

LIFE FOR RELIEF AND DEVELOPMENT, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

Year Ended
December 31, 2025

LIFE FOR RELIEF AND DEVELOPMENT, INC. AND SUBSIDIARY

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Schlaupitz Madhavan
an audit, tax and advisory firm

Independent Auditor's Report

To the Board of Directors of
Life for Relief and Development, Inc. and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of Life for Relief and Development, Inc. (a not-for-profit organization) and Subsidiary (a for-profit organization), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Life for Relief and Development, Inc. and Subsidiary as of December 31, 2025, 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. 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 Life for Relief and Development, Inc. and Subsidiary 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Life for Relief and Development, Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 consolidated 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 consolidated 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 consolidated 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 Life for Relief and Development, Inc. and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Life for Relief and Development, Inc. and Subsidiary'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.



November 3, 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS

Current assets	
Cash and cash equivalents	$ 10,673,170
Pledges receivable, net of allowance	13,475
Prepaid expenses and other	839,096
Total current assets	11,525,741
Property and equipment	
Land	57,750
Building	327,250
Building improvements	456,304
Furniture, fixtures and equipment	76,774
Vehicles	183,261
Total cost	1,101,339
Less, accumulated depreciation	852,362
Total property and equipment	248,977
Total assets	$ 11,774,718

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable	$ 994,581
Accrued expenses	390,634
Total current liabilities	1,385,215
Net assets	
Without donor restrictions	810,635
With donor restrictions	9,578,868
Total net assets	10,389,503
Total liabilities and net assets	$ 11,774,718

CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Contributions	$ 4,506,130	$ 15,950,457	$ 20,456,587
Contributed nonfinancial assets:			
Medicine and medical supplies	-	6,110,479	6,110,479
Food baskets	-	78,926	78,926
Family assistance	-	4,328,014	4,328,014
Emergency and disaster relief	-	4,111,401	4,111,401
Interest income	77,084	-	77,084
Total support and revenue before releases	4,583,214	30,579,277	35,162,491
Net assets released from restrictions	30,353,428	(30,353,428)	-
Total support and revenue	34,936,642	225,849	35,162,491
Expenses			
Program services	30,802,277	-	30,802,277
Management and general	2,066,771	-	2,066,771
Fundraising	1,556,589	-	1,556,589
Total expenses	34,425,637	-	34,425,637
Change in net assets	511,005	225,849	736,854
Net assets, beginning of year	299,630	9,353,019	9,652,649
Net assets, end of year	$ 810,635	$ 9,578,868	$ 10,389,503

See independent auditor's report and notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services					
	Health and Safety Program	Educational Program	Emergency Disaster Relief Program	Orphans Program	Food Basket Programs	Clean Water Project Programs
Payroll Expenses:						
Compensation	$ 15,372	$ 16,294	$ 544,782	$ 725,403	$ 87,774	$ 107,604
Employment taxes and benefits	4,633	4,911	164,203	218,644	26,456	32,433
Total payroll expenses	20,005	21,205	708,985	944,047	114,230	140,037
Other Expenses:						
Contributed nonfinancial assets:						
Medicine and medical supplies	6,110,479	-	-	-	-	-
Food	-	-	-	-	85,349	-
Furniture and equipment	-	-	-	-	-	-
Emergency disaster	-	-	4,111,401	-	-	-
Program Expenses:						
Health and safety program expense	22,983	-	-	-	-	-
Medicine and supply expense	14,400	-	-	-	-	-
Education program expense	-	425,109	-	-	-	-
Emergency disaster program expense	-	-	4,854,462	-	-	-
Orphans sponsorship	-	-	-	5,054,770	-	-
Family assistance	-	-	-	-	-	-
Food baskets	-	-	-	-	23,275	-
Food baskets (Ramadan)	-	-	-	-	289,506	-
Meat (Udhiyah)	-	-	-	-	609,893	-
Meat and other distribution	-	-	-	-	3,900	-
Water and sanitation program expense	-	-	-	-	-	250,692
Field office expenses	8,167	8,657	289,434	385,395	46,633	57,168
Litigation settlements and reimbursement	199	211	7,051	9,389	1,136	1,393
Credit card processing and bank fees	3,337	3,537	118,261	157,470	19,054	23,359
Freight	118	125	4,167	5,549	671	823
Printing	2,349	2,490	83,236	110,833	13,411	16,441
Software fees	2,726	2,889	96,607	128,637	15,565	19,082
Expenses Including Management and General						
Insurance	-	-	-	-	-	-
Professional fees	455	483	16,138	21,489	2,600	3,188
Rent	279	296	9,901	13,184	1,595	1,956
Repairs and maintenance	-	-	-	-	-	-
Telephone and internet	359	380	12,718	16,935	2,049	2,512
Utilities	-	-	-	-	-	-
Office expense and license fees	534	566	18,915	25,187	3,048	3,736
Media and communications	5,189	5,500	183,888	244,855	29,628	36,321
Bad debt expense	-	-	-	-	-	-
Depreciation	285	302	10,094	13,440	1,626	1,994
Postage and delivery fees	-	-	-	-	-	-
Travel	41	43	1,435	1,911	231	284
Fundraising Expenses:						
Fundraising event expenses	-	-	-	-	-	-
Marketing material	1,376	1,459	48,767	64,936	7,857	9,632
Total functional expenses	$ 6,193,281	$ 473,252	$ 10,575,460	$ 7,198,027	$ 1,271,257	$ 568,618

