2021)



**and
Report Thereon**



CHRISTIAN RELIEF SERVICES, INC.

TABLE OF CONTENTS
For the Year Ended June 30, 2022

	Page
Independent Auditors' Report.....	1-2
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7-14

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Christian Relief Services, Inc.

Opinion

We have audited the financial statements of Christian Relief Services, Inc. (the Organization, which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, 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 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 the Organization'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 GAAS 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 GAAS, 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 the Organization'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 the Organization'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.

Other Matter

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 12, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Marcum LLP

Washington, DC
November 29, 2022

CHRISTIAN RELIEF SERVICES, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2022
(With Summarized Financial Information as of June 30, 2021)

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 1,924,615	\$ 2,170,001
Grants and contributions receivable, net	286,162	49,532
Due from affiliates	-	7,969
Contributed relief materials inventory	1,802,612	800,066
Prepaid expenses and other	11,585	13,905
Property and equipment, net	7,978	24,320
TOTAL ASSETS	\$ 4,032,952	\$ 3,065,793
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 548,717	\$ 74,089
Due to affiliates	217,717	11,557
Security deposits	18,054	18,054
TOTAL LIABILITIES	784,488	103,700
Net Assets		
Net assets without donor restrictions	2,935,464	2,896,135
Net assets with donor restrictions	313,000	65,958
TOTAL NET ASSETS	3,248,464	2,962,093
TOTAL LIABILITIES AND NET ASSETS	\$ 4,032,952	\$ 3,065,793

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

CHRISTIAN RELIEF SERVICES, INC.

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

(With Summarized Financial Information for the Year Ended June 30, 2021)

	2022			
	Without Donor Restrictions	With Donor Restrictions	Total	2021 Total
REVENUE AND SUPPORT				
Contributed nonfinancial assets	\$ 25,429,195	\$ -	\$ 25,429,195	\$ 17,060,140
Cash contributions from affiliates	1,500,000	4,648,000	6,148,000	4,200,000
Cash contributions	5,893,777	148,300	6,042,077	6,827,135
Wills and bequests	174,790	458,124	632,914	455,748
Government grants	244,948	-	244,948	295,367
Workplace campaign	-	13,677	13,677	13,040
Other income	1,215	-	1,215	110,002
Housing rental and related income	-	-	-	108,854
Donated housing	-	-	-	91,000
Net assets released from restrictions:				
Satisfaction of time restrictions	7,818	(7,818)	-	-
Satisfaction of purpose restrictions	5,013,241	(5,013,241)	-	-
	38,264,984	247,042	38,512,026	29,161,286
EXPENSES				
Program Services:				
International programs	23,099,845	-	23,099,845	16,820,242
Indian programs	5,519,675	-	5,519,675	3,274,780
American domestic programs	4,404,841	-	4,404,841	3,085,721
Housing programs	381,722	-	381,722	640,557
	33,406,083	-	33,406,083	23,821,300
Supporting Services:				
Fundraising	4,545,352	-	4,545,352	4,319,292
Management and general	274,220	-	274,220	79,593
	4,819,572	-	4,819,572	4,398,885
	38,225,655	-	38,225,655	28,220,185
CHANGE IN NET ASSETS	39,329	247,042	286,371	941,101
NET ASSETS, BEGINNING OF YEAR	2,896,135	65,958	2,962,093	2,020,992
NET ASSETS, END OF YEAR	\$ 2,935,464	\$ 313,000	\$ 3,248,464	\$ 2,962,093

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

CHRISTIAN RELIEF SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2022

(With Summarized Financial Information for the Year Ended June 30, 2021)

