Moms in Prayer International
Financial Statements

June 30, 2023 and 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Moms in Prayer International

Opinion

We have audited the accompanying financial statements of Moms in Prayer International (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, cash flows, and functional expenses for the years 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 Moms in Prayer International as of June 30, 2023 and 2022, and the changes in their net assets and cash flows for the years 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 Moms in Prayer International 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 Moms in Prayer International's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 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, including omissions, 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 Moms in Prayer International'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 Moms in Prayer International'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.

Swenson Advisors, LLP

SWENSON ADVISORS, LLP
San Diego, CA
October 6, 2023

Moms in Prayer International
Statements of Financial Position
June 30, 2023 and 2022

	2023	2022
Assets		
Current assets		
Cash and cash equivalents	$ 1,357,517	$ 1,398,414
Short term investments	455,695	239,134
Accounts receivable	1,874	329
Inventory	44,817	41,716
Prepaid expenses and other assets	13,189	21,489
Total current assets	1,873,092	1,701,082
Endowment investments	1,353,766	871,847
Furniture and equipment, net	21,316	44,758
Operating lease right-of-use assets	103,313	-
Finance lease right-of-use assets	7,681	-
Total assets	$ 3,359,168	$ 2,617,687
Liabilities and Net Assets		
Current liabilities		
Accounts payable	$ 8,016	$ 9,769
Accrued liabilities	65,373	56,506
Deferred revenue	13,681	14,649
Current portion of capital lease obligations	-	3,070
Current portion of operating lease liabilities	51,491	-
Current portion of finance lease liabilities	3,312	-
Total current liabilities	141,873	83,994
Capital lease obligations, net of current portion	-	9,657
Operating lease liabilities, net of current portion	52,796	-
Finance lease liabilities, net of current portion	6,402	-
Total liabilities	201,071	93,651
Net assets		
Net assets without donor restrictions	2,748,776	2,141,305
Net assets with donor restrictions	409,321	382,731
Total net assets	3,158,097	2,524,036
Total liabilities and net assets	$ 3,359,168	$ 2,617,687

See accompanying notes to the financial statements

Moms in Prayer International
Statements of Activities
For the Years Ended June 30, 2023 and 2022

	2023	2022
Changes in net assets without donor restrictions		
Revenues and support		
Contributions	$ **1,724,990**	$ 2,525,920
Retreat revenue	**45,813**	48,290
Book sale income, net	**26,240**	20,707
Other income	**16,533**	12,317
Total revenues without donor restrictions	**1,813,576**	2,607,234
Net assets released from restrictions	**30,316**	23,030
Total revenues and support without donor restrictions	**1,843,892**	2,630,264
Expenses		
Program services	**1,153,058**	1,078,143
Support services		
General and administrative	**164,759**	147,275
Fundraising	**49,927**	43,140
Total expenses	**1,367,744**	1,268,558
Investment income/ (losses)	**131,323**	(76,791)
Increase in net assets without donor restrictions	**607,471**	1,284,915
Changes in net assets with donor restrictions		
Contributions	**25,996**	16,387
Investment income/ (losses)	**30,910**	(36,519)
Net assets released from restrictions	**(30,316)**	(23,030)
Increase/ (decrease) in net assets with donor restrictions	**26,590**	(43,162)
Increase in net assets	**634,061**	1,241,753
Net assets at beginning of period	**2,524,036**	1,282,283
Net assets at end of period	$ **3,158,097**	$ 2,524,036