See independent auditor's report and notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (Continued)
YEAR ENDED DECEMBER 31, 2025

	Program Services			Supporting Services		
	Community Development Programs	Family Assistance Program	Total Program Services	Management and General	Fundraising	Total Functional Expenses
Payroll Expenses:						
Compensation	$ 16,602	$ 23,365	$ 1,537,196	$ 538,019	$ 486,779	$ 2,561,994
Employment taxes and benefits	5,004	7,043	463,327	162,164	146,720	772,211
Total payroll expenses	21,606	30,408	2,000,523	700,183	633,499	3,334,205
Other Expenses:						
Contributed nonfinancial assets:						
Medicine and medical supplies	-	-	6,110,479	-	-	6,110,479
Food	-	-	85,349	-	-	85,349
Furniture and equipment	-	4,328,014	4,328,014	-	-	4,328,014
Emergency disaster	-	-	4,111,401	-	-	4,111,401
Program Expenses:						
Health and safety program expense	-	-	22,983	-	-	22,983
Medicine and supply expense	-	-	14,400	-	-	14,400
Education program expense	-	-	425,109	-	-	425,109
Emergency disaster program expense	-	-	4,854,462	-	-	4,854,462
Orphans sponsorship	-	-	5,054,770	-	-	5,054,770
Family assistance	-	76,279	76,279	-	-	76,279
Food baskets	-	-	23,275	-	-	23,275
Food baskets (Ramadan)	-	-	289,506	-	-	289,506
Meat (Udhiyah)	-	-	609,893	-	-	609,893
Meat and other distribution	-	-	3,900	-	-	3,900
Water and sanitation program expense	-	-	250,692	-	-	250,692
Field office expenses	8,820	12,415	816,689	-	-	816,689
Litigation settlements and reimbursement	215	302	19,896	-	-	19,896
Credit card processing and bank fees	3,604	5,072	333,694	-	-	333,694
Freight	127	179	11,759	-	-	11,759
Printing	2,537	3,570	234,867	274,010	288,718	797,595
Software fees	2,944	4,143	272,593	-	-	272,593
Expenses Including Management and General						
Insurance	-	-	-	39,375	-	39,375
Professional fees	492	692	45,537	279,617	-	325,154
Rent	302	425	27,938	-	18,625	46,563
Repairs and maintenance	-	-	-	8,033	-	8,033
Telephone and internet	388	545	35,886	23,925	-	59,811
Utilities	-	-	-	14,204	-	14,204
Office expense and license fees	576	811	53,373	69,504	-	122,877
Media and communications	5,604	7,887	518,872	171,850	174,064	864,786
Bad debt expense	-	-	-	61,247	-	61,247
Depreciation	308	433	28,482	14,583	-	43,065
Postage and delivery fees	-	-	-	249,701	6,937	256,638
Travel	44	62	4,051	22,933	162,806	189,790
Fundraising Expenses:						
Fundraising event expenses	-	-	-	-	269,734	269,734
Marketing material	1,486	2,092	137,605	137,606	2,206	277,417
Total functional expenses	$ 49,053	$ 4,473,329	$ 30,802,277	$ 2,066,771	$ 1,556,589	$ 34,425,637