	Program Services				Supporting Services			2022 Total	2021 Total	
	International Programs	Indian Programs	American Domestic Programs	Housing Programs	Total Program Services	Fundraising	Management and General			Total Supporting Services
Donated relief materials	\$22,348,029	\$ 646,408	\$ 1,312,183	\$ -	\$24,306,620	\$ -	\$ -	\$ -	\$24,306,620	\$17,247,624
Cash grants – affiliates	500,000	4,348,000	2,440,000	-	7,288,000	-	-	-	7,288,000	4,910,142
Printing and production	7,330	25,689	11,423	3,063	47,505	2,426,193	-	2,426,193	2,473,698	2,318,664
Postage	6,642	20,663	9,220	57	36,582	1,103,878	9	1,103,887	1,140,469	1,064,510
Procurement fees	76,000	358,499	502,822	-	937,321	-	-	-	937,321	776,461
Wages and fringe benefits	-	13,360	-	280,578	293,938	526,338	-	526,338	820,276	798,724
Contract services	-	69,000	-	35,712	104,712	134,918	-	134,918	239,630	311,627
Office supplies, dues and subscriptions	55	55	3,596	15,555	19,261	161,723	4,788	166,511	185,772	171,337
Rent	24,710	24,710	24,710	-	74,130	10,800	85,124	95,924	170,054	207,171
Shipping	125,356	-	18,915	-	144,271	1,519	-	1,519	145,790	70,849
Provision for inventory loss	-	-	-	-	-	-	120,029	120,029	120,029	539
List rental	-	-	-	-	-	117,559	-	117,559	117,559	91,021
Cash grants	-	-	72,874	11,739	84,613	-	-	-	84,613	24,030
Payroll taxes	-	1,158	-	19,070	20,228	33,726	-	33,726	53,954	55,904
General insurance	5,905	5,905	5,905	-	17,715	7,193	13,975	21,168	38,883	27,914
Bank charges	-	-	-	-	-	1,350	29,883	31,233	31,233	31,325
Professional and consulting	-	-	-	-	-	-	20,374	20,374	20,374	24,493
Depreciation and amortization	-	3,026	-	11,420	14,446	1,896	-	1,896	16,342	18,742
Meetings and travel	2,625	9	-	3,330	5,964	5,997	38	6,035	11,999	4,402
Utilities	2,387	2,387	2,387	-	7,161	4,622	-	4,622	11,783	27,798
Repairs and maintenance	-	-	-	1,198	1,198	5,133	-	5,133	6,331	19,715
Telephone	161	161	161	-	483	1,485	-	1,485	1,968	3,334
Real estate taxes	645	645	645	-	1,935	-	-	-	1,935	8,880
Advertising	-	-	-	-	-	1,022	-	1,022	1,022	21
Provision for doubtful accounts	-	-	-	-	-	-	-	-	-	2,690
Miscellaneous	-	-	-	-	-	-	-	-	-	2,268
TOTAL EXPENSES	\$ 23,099,845	\$ 5,519,675	\$ 4,404,841	\$ 381,722	\$ 33,406,083	\$ 4,545,352	\$ 274,220	\$ 4,819,572	\$ 38,225,655	\$ 28,220,185

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

CHRISTIAN RELIEF SERVICES, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2022
(With Summarized Financial Information for the Year Ended June 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 286,371	\$ 941,101
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	16,342	18,742
Contributed nonfinancial assets	(25,429,195)	(17,060,140)
Donated relief materials	24,306,620	17,247,624
Provision for inventory loss	120,029	539
Provision for doubtful accounts	-	2,690
Forgiveness of due to affiliate	-	(106,963)
Changes in assets and liabilities:		
Grants and contributions receivable	(236,630)	388,052
Due from affiliates	7,969	-
Prepaid expenses and other	2,320	(11,503)
Accounts payable and accrued expenses	474,628	(74,452)
Due to affiliates	206,160	(351,876)
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	(245,386)	993,814
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	-	(22,362)
NET CASH USED IN INVESTING ACTIVITIES	-	(22,362)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(245,386)	971,452
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,170,001	1,198,549
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,924,615	\$ 2,170,001

