

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond

Financial Statements
For the Years Ended December 31, 2022 and 2021

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
Financial Statements
For the Years Ended December 31, 2022 and 2021

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Independent Auditor's Report

Board of Directors
Mobile Medical Disaster Relief, Inc. dba LiveBeyond

Opinion

We have audited the financial statements of Mobile Medical Disaster Relief, Inc. dba LiveBeyond (the Organization), which comprise the statements of financial position as of December 31, 2022 and 2021, the related statements of activities, functional expenses, and cash flows for the years 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 December 31, 2022 and 2021, and the changes in its net assets and its 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 (GAAS). 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 the Organization 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 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 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.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
June 9, 2023

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond

Statements of Financial Position
December 31, 2022 and 2021

| | 2022 | 2021 |
|-----------------------------------|---------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash | \$ 1,382,817 | \$ 1,615,505 |
| Investments | 155,829 | 167,670 |
| Other assets | 120,746 | - |
| Total current assets | 1,659,392 | 1,783,175 |
| Investments | 500,000 | - |
| Property and equipment, net | 2,549,323 | 2,673,808 |
| Total assets | \$ 4,708,715 | \$ 4,456,983 |
| Liabilities and Net Assets | | |
| Current liabilities | | |
| Accounts payable | \$ 7,105 | \$ 3,587 |
| Accrued expenses | 148,697 | - |
| Total current liabilities | 155,802 | 3,587 |
| Net assets | | |
| Without donor restrictions | 4,491,868 | 4,209,516 |
| With donor restrictions | 61,045 | 243,880 |
| Total net assets | 4,552,913 | 4,453,396 |
| Total liabilities and net assets | \$ 4,708,715 | \$ 4,456,983 |

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
Statements of Activities
For the Years Ended December 31, 2022 and 2021

| | 2022 | | | 2021 | | |
|---|-------------------------------|----------------------------|---------------------|-------------------------------|----------------------------|---------------------|
| | Without donor restrictions | With donor restrictions | Total | Without donor restrictions | With donor restrictions | Total |
| Operating Activities | | | | | | |
| Support and Revenues | | | | | | |
| Contributions of cash and financial assets | \$ 779,202 | \$ 964,677 | \$ 1,743,879 | \$ 1,393,296 | \$ 336,000 | \$ 1,729,296 |
| Contributions of nonfinancial assets | | | | | | |
| Facilities and services | 34,400 | - | 34,400 | 34,400 | - | 34,400 |
| Medical and food supplies | 121,043 | - | 121,043 | 731,563 | - | 731,563 |
| Interest and dividends | - | - | - | 19,621 | - | 19,621 |
| Net assets released from restrictions | <u>1,147,512</u> | <u>(1,147,512)</u> | <u>-</u> | <u>305,546</u> | <u>(305,546)</u> | <u>-</u> |
| Total support and revenues | 2,082,157 | (182,835) | 1,899,322 | 2,484,426 | 30,454 | 2,514,880 |
| Expenses | | | | | | |
| Program services | | | | | | |
| Haiti | 1,047,235 | - | 1,047,235 | 1,638,716 | - | 1,638,716 |
| Israel | <u>272,094</u> | <u>-</u> | <u>272,094</u> | <u>24,568</u> | <u>-</u> | <u>24,568</u> |
| Total program services | 1,319,329 | - | 1,319,329 | 1,663,284 | - | 1,663,284 |
| Supporting services | | | | | | |
| Management and general | 286,840 | - | 286,840 | 229,908 | - | 229,908 |
| Fundraising | <u>181,795</u> | <u>-</u> | <u>181,795</u> | <u>126,425</u> | <u>-</u> | <u>126,425</u> |
| Total supporting services | <u>468,635</u> | <u>-</u> | <u>468,635</u> | <u>356,333</u> | <u>-</u> | <u>356,333</u> |
| Total expenses | 1,787,964 | - | 1,787,964 | 2,019,617 | - | 2,019,617 |
| Change in net assets from operations | 294,193 | (182,835) | 111,358 | 464,809 | 30,454 | 495,263 |
| Non-operating Activities | | | | | | |
| Net investment income (loss) | (11,841) | - | (11,841) | 624 | - | 624 |
| Change in net assets | 282,352 | (182,835) | 99,517 | 465,433 | 30,454 | 495,887 |
| Net assets, beginning of year | <u>4,209,516</u> | <u>243,880</u> | <u>4,453,396</u> | <u>3,744,083</u> | <u>213,426</u> | <u>3,957,509</u> |
| Net assets, end of year | \$ 4,491,868 | \$ 61,045 | \$ 4,552,913 | \$ 4,209,516 | \$ 243,880 | \$ 4,453,396 |