See independent auditor's report and notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

Cash flows from operating activities:	
Change in net assets	$ 736,854
Adjustments to reconcile changes in net assets to net cash provided by operating activities	
Depreciation	43,065
Bad debt expense	61,247
Changes in operating assets and liabilities	
(Increase) decrease in	
Inventories	14,400
Pledges receivable	(51,029)
Prepaid expenses and other	(592,665)
Increase (decrease) in	
Accounts payable	814,446
Accrued expenses	(70,901)
Net increase in cash and cash equivalents	955,417
Cash and cash equivalents at beginning of year	9,717,753
Cash and cash equivalents at end of year	**$ 10,673,170**
Noncash investing activities:	
Contributions of stock	$ 653,832

See independent auditor's report and notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 – NATURE OF ORGANIZATION

Life for Relief and Development, Inc. (the "Organization") is a California not-for-profit organization founded in 1992 and is headquartered in Southfield Michigan. The Organization's mission is deeply rooted in the belief that saving lives should be a priority of all mankind. In response to poverty, famine, social and economic turmoil, natural disasters, and other catastrophes, the Organization works to provide assistance to people across the globe by offering humanitarian services such as food, water, and temporary shelter as well as healthcare and education. The Organization's mission is accomplished through the following programs:

Health and Safety Program - Medicines, medical supplies, and medical equipment are distributed to underserved hospitals and clinics around the world and to communities in areas that lack adequate health services. The hearing impaired in many countries receive hearing aids through hearing aid medical missions.

Educational Program – The Organization promotes literacy through the distribution of books to colleges, universities, primary and secondary schools. Through this program the Organization also donates classroom furniture to Native American schools in the United States of America and needy schools throughout the world and gives orphans and poor school children uniforms, shoes, and school bags filled with stationary, pens, and other educational items through its back-to-school program.

Emergency Disaster Relief Program – In response to areas suffering from natural or man-made disasters, the Organization provides emergency humanitarian relief to those in need in the form of shelters, food, water, and urgent medical care.

Orphans Program – The orphan sponsorship program provides orphans throughout the world and the vulnerable needy families of the orphans their education, health, nutrition, shelter, and other needs.

Food Basket Programs – The food basket programs include various seasonal projects that help feed needy families in many countries throughout the world. During Ramadan, the Organization distributes food baskets to poor and needy individuals and provides hot cooked meals to various communities. Additionally, the Organization partners with Islamic centers, grocery stores, and supermarkets in communities in the United States to distribute Udhiyah/Qurbani to individuals and families that may otherwise not have access to meat throughout the year. Through the Christmas and Thanksgiving programs, the Organization may also support a community event by providing a meal and gifts or may distribute food baskets for Thanksgiving to poor and homeless individuals.

Clean Water Project Programs – Through the water programs, the Organization assists communities that have little or no access to clean water by constructing water wells or providing water tanks. Water is a necessity of life needed for proper health, hygiene, and sanitation and for livestock populations.

Community Development Programs – The Organization builds community centers where community members gather for social events as well as funds small human development projects for poor families to enable them to start their own businesses to support their families.

Family Assistance Program - The family assistance program works to improve the living conditions of vulnerable single mothers and disabled heads of households in various countries, who have lost everything from the devastating impact of war and famine. Through this program, the Organization also provides winter-aid to families which may include warm blankets, winter clothes and jackets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 – NATURE OF ORGANIZATION (Continued)

In addition to contributions to the various programs, the Organization helps Muslims carry out their Zakat duties by collecting Zakat payments. The unrestricted Zakat contributions provide the Organization the ability to fund eligible programs where most needed and allows the Organization to fulfill their mission of offering humanitarian assistance to those in need.

Global Holding LLC, a limited liability company, was organized in February 2016 under the laws of the State of Michigan. Global Holding LLC ("Subsidiary") provides management services to the Organization. Life for Relief and Development, Inc. owns 100% of Global Holding LLC and accordingly, consolidates the accounts of this entity in the consolidated financial statement. All intercompany accounts and transactions between Life for Relief and Development, Inc., and Global Holding LLC are eliminated in consolidation.