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

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2022

1. Organization and Summary of Significant Accounting Policies

Organization

Christian Relief Services, Inc. (the Organization) was incorporated in February 1998, under the Virginia Nonstock Corporation Act, to provide funding, technical support services and donated relief materials to communities striving to break the stranglehold of poverty in order to achieve sustainable solutions. Many communities within the U.S., and throughout the world, suffer from a lack of basic infrastructure services – clean water, medicine, education and housing. On July 1, 1998, the Organization began operations as a 501(c)(3) organization approved by the Internal Revenue Service (the IRS) under the group exemption authority of Christian Relief Services Charities, Inc. (CRSC). The Organization works closely with partner charities, including, to a great extent, its affiliates and parent organization, individuals and nongovernmental organizations embedded in targeted communities, to determine effective ways of sharing resources and creating long-term solutions to the alleviation of human suffering, misery, pain and disability in the world by advancing and improving the welfare of all persons while preserving native heritages, customs and beliefs, which includes the acquisition of low-income housing and developing, renovating and managing housing for persons of limited means, the chronically, mentally and/or physically challenged and the elderly. The Organization receives most of its support from cash contributions from the public, contributed relief materials and relief materials purchased at a discount.

Basis of Accounting and Presentation

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Cash Equivalents

Cash equivalents include all highly liquid investments with initial maturities of three months or less.

Property and Equipment and Related Depreciation and Amortization

Property and equipment are recorded at cost or, if donated to the Organization, are recorded at the estimated fair value at the time of donation. Depreciation and amortization on furniture, office equipment, computer software and vehicles are provided using the straight-line method over the estimated useful lives, ranging from three to seven years. Leasehold improvements are recorded at cost and amortized over the shorter of the lease term or useful life. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation and amortization, and any gain or loss is reflected in revenue or expenses in the accompanying statement of activities. Major additions with a cost in excess of \$1,000 and useful life in excess of one year are capitalized, while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

1. Organization and Summary of Significant Accounting Policies (continued)

Net Assets

The net assets of the Organization are classified as follows:

- Net assets without donor restrictions represent funds that are available for support of the Organization's operations.
- Net assets with donor restrictions represent amounts that are subject to donor-imposed restrictions to be used for various programs or within a specific time period. These donor restrictions can be temporary in nature in that they will be met by the Organization's activities or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor stipulated that the funds must be maintained in perpetuity. As of June 30, 2022, the Organization had no net assets that were required to be maintained in perpetuity.

Revenue and Support Recognition

Unconditional gifts and grants of cash and other financial assets are recognized as revenue and support at their net realizable value when an unconditional promise to give is received by the Organization. The Organization reports unconditional gifts and grants of cash and other financial assets as revenue and support without donor restrictions and available for general operations, unless specifically restricted by the donor.

The Organization reports unconditional gifts of cash and other financial assets as revenue and support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets for purpose or time. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions. Workplace campaign contributions with payments due in future years are reported as revenue with donor restrictions in the accompanying statement of activities. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Revenue and support recognized for unconditional contributions that have been committed to the Organization but have not been received is reflected as grants and contributions receivable in the accompanying statement of financial position. Grants and contributions receivable are reported net of an allowance for doubtful accounts. The allowance is based on historical collection experience and a review of the status of grants and contributions receivable.

Wills and bequests are recognized at the time an unassailable right to the gift has been established, the proceeds are measurable and the Organization accepts the gift. Amounts that have not been collected as of year-end are included in grants and contributions receivable in the accompanying statement of financial position.

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

1. Organization and Summary of Significant Accounting Policies (continued)

Revenue and Support Recognition (continued)

The Organization receives grants from U.S. government and state agencies, which are conditional upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Revenue and support recognized on these grants for which billings have not been presented to the grantor or cash has not been received from the grantor, are reflected as part of grants and contributions receivable in the accompanying statement of financial position. Conditional awards that are earned and released within the same year are reported as increases in net assets without donor restrictions in the accompanying statement of activities.

Housing rental income is recognized as rents become due. All contracts between the Organization and the tenants of the Organization's properties are considered operating leases.

Contributed Nonfinancial Assets and Inventory

Contributed relief materials received by the Organization consist of food, clothing, hygiene products, shoes, school supplies, bedding, medicine, medical equipment and medical supplies. Contributed nonfinancial assets are recorded as revenue and contributed relief materials at their estimated fair value at the date of donation, and reported as an expense and released from inventory when utilized. The Organization utilized the current average price located on publicly available websites for similar items to estimate the fair value. Contributed nonfinancial assets are not sold and are only distributed for program use. There were no donor restrictions related to the contributed nonfinancial assets. Inventory is stated at net realizable value, as determined by the first-in, first-out method.