See accompanying notes to the financial statements

Moms in Prayer International
Statements of Cash Flows
For the Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	$ **634,061**	$ 1,241,753
Adjustments to reconcile the change in net assets to		
net cash used in operating activities:		
Realized and unrealized gain / (loss) on endowment investments	**(100,036)**	130,463
Depreciation and amortization	**11,825**	19,459
Lease amortization	**5,121**	-
Reinvested dividends on endowment investments	**(31,808)**	(17,334)
Interest received	**(332)**	(437)
Other non cash items	**976**	-
Decrease (increase) in assets:		
Accounts receivable	**(1,545)**	6,098
Inventory	**(3,100)**	20,861
Prepaid expenses and other assets	**8,300**	(17,758)
Increase (decrease) in liabilities:		
Accounts payable	**(1,753)**	6,148
Accrued liabilities	**8,866**	(1,216)
Deferred revenue	**(968)**	(4,866)
Net cash provided by operating activities	**529,607**	1,383,171
Cash flows from investing activities:		
Purchase of property and equipment	**(1,111)**	(4,842)
Purchase of endowment investments	**(75)**	(3,325)
Board designated transfer from operations to endowment investments	**(350,000)**	(356,720)
Additions and withdrawals to investment account	**(14,867)**	(55,288)
Deposits made	**(401,800)**	(200,000)
Deposits returned	**200,437**	-
Net cash used in investing activities	**(567,416)**	(620,175)
Cash flows from financing activities:		
Principal payments on capital lease obligation	**(3,088)**	(2,863)
Net cash used in financing activities	**(3,088)**	(2,863)
Net (decrease)/ increase in cash	**(40,897)**	760,133
Cash and cash equivalents - beginning of year	**1,398,414**	638,281
Cash and cash equivalents - end of year	$ **1,357,517**	$ 1,398,414
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ **794**	$ 1,001
In-kind contributions:		
Stock	$ **111,115**	$ 205,626

See accompanying notes to the financial statements

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Moms in Prayer International (the "Organization") was incorporated in 1990 in California as a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and comparable state laws. However, the Organization is subject to federal income tax on any unrelated business taxable income. In addition, the Organization is not classified as a private foundation within the meaning of Section 509(a) of the IRC. The primary source of revenue for the Organization is contributions, which are tax-deductible for income tax purposes.

The Organization seeks to be a positive influence on the education system by promoting the adoption of high moral standards and personal accountability. The Organization directly markets its vision through a network of state and area coordinators who periodically design and produce local retreats and rallies.

SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements have been prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The significant accounting policies followed are described below:

Cash and Cash Equivalents

For statements of financial position and cash flow purposes, cash and cash equivalents include cash on hand, cash on deposit, and money market accounts. These accounts may, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts. In addition, the Organization maintains its cash in bank deposit accounts that are insured by the National Credit Union Administration ("NCUA"), which insures an additional $250,000 of deposits as of June 30, 2023 and 2022. The Organization does not believe these funds to be at substantial risk of loss due to the lack of federal insurance coverage.

Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported in the following two classes:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations, including those resources currently available for use in the Organization's operations and those designated by the board for specific future uses.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations which have not yet been met, including those that have been restricted in perpetuity, such that they are maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

Management believes that all accounts receivables are fully collectible, and therefore no allowance for doubtful accounts was recorded as of June 30, 2023 and 2022. Bad debts for the years ended June 30, 2023 and 2022 were $60 and $78, respectively.

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Inventory

Inventory represents books, pamphlets, video media, supplies, and other Bible resources. All inventory is stated at the lower of cost or net realizable value using the first-in, first-out method. Management evaluates the inventory for obsolete or slow-moving inventory. Obsolete inventory written off for the years ended June 30, 2023 and 2022 was $0 and $833, respectively. There was no slow-moving inventory for the years ended June 30, 2023 or 2022. See Note 4.

Furniture and Equipment

Furniture and equipment if purchased are stated at cost, less accumulated depreciation. Expenditures of $500 or more for furniture and equipment are capitalized. Donated assets to be used in the Organization are capitalized at their fair market value on the date of the gift. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire buildings and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Assets under construction are not depreciated until placed into service. Furniture and equipment are depreciated using the straight-line method over the estimated useful asset lives as follows:

	Years
Office equipment	3-5
Software development	3-5

Maintenance, repairs, and minor renewals are charged to operations as incurred. Upon sale or disposition of furniture and equipment, the asset and the related accumulated depreciation taken prior to the sale are removed from the Organization's records and any gain or loss is credited or charged to revenue and support.