The Organization receives most of its support and revenue from public contributions from individuals and businesses and through contributions of non-financial assets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") to focus on the Organization as a whole and to present transactions according to the existence or absence of donor-imposed restrictions.

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time (when applicable) or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues and support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on other assets or liabilities (when applicable) are reported as increases or decreases in net assets without donor restrictions, unless restricted by the donor or law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Cash and Cash Equivalents – The Organization considers all highly liquid investments purchased with original maturity of three months or less to be cash equivalents. The Organization maintains cash balances in various banks that at times throughout the year, may exceed federally insured limits. Management does not believe that Organization is exposed to any significant credit or other risk from such uninsured balances.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pledges Receivable – The Organization's pledges receivables are comprised primarily of amounts committed from individuals and businesses for the Organization's activities. Revenue is recognized when an unconditional promise to give is received; in the absence of such promise, revenue is recognized when the promise to give is collected. Unconditional promises to give that are expected to be collected in the future year are recorded at the present value of their estimated future cash flows. The unamortized discount represents the adjustment required to record promises to give expected to be received in future years at their present value. Amortization of the discount (when applicable) is recorded as additional contribution revenue and used in accordance with donor-imposed restrictions over the period of the promise to give.

Pledges receivable are recorded at the amount the Organization expects to collect from outstanding balances. Management of the Organization records an estimate for uncollectible accounts and writes off balances deemed uncollectible. The allowance for doubtful accounts was $123,662 at December 31, 2025.

Property and Equipment – Purchased property and equipment with a useful life in excess of one year is capitalized at cost. Major improvements are capitalized while ordinary maintenance and repairs are expensed. Donations of property and equipment are capitalized at their estimated fair value at the date contributed. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as contributions with donor restrictions. 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. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment is depreciated using the straight-line method over the estimated useful lives. Depreciation expense for the year ended December 31, 2025 was $43,065.

Contributions –Unconditional contributions are recorded as support at fair value in the year a donation is received from the donor. Unconditional contributions with donor-imposed restrictions are reported at net assets with donor restrictions. When the stipulated purpose has been met, the contribution is reported as net assets without restrictions. Contributions of assets other than cash are recorded at their estimated fair value.

Contributed Non-Financial Assets – Donated goods for use by the Organizations to support their mission are recorded as contributed non-financial assets at their estimated fair value, based on independent supplier quotations. Donated goods held at a public warehouse utilized by the Organization are recorded as inventory at estimated fair value until the donated items are distributed for program use. When the donated goods are shipped to the recipient, the contributed non-financial assets expense is recorded. Donated goods are used exclusively for the Organization's humanitarian assistance programs. See Note 4.

Contributed Services – The Organization records the fair value of contributed services in the consolidated financial statements if the services either (a) create or enhance a non-financial asset or (b) require specialized skills, are provided by persons possessing those skills and would need to be purchased if they were not donated. No amounts have been reflected in the consolidated financial statements for contributed services since contributed services received do not meet the criteria for recognition.

Functional Expense – The Organization accumulates and reports its expenses by function as for program services, management and general activities, or fundraising purposes. Program services are activities that fulfill the purposes or mission of the Organization. Management and general activities include insurance, professional fees, and utilities and certain other costs other than the direct cost for program services.

Fundraising and Cost Allocations – The Organization solicits funds for ongoing operations from community groups, businesses, and individuals. Fundraising expenses are based on actual amounts paid and percentage of time allocated as it relates to payroll related costs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fundraising and Cost Allocations (continued) – The consolidated financial statements also report certain categories of expenses that are attributable to more than one program or supporting services. Therefore, these expenses require allocation on a reasonable basis using a cost allocation method which primarily is based on a percentage of revenue as determined by management. Although the methods of allocations used are considered reasonable, other methods could be used that would produce a different amount.

Leases - The Organization determines if an arrangement is a lease at inception and accounts for leases under Accounting Standards Codification ("ASC") Topic 842 ("ASC 842"), Leases. Lease liabilities are recognized at the commencement date based upon the present value of the remaining future minimum lease payments over the lease term using the Organization's incremental borrowing rate. The lease right-of-use assets are initially measured at the carrying amount of the lease liability and adjusted for any prepaid or accrued lease payments, remaining balance of the lease incentives received and unamortized initial direct costs, or impairment charges relating to the right-of-use asset. Lease expense for minimum lease payments are recognized on straight-line basis over the lease.