The Organization's programs are also furthered by a substantial number of nonprofessional volunteers who have contributed their services to the Organization. The value of these services is not reflected in the accompanying financial statements because the contributed services do not meet the necessary criteria for recognition under GAAP which states that in order to be recorded the services must (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of functional expenses. Expenses directly attributed to a specific functional area of the Organization are reported as expenses of those functional areas. Salaries and benefits that benefit multiple CRSC affiliates have been allocated among the CRSC affiliates based on estimates determined by management to be equitable. Occupancy and depreciation expenses are allocated by the square footage used by each affiliate. All other shared costs are recorded in the parent company and not allocated since the amounts are not significant to the financial statements of the affiliates.

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

1. Organization and Summary of Significant Accounting Policies (continued)

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Grants and Contributions Receivable

Grants and contributions receivable consisted of the following amounts as of June 30, 2022:

Contributions receivable	\$ 148,387
Federal grants receivable	<u>140,664</u>
Total Grants and Contributions Receivable	289,051
Less: Allowance for Doubtful Accounts	<u>(2,889)</u>
Grants and Contributions Receivable, Net	<u>\$ 286,162</u>

All receivables are due to be collected within one year.

3. Contributed Relief Materials Inventory

The Organization's contributed relief materials inventory consisted of the following as of June 30, 2022:

Medical supplies	\$ 1,725,944
Machinery and Equipment	55,990
Uniforms	18,760
Gloves	<u>1,918</u>
Total Contributed Relief Materials Inventory	<u>\$ 1,802,612</u>

4. Property and Equipment

Property and equipment consisted of the following as of June 30, 2022:

Furniture, office equipment and software	\$ 107,530
Leasehold improvements	64,568
Vehicles	<u>44,580</u>
Total Property and Equipment	216,678
Less: Accumulated Depreciation and Amortization	<u>(208,700)</u>
Property and Equipment, Net	<u>\$ 7,978</u>

Depreciation and amortization expense was \$16,342 for the year ended June 30, 2022.

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

5. Line of Credit

The Organization has a line of credit agreement with a financial institution in the amount of \$1,500,000. The line of credit is secured by personal property and guaranteed by CRSC. On May 3, 2022, the agreement was modified to extend the maturity date from May 3, 2022 to July 27, 2024, change the interest rate to an independent index which is the Secured Overnight Financing Rate (SOAR) plus 2.5% and update the collateral arrangement. The interest rate on the line of credit was 3.94% as of June 30, 2022. There was no outstanding balance on this line of credit as of June 30, 2022 and the Organization did not make any draws on the line of credit during the year. The Organization was in compliance with the financial covenants.

6. Net Assets with Donor Restrictions

As of June 30, 2022, net assets with donor restrictions consisted of \$300,000 restricted for American Indian Programs and \$13,000 restricted for future periods.

7. Contributed Nonfinancial Assets

The Organization received the following contributed nonfinancial assets for the year ended June 30, 2022:

Medicine	\$ 19,791,294
Medical supplies	2,754,707
Food	1,422,441
School supplies and furniture	1,057,344
Clothing, blankets and shoes	238,259
Hygiene products and others	<u>165,150</u>
Total Contributed Nonfinancial Assets	<u>\$ 25,429,195</u>

During the year ended June 30, 2022, donated relief materials were used for the following programs and are included in donated relief materials in the accompanying statement of functional expenses:

International programs	\$ 22,348,029
American Indian programs	646,408
Domestic programs	<u>1,312,183</u>
Total Contributed Relief Materials	<u>\$ 24,306,620</u>

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

8. Transactions with Affiliates and Related Parties

Contributions

The Organization is an affiliate of CRSC. The Organization and CRSC share a common board. The Organization acts as the fundraising arm for CRSC and its affiliates. The Organization raises both cash and noncash contributions for CRSC and its affiliates, and the contributions are distributed to the entities based on program objectives and need.