Fair Value of Financial Instruments

Financial instruments include cash and cash equivalents, accounts receivable, endowment investments, other assets, accounts payable, and accrued liabilities. The carrying amounts of cash and cash equivalents, accounts receivable, other assets, accounts payable, and accrued liabilities approximate fair market value because of the short maturity of those instruments. The endowment investments and other assets are measured at fair value on a recurring basis.

Topic 820 in the FASB's Accounting Standards Codification, *Fair Value Measurements and Disclosures*, establishes a three-tier valuation hierarchy for classification of fair value measurements as follows:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, at the measurement date.

Level 3 – Inputs are unobservable for the asset or liability and usually reflect the reporting entity's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The Organization's statements of financial position include investments in mutual funds that are considered Level 1 assets and are reported at fair value based on quoted prices in active markets for identical assets at the measurement date.

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Leases

The Organization determines if an arrangement is a lease at inception. Right-of-use ("ROU") assets and liabilities for operating leases and finance leases are recognized at the commencement date based on the present value of lease payments over the lease term. As it is not a Public Business Entity the Organization has elected to use the risk-free rates for operating leases as of the implementation date and for all new leases going forward. For capital leases existing as of the ASC 842 implementation date the existing interest rates have been carried forward. The lease term may include an option to extend or terminate early when exercise of that option is considered reasonably certain. Reductions to finance lease ROU assets are recognized as amortization on a straight-line basis over the lease term. Reductions to operating lease ROU assets are recognized as lease cost on a straight-line basis over the lease term.

Revenue Recognition

When monies or other assets are received, the Organization classifies the transaction as either a contribution (i.e. a nonreciprocal transaction) or an exchange (i.e. a reciprocal transaction).

Contributed Revenue – In accordance with ASU 2016-14, *Not for Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* ("ASU 2016-14"), when a transaction is determined to be a contribution, the Organization then determines whether it is conditional or unconditional. According to ASU 2018-08, *Not for Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* ("ASU 2018-08"), conditional contributions contain i) donor-imposed barrier(s) that must be overcome before the Organization is entitled to the assets transferred or promised and ii) a right of return to the contributor for assets transferred or a right of release of the promisor from its obligation to transfer assets. When the condition(s) are substantially met, the contribution becomes unconditional. Unconditional contributions are those that are absent of any indication that the Organization is only entitled to the transfer of assets or a future transfer of assets if it has overcome a barrier, or that the agreement does not contain a right of return of assets transferred or a right of release from obligation. Unconditional contributions are classified as either net assets with donor restrictions or net assets without donor restrictions and are recorded in accordance with the guidelines outlined in Subtopic 958-605, *Not-for- Profit Entities – Revenue Recognition*. Unconditional contributions are recognized when the donor makes a promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. All contributions are considered available for unrestricted use unless specifically restricted by the donor or subject to other legal restrictions. Expenses are recorded when incurred in accordance with the accrual basis of accounting. Contributions received with restrictions that are met in the same reporting period as received are reported as unrestricted support and increase net assets without donor restrictions.

Donated property and equipment are recorded at fair market value at the date of gift. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

The nature and extent of donated and contributed services received by the Organization range from the limited participation of many individuals in fundraising activities to active participation in the Organization's management and service programs during 2023 and 2022. The valuation of contributed time is not reflected in these statements since they do not require specialized skills.

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Revenue Recognition, Continued

Exchange Transactions – The Organization accounts for exchange transactions in accordance with ASU No. 2014-09 (ASC Topic 606), *Revenue from Contracts with Customers* (“Topic 606”).

Retreat revenue is recognized when the event is presented. Registration fees for admission into events are the identified contracts between the Organization and its retreat participants, which specify the transaction price for admission. The Organization’s performance obligation for these registrations is to provide participants with access to the retreats. Retreat revenue is recognized at the point in time that the event takes place. Registrations that have been purchased as of June 30 for which retreats have not yet taken place are recorded as deferred revenues in the statements of financial position. Retreat revenue amounted to $45,813 and $48,920 for the years ended June 30, 2023 and 2022, respectively. Deferred revenue for retreats was $13,681 and $14,649 as of June 30, 2023 and 2022, respectively.