ASC 842 classifies leases for lessee accounting as two types, finance leases and operating leases. Finance leases are defined as most leases other than real property. A non-property lease is considered a finance lease unless the lease term is for an insignificant part of the total economic life of the underlying asset or the present value of the lease payments is insignificant relative to the fair value of the underlying asset at commencement. Operating leases consist of mostly real property leases. A property lease is considered an operating lease unless the lease term is for the majority of the remaining economic life of the underlying asset or the present value of the lease payments accounts for substantially all of the fair value of the underlying asset at commencement. See Note 8.

Income Taxes – The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from similar state and local taxes. Although the Organization was granted an income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income". The Organization is not a private foundation.

The Organization analyzes its income tax filing positions in the federal and state jurisdictions where it is required to file income tax returns, for all open tax years in these jurisdictions, to identify any potential uncertain tax positions. The Organization treats interest and penalties attributed to income taxes, and reflects any changes for such, to the extent that they arise, as a component of its management and general expense.

The Organization concluded that there are no significant uncertain tax positions requiring recognition in the consolidated financial statements. The Organization does not expect the total amount of unrecognized tax benefits ("UTB") (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Organization does not have any amounts accrued for interest and penalties related to UTBs at December 31, 2025, and it is not aware of any claims for such amounts by federal or state income tax authorities.

For Global Holding LLC ("Subsidiary"), deferred income taxes are recognized for the tax consequences of temporary differences between the financial reporting basis and the federal income tax basis of their assets and liabilities. The accrual basis of accounting is used for financial reporting and the cash basis is used for income tax reporting. Deferred income taxes arise from temporary basis differences as a result of timing of recognition of revenue and expenses related to the accrual to cash adjustment and charitable contributions. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities. Income tax expense and deferred taxes were not significant in 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (continued) – Management of the Organization and its Subsidiary concluded that there are no significant uncertain tax positions requiring recognition in the consolidated financial statements. The Organization does not expect the total amount of unrecognized tax benefits ("UTB") (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Organization does not have any amounts accrued for interest and penalties related to UTBs at December 31, 2025, and it is not aware of any claims for such amounts by federal or state income tax authorities.

Use of Estimates – The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

Subsequent Events- In preparing the accompanying consolidated financial statements, the Organization has evaluated for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2025, the most recent consolidated statement of financial position presented herein, through November 3, 2026, the date the accompanying consolidated financial statements were available to be issued. See Note 11.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2025:

	2025	Depreciable Life - Years
Land	$ 57,750	None
Building	327,250	39
Building improvements	456,304	7-20
Furniture, fixtures and equipment	76,774	5-7
Vehicles	183,261	5
	1,101,339	
Accumulated depreciation	852,362	
	$ 248,977	

NOTE 4 – CONTRIBUTED NON-FINANCIAL ASSETS

During 2025, the Organization received contributed non-financial assets as follows:

Program Services	Contributed Non-Financial Assets	
Health and safety program	Medicine and medical supplies	$ 6,110,479
Food basket program	Food	78,926
Family Assistance program	Family assistance supplies	4,328,014
Emergency disaster relief program	Emergency disaster	4,111,401
		$ 14,628,820

The Organization received medicine and medical supplies valued at $6110,479 for the year ended December 31, 2025. The Organization values the medicine and medical supplies at fair value on the date received.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 – CONTRIBUTED NON-FINANCIAL ASSETS (Continued)

The Organization received food and supplies valued at $78,926 for the year ended December 31, 2025. The Organization values the food and supplies at fair value on the date received.

The Organization received family assistance materials and supplies valued at $4,328,014 for the year ended December 31, 2025. The Organization values the family assistance materials and supplies at fair value on the date received.

The Organization received emergency and disaster related materials and supplies valued at $4,111,401 for the year ended December 31, 2025. The Organization values the emergency and disaster related materials and supplies at fair value on the date received.