During the year ended June 30, 2022, the Organization made noncash contributions of contributed relief materials to the following affiliates, which are included in the accompanying statement of functional expenses as donated relief materials expense:

Bread and Water for Africa, Inc.	\$ 22,348,029
American Indian Youth Running Strong, Inc.	646,408
Americans Helping Americans, Inc.	<u>1,312,183</u>
Total Contributed Relief Materials Donated to Affiliates	<u>\$ 24,306,620</u>

During the year ended June 30, 2022, the Organization made cash contributions to the following affiliates, which are included in the accompanying statement of functional expenses as cash grants – affiliates:

American Indian Youth Running Strong, Inc.	\$ 4,348,000
CRSC	1,640,000
Americans Helping Americans, Inc.	800,000
Bread and Water for Africa, Inc.	<u>500,000</u>
Total Cash Grants to Affiliates	<u>\$ 7,288,000</u>

During the year ended June 30, 2022, the Organization received cash contributions from Christian Relief Services/21st Century Campaign, Inc. totaling \$6,148,000.

As of June 30, 2022, the Organization had payables due to the following affiliates:

Bread and Water for Africa, Inc.	\$ 125,000
CRSC	88,940
CRS Virginia	<u>3,777</u>
Total Cash Grants to Affiliates	<u>\$ 217,717</u>

9. Concentration of Credit Risk

The Organization maintains its cash and cash equivalents with certain commercial financial institutions, in which the aggregate balance, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) insured limit. As of June 30, 2022, the Organization exceeded the maximum limit insured by the FDIC by approximately \$1,248,000. The Organization monitors the creditworthiness of these financial institutions and has not experienced any credit losses on their cash and cash equivalents.

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

10. Availability of Resources and Liquidity

The Organization regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to preserve the principal and return on the investment of its funds. The Organization's financial assets available within one year of the statement of financial position date for general expenditures at June 30, 2022, were as follows:

Cash and cash equivalents	\$ 1,924,615
Grants and contributions receivable, net	<u>286,162</u>
Financial Assets Available to Meet General Expenditures Within One Year	2,210,777
Less:	
Amounts unavailable for general expenditures within one year, due to:	
Restrictions by donors for specific purposes	<u>(300,000)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,910,777</u>

The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and receivables, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of the Organization throughout the year. This is done through monitoring and reviewing the Organization's cash flow needs on a regular basis. As a result, management is aware of the cyclical nature of the Organization's cash flow related to the Organization's various funding sources and is therefore able to ensure that there is cash available to meet current liquidity needs. To help manage unanticipated liquidity needs, the Organization has a committed line of credit of \$1,500,000, of which the full amount was unused and available to draw upon as of June 30, 2022.

11. Pension Plan

Employees of the Organization are eligible to participate in a 401(k) plan sponsored by CRSC after 60 days of service. Under the terms of the defined contribution plan, eligible employees may elect to contribute up to the federal tax limitation. The plan has the following employee deferral and matching provisions:

<u>Elective Deferral</u>	<u>Employer Matching</u>
1%	400% of employee contribution
1% – 5%	100% of employee contribution

Employees are immediately vested in employer contributions. During the year ended June 30, 2022, retirement expense related to the plan was \$43,607, which is included in wages and fringe benefits in the accompanying statement of functional expenses.

CHRISTIAN RELIEF SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

12. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code, the Organization is a nonprofit organization and is exempt from federal taxes on income other than net unrelated business income. No provision for federal or state income taxes is required for the year ended June 30, 2022, as the Organization had no taxable net unrelated business income.

The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB Accounting Standards Codification Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization performed an evaluation of uncertainty in income tax positions taken for the year ended June 30, 2022, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. There are currently no audits for any tax periods pending or in progress. It is the Organization's policy to recognize interest and/or penalties related to uncertainty in tax positions, if any, in interest or income tax expense. As of June 30, 2022, the Organization had no accruals for interest and/or penalties.

13. Prior Year Summarized Financial Information

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

14. Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 29, 2022, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in these financial statements.