The Organization sells books, pamphlets, video media, supplies, and other Bible resources. The Organization recognizes book sales income, net of cost of sales, at the time it sells merchandise to the customer, based on the price stated on each item for sale. Cost of sales was approximately $37,446 and $26,822 for the years ended June 30, 2023 and 2022, respectively. Gross revenue generated from sales amounted to $63,745 and $47,608 for the years ended June 30, 2023 and 2022, respectively.

The Organization maintains endowment investments that consist of mutual funds and exchange traded funds. The Organization recognizes investment returns based on the fair value of the funds in accordance with Accounting Standards Update (“ASU”) 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*. Investment returns are classified as either with or without donor restrictions based on the existence or absence of donor-imposed restrictions (Notes 3 and 9).

Allocated Expenses

Expenses by function have been allocated among program and supporting services classifications on the basis of internal records and estimates made by the Organization’s management. Certain costs, such as depreciation and payroll, have been allocated among the program services and supporting activities based on square footage and hours spent, respectively. Other expenses are allocated based on time and effort. Currently, there are no joint costs which have been allocated among the program, general and administrative, and fundraising functions. See appendix A for the statements of functional expenses for the years ended June 30, 2023 and 2022.

Advertising

Advertising expense for the years ended June 30, 2023 and 2022 was approximately $66 and $110, respectively. Advertising costs are spent to promote the programs of the Organization and are expensed as incurred.

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Income Tax Status
Moms in Prayer International is a nonprofit organization and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Organization is not a private foundation.

The Organization uses a loss contingencies approach for evaluating uncertain tax positions and continually evaluates changes in tax law and new authoritative rulings. No loss contingencies were recognized for the years ended June 30, 2023 and 2022.

The Organization's federal exempt organization returns for tax years 2019 and beyond remain subject to examination by the Internal Revenue Service. The Organization's exempt organization returns of the tax years 2018 and beyond remain subject to examination by the Franchise Tax Board.

The Organization did not have unrecognized tax benefits as of June 30, 2023 and 2022 and does not expect this to change significantly over the next 12 months. The Organization recognizes interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. As of June 30, 2023 and 2022, the Organization has not accrued interest or penalties related to uncertain tax positions.

Recent Authoritative Guidance, Not yet adopted
In June 2016, the FASB issued ASU No. 2016-13, Measurement of Credit Losses on Financial Instruments, to require financial assets carried at amortized cost to be presented at the net amount expected to be collected based on historical experience, current conditions and forecasts. Subsequently, the FASB issued ASU No. 2018-19, Codification Improvements to Topic 326, to clarify that receivables arising from operating leases are within the scope of lease accounting standards. Further, the FASB issued ASU No. 2019-04, ASU No. 2019-05, ASU 2019-10, ASU 2019-11, ASU 2020-02 and ASU 2020-03 to provide additional guidance on the credit losses standard. Effective date for private companies and private non profit companies for fiscal years beginning after December 15, 2022. Early adoption is permitted. The Company is evaluating the effect of adoption the new guidance on the presentation of its financial statements.