NOTE 5 – CONTRIBUTIONS

The breakdown of category of contributions for the year ended December 31, 2025, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Health and safety program	$ -	$ 56,221	$ 56,221
Educational program	-	79,022	79,022
Emergency disaster relief program	-	6,725,173	6,725,173
Orphans program	-	6,673,925	6,673,925
Food basket programs	-	1,668,143	1,668,143
Clean water project programs	-	611,420	611,420
Community development programs	-	22,992	22,992
Family assistance program	-	113,561	113,561
Contributions without donor restrictions	4,506,130	-	4,506,130
	$ 4,506,130	$ 15,950,457	$20,456,587

NOTE 6 – NET ASSETS – WITH DONOR RESTRICTIONS

Changes in net asset with donor restrictions by incurring expenses satisfying the restricted purpose is as follows for the year ended December 31, 2025:

	Beginning Balance	Additions	Releases From Restrictions	Ending Balance
Health and safety program	$ -	$ 6,166,700	$ 6,166,700	$ -
Educational program	-	79,022	79,022	-
Emergency disaster relief program	5,119,920	10,836,574	10,575,464	5,381,030
Orphans program	3,749,674	6,673,925	7,198,028	3,225,571
Food basket programs	63,596	1,747,069	1,271,259	539,406
Clean water project programs	390,056	611,420	568,615	432,861
Community development programs	-	22,992	22,992	-
Family assistance program	29,773	4,441,575	4,471,348	-
	$ 9,353,019	$ 30,579,277	$ 30,353,428	$ 9,578,868

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 7 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

Financial assets	
Cash and cash equivalents	$ 10,673,170
Pledges receivable, net of allowance	13,475
Total financial assets held by the Organization	10,686,645
Less amounts with limits on usage	
Spendable net assets with donor purpose restrictions	9,578,868
Total financial assets available for general use within one year	**$ 1,107,777**

NOTE 8 – DESCRIPTION OF LEASING ARRANGEMENTS

The Organization is headquartered in Southfield Michigan. To support the Organization with storage needs for donated goods, the Organization leases space from a public warehouse in Southfield Michigan. The rental payment for the warehouse is based on space utilized.

The Organization also leases office spaces in other states in the contiguous United States under one-year operating lease terms, most of which now being on a month-to-month basis. The monthly lease payments on these leases range from approximately $360 to $700 per month. Rent expense, which includes lease payments on the office spaces in the United States was $40,303 for the year ended December 31, 2025.

In addition, the Organization leases office space in Dubai, United Arab Emirates for its international fundraising activities. Annual rent for this office is approximately $6,260 and is included in program services.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, claims and legal action, including those involving ordinary routine litigation incidental to its business are pending, or have been asserted, against the Organization. These claims involve vendors who alleged that the Organization improperly terminated their contracts or agreements. An unfavorable outcome in a lawsuit or other litigation could adversely affect the results of the Organization's operations, financial condition, cash flows and liquidity. Even when the Organization prevails or the basis of such litigations are groundless, considerable time and resources may be needed to respond, and such lawsuits or other litigation could adversely affect the results of the Organization's operations, financial condition, and cash flows.

During July 2025, an arbitrator ruled on the above claims finding that the Organization would be required to pay $333,541 for improperly terminating their contract and additional reimbursable expenses from those vendors. The Organization filed a motion for reconsideration of the arbitrator's ruling; however, it was not successful and the Organization was required to make a total payment of $353,437 in June 2026 and the case has now been resolved. This amount has been included in accrued expenses in the consolidated statement of financial position as of December 31, 2025. The additional $19,896 has also been included the consolidated statement of functional expenses for the year ended December 31, 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 10 – RETIREMENT PLAN

The Organization has a retirement plan covering all employees who meet certain service requirements. Employees may elect to contribute a portion of their compensation on a pretax basis within the guidelines prescribed by the Internal Revenue Code (IRC). The Organization may make discretionary matching contributions to the retirement plan in an amount equal to a uniform percentage of employee's salary deferrals. The Organization retains the right to adjust the discretionary matching percentage. For the year ended December 31, 2025, Organization contributions to the retirement plan totaled $103,559 and is included in employment taxes and benefits on the consolidated statement of functional expenses.

NOTE 11 – SUBSEQUENT EVENT

Subsequent to December 31, 2025, the Organization established an Endowment based on donor's requests. The endowment program intends to create a sustainable source of support for the Organization's humanitarian and development work. Donated principal is preserved permanently, while investment income is used to fund eligible projects designated by donors. As of November 3, 2026, the report date of the consolidated financial statement, the total amount of Endowment principal funds received is $97,000.