NOTE 2 – ADOPTION OF ASC 842 LEASE ACCOUNTING

In February 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-02, Leases (Topic 842). This ASU requires substantially all leases to be recognized by lessees on their balance sheet as a right-of-use asset and a corresponding lease liability, including leases historically accounted for as operating leases. In July 2018, the FASB issued ASU 2018-11 which allows for an optional transition method to adopt the lease standard by recognizing a cumulative-effect adjustment to the opening balance sheet of retained earnings in the period of adoption, with no adjustment to prior comparative periods. ASU 2016-02 and all subsequent amendments (collectively, "ASC 842") requires adoption by the Organization for years beginning after December 15, 2021, though early adoption is permitted. The Organization adopted ASC 842 effective July 1, 2022, and elected to apply the cumulative-effect adjustment to the opening balance sheet and optional transition method to not present comparable prior year periods as allowed under ASU 2018-11. The Organization made practical expedient elections to not apply lease accounting to short-terms and to not elect hindsight. The Organization adopted the transitional practical expedients which did not require reassessment whether existing arrangements contained a lease, reassessment of the historical lease classification, or reassessment of initial direct costs. The adoption of ASC 842 as of July 1, 2022, resulted in the recording of $153,252 of operating lease right-of-use ("ROU") operating lease assets and operating lease liabilities, and $12,802 of ROU finance lease assets and finance lease liabilities. There were no adjustments to retained earnings. The Organization reports financial information for the year ended June 30, 2021, and before under the previous accounting standard.

NOTE 3 – SHORT TERM INVESTMENTS

Short term investments as of June 30, 2023 consisted of bank deposits in the amount of $408,448 with maturities in December 2023 - May 2024 and investment account amounted $47,247. Short term investments as of June 30, 2022 consisted of bank deposits in the amount of $200,437 with maturities in April-May 2023 and investment account amounted $38,697.

NOTE 4 – ENDOWMENT INVESTMENTS

Endowment investments are stated at fair value and consist of the following as of June 30:

	2023	2022
Mutual funds	**$ 920,257**	$ 613,886
Exchange traded funds	**433,509**	257,961
	$ 1,353,766	$ 871,847

The following schedule summarizes the investment return, which is classified as other income without donor restrictions and as investment income with donor restrictions in the statements of activities for the years ended June 30, 2023 and 2022 (Note 9).

	2023	2022
Interest and dividends	**$ 31,808**	$ 15,690
Net realized and unrealized gains	**100,036**	(112,113)
	$ 131,844	$ (96,423)

NOTE 5 – INVENTORY

Inventory consists of the following as of June 30:

	2023	2022
Study guides and manuals	**$ 1,996**	$ 2,234
Books	**32,301**	31,885
Miscellaneous merchandise	**10,520**	7,597
	$ 44,817	$ 41,716

NOTE 6 – FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following at June 30:

	2023	2022
Office equipment	$ 32,687	$ 51,441
Software development	83,714	83,714
	116,401	135,155
Less: accumulated depreciation and amortization	(95,085)	(90,397)
	$ 21,316	$ 44,758

Depreciation and amortization expense for furniture and equipment was $11,825 and $19,459 for the years ended June 30, 2023 and 2022, respectively.

NOTE 7 – LEASE AGREEMENTS

The Organization leases office space under an operating lease through May 2025 and office equipment under various operating and finance leases through September 2027. The office space lease includes annual rent increases.

Right-of-use (ROU) assets and lease liabilities are determined based on the present value of future payments for lease components identified in the underlying agreements. A lease component is the cost stated in the agreement that directly relates to the right to use the identified asset(s). Amounts reflect increases stated in the agreements and periods reflected in renewal options are included when exercise is determined to be reasonably certain.

The Organization is not a Public Business Entity and elected to use the risk-free rate as the discount rate for lease accounting purposes. The risk-free rate is determined based on the daily rates posted by the U.S. Department of the Treasury as the Daily Treasury Par Yield Curve and by the U.S. Federal Reserve on their H.15 schedule. The discount rate used reflects the posted rate as of the previous quarter end that most closely corresponds to the lease term.

The Organization made an accounting policy election to not apply the lease accounting requirements to short-term lease arrangements with an initial term of 12 months or less.

A summary of lease expense is as follows:

	2023
Finance lease expense	
Amortization of ROU assets	$ $5,121
Interest on lease liabilities	776
Operating lease expense	53,722
Total	$ **$59,618**

NOTE 7 – LEASE AGREEMENTS, (CONTINUED)

Supplemental quantitative information related to financing and operating leases is as follows:

Other Information

- Cash paid for amounts included in the measurement of lease liabilities
  - Operating cash flows from finance leases (i.e. Interest)
  - Financing cash flows from finance leases (i.e. principal portion)
  - Operating cash flows from operating leases
- ROU assets obtained in exchange for new finance lease liabilities
- ROU assets obtained in exchange for new operating lease liabilities
- Weighted-average remaining lease term in years for finance leases
- Weighted-average remaining lease term in years for operating leases
- Weighted-average discount rate for finance leases
- Weighted-average discount rate for operating leases

Maturities of finance and operating lease liabilities are as follows:

Year Ending June 30,	Finance
2024	$3,864
2025	6,590
2026	0
2027	0
2028	0
Total undiscounted cash flows	10,454
Less: present value discount	(740)
Total lease liabilities	**$9,714**

NOTE 8 – NET ASSETS

Net assets consist of the following as of June 30:

	2023	2022
Without donor restriction:		
Undesignated	**$ 1,698,669**	$ 1,542,131
Board designated operating reserves	**78,000**	78,000
Board designated endowment	**972,108**	521,174
	2,748,777	2,141,305
With donor restriction:		
International programs	**27,663**	32,058
Undistributed endowment earnings	**109,052**	78,142
Donor restricted endowment	**272,606**	272,531
	409,321	382,731
Total net assets	**$ 3,158,098**	$ 2,524,036

NOTE 9– ENDOWMENT FUNDS

The Organization's endowment consists of a fund established for the expansion and enlargement of the ministry of the Organization. Its endowment includes both donor-restricted endowment funds and funds designated by the board to function as endowments. Net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The board of directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restriction (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization

The endowment net asset composition by type of fund consists of:

		With Donor Restrictions		
	Without Donor Restriction	Original Gift Amount	Accumulated Gains	Total
June 30, 2022:				
Donor restricted endowment funds	$ -	$ 272,531	$ 78,142	$ 350,673
Board designated endowment funds	521,174	-	-	521,174
	$ 521,174	$ 272,531	$ 78,142	$ 871,847
June 30, 2023:				
Donor restricted endowment funds	$ -	$ 272,606	$ 109,052	$ 381,658
Board designated endowment funds	972,108	-	-	972,108
	$ 972,108	$ 272,606	$ 109,052	$ 1,353,766

NOTE 9 – ENDOWMENT FUNDS, (CONTINUED)

Changes in endowment net assets were:

	Without Donor Restriction	With Donor Restrictions: Original Gift Amount	With Donor Restrictions: Accumulated Gains	Total
Year ended June 30, 2022:				
Endowment net assets, beginning of year	$ 224,357	$ 269,206	$ 114,661	$ 608,224
Contributions	-	3,325	-	3,325
Investment income	(59,903)	-	(36,519)	(96,422)
Board-designated transfer	356,720	-	-	356,720
	$ 521,174	$ 272,531	$ 78,142	$ 871,847
June 30, 2022:				
Endowment net assets, beginning of year	$ 521,174	$ 272,531	$ 78,142	$ 871,847
Contributions	-	75	-	75
Investment income	100,934	-	30,910	131,844
Board-designated transfer	350,000	-	-	350,000
	$ 972,108	$ 272,606	$ 109,052	$ 1,353,766

Funds with deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with GAAP, there were no deficiencies that required reporting contained in net assets without donor restrictions and net assets with donor restrictions as of June 30, 2023 and 2022.

Return objectives and risk parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while maintaining the original fair market value of the original gift. The view on the overall goal of the endowment assets is primarily to preserve and enhance the real purchasing power of these assets, over time, which matches the view the donors intended that the value of their gifts be carefully preserved and enhanced over the long term, to keep up with inflation.

Strategies employed for achieving objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a balanced emphasis on equity-based investments (60%) and fixed income investments (40%). A variance of 5% from the stated asset allocation will be tolerated as market fluctuations occur.

Spending policies and how the investment objectives relate to spending policy

The board of directors will, near the end of each fiscal year, recommend an amount, if any, to be appropriated from the endowment for general operating needs in the forthcoming year. Amounts in excess of the corpus or 3% of its endowment fund's net value as of July 1st of the current fiscal year require a 75% vote from the board of directors. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow at an average of 6% annually.

NOTE 10 – EMPLOYMENT BENEFIT PLAN

The Organization maintains a 401(k) qualified retirement plan (the "Plan") for its employees. The Plan is available to employees who are at least twenty-one years of age and who have completed two months of service. Employees who meet these requirements can contribute a percentage of their annual base salary to the Plan. The Organization will match up to 25% of an employee's deferral election, with a ceiling of 4% of an employee's annual base salary. For the years ending June 30, 2023 and 2022, the total matching contributions by the Organization amounted to approximately $5,700 and $5,000 respectively.

NOTE 11 – COMMITMENTS

During the year ended June 30, 2017, the board passed a resolution noting its commitment to continue paying the founder of the Organization an annual salary of approximately $80,000 for past services and ongoing support, as long as the founder has need and the Organization is financially able (the "Founder's Fund"). The amount could be changed or stopped at any time with board approval. No deferred compensation agreement has been made with the founder.

In June 2021, the board passed a resolution superseding the aforementioned Founder's Fund resolution. The new resolution authorized a three-year commitment to subsidize the Founder's Fund to guarantee a decreasing income of $60,000, $50,000, and $40,000 for the fiscal years ending June 30, 2022, 2023, and 2024, respectively, paid out as retirement distributions. At the end of the third fiscal year, the Founder's Fund will be the sole source of gifts for the founder, and the solicitation for the continuation of the Founder's Fund will be a board responsibility. Payments of the three-year commitment began in July 2021.

The Organization paid the founder approximately $50,000 and $60,000 during the years ended June 30, 2023 and 2022 respectively.

NOTE 12 – LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the Organization's financial assets as of June 30, 2023 and 2022, reduced by amounts not available for general expenditure within one year. Financial assets include assets that are considered unavailable when illiquid or not convertible to cash within one year and receivables not available for general expenditure.

	2023	2022
Financial assets:		
Cash and cash equivalents	**$ 1,357,517**	$ 1,398,414
Financial assets	**455,695**	239,134
Accounts receivable	**1,874**	329
Endowment investments	**1,353,766**	871,847
Financial assets, at year-end	**3,168,852**	2,509,724
Less those unavailable for general expenditure within one year due to board designation:		
Board designated operating reserves	**(78,000)**	(78,000)
Endowment investments	**(1,353,766)**	(871,847)
Financial assets available to meet cash needs for general expenditures within one year	**$ 1,737,086**	$ 1,559,877

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 13 – SUBSEQUENT EVENTS (UNAUDITED)

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 6, 2023, the date the financial statements were available to be issued, and determined that no additional subsequent events have occurred that would require recognition or disclosure in the financial statements or disclosure in the notes thereto.

Appendix A

Moms in Prayer International
Schedule of Functional Expenses
June 30, 2023 and 2022

	2023				2022			
						Supporting Services:		
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries, wages, and benefits	$ 801,265	$ 97,025	$ 35,111	**$ 933,401**	$ 741,230	$ 87,901	31,660	**$ 860,791**
Services and professional fees	133,477	31,349	1,510	**166,336**	93,793	-	189	**93,982**
Office and occupancy	92,281	34,612	12,858	**139,751**	135,780	27,879	1,419	**165,078**
Travel	110,069	-	448	**110,517**	88,926	29,449	9,872	**128,247**
Depreciation and amortization	15,252	1,695	-	**16,947**	17,513	1,946	-	**19,459**
Interest	714	78	-	**792**	901	100	-	**1,001**
Total program and supporting services expenses	**$ 1,153,058**	**164,759**	**$ 49,927**	**$ 1,367,744**	**$ 1,078,143**	**$ 147,275**	**$ 43,140**	**$ 1,268,558**