See notes to financial statements

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
Statement of Functional Expenses
For the Year Ended December 31, 2022

| | Program services | | | Supporting services | | | Grand total |
|-------------------------------|---------------------|-------------------|---------------------|------------------------|-------------------|-------------------|---------------------|
| | Haiti | Israel | Total | Management and general | Fundraising | Total | |
| Salaries and wages | \$ 502,417 | \$ 106,743 | \$ 609,160 | \$ 156,070 | \$ 27,365 | \$ 183,435 | \$ 792,595 |
| Employee benefits | 11,289 | 201 | 11,490 | 690 | - | 690 | 12,180 |
| Salaries, wages, and benefits | 513,706 | 106,944 | 620,650 | 156,760 | 27,365 | 184,125 | 804,775 |
| Contract and other services | 36,306 | 3,390 | 39,696 | 1,136 | 148,536 | 149,672 | 189,368 |
| Depreciation | 129,125 | - | 129,125 | - | - | - | 129,125 |
| Food distribution | 125,889 | 29,010 | 154,899 | - | - | - | 154,899 |
| Fundraising events | - | - | - | - | 2,368 | 2,368 | 2,368 |
| Haiti base | 135,538 | - | 135,538 | - | - | - | 135,538 |
| Housing services | 1,091 | - | 1,091 | - | - | - | 1,091 |
| Medical services | 4,792 | 1,357 | 6,149 | - | - | - | 6,149 |
| Miscellaneous | 2,311 | 21,116 | 23,427 | 951 | 137 | 1,088 | 24,515 |
| Office expenses | 44,555 | 3,129 | 47,684 | 17,631 | 1,700 | 19,331 | 67,015 |
| Processing fees | - | - | - | 13,741 | - | 13,741 | 13,741 |
| Professional fees | 41,851 | - | 41,851 | 26,734 | - | 26,734 | 68,585 |
| Rent | - | 15,496 | 15,496 | - | - | - | 15,496 |
| Supplies | 7,318 | 16,875 | 24,193 | 8,252 | 1,689 | 9,941 | 34,134 |
| Taxes, licenses, and fees | 1,373 | - | 1,373 | 26,014 | - | 26,014 | 27,387 |
| Travel | 3,380 | 74,284 | 77,664 | 35,621 | - | 35,621 | 113,285 |
| Utilities | - | 493 | 493 | - | - | - | 493 |
| | \$ 1,047,235 | \$ 272,094 | \$ 1,319,329 | \$ 286,840 | \$ 181,795 | \$ 468,635 | \$ 1,787,964 |

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
Statement of Functional Expenses
For the Year Ended December 31, 2021

| | Program services | | | Supporting services | | | Grand total |
|-------------------------------|---------------------|------------------|---------------------|------------------------|-------------------|-------------------|---------------------|
| | Haiti | Israel | Total | Management and general | Fundraising | Total | |
| Salaries and wages | \$ 457,384 | \$ 6,179 | \$ 463,563 | \$ 159,740 | \$ - | \$ 159,740 | \$ 623,303 |
| Employee benefits | <u>13,426</u> | <u>-</u> | <u>13,426</u> | <u>3,799</u> | <u>-</u> | <u>3,799</u> | <u>17,225</u> |
| Salaries, wages, and benefits | 470,810 | 6,179 | 476,989 | 163,539 | - | 163,539 | 640,528 |
| Contract and other services | 73,420 | - | 73,420 | 1,179 | 126,177 | 127,356 | 200,776 |
| Depreciation | 145,773 | - | 145,773 | - | - | - | 145,773 |
| Food distribution | 622,345 | 13,361 | 635,706 | - | - | - | 635,706 |
| Haiti base | 108,697 | - | 108,697 | - | - | - | 108,697 |
| Housing services | 1,899 | - | 1,899 | - | - | - | 1,899 |
| Medical services | 107,026 | - | 107,026 | - | - | - | 107,026 |
| Miscellaneous | 1,253 | - | 1,253 | - | - | - | 1,253 |
| Office expenses | 28,003 | - | 28,003 | 819 | - | 819 | 28,822 |
| Processing fees | 11,618 | 394 | 12,012 | 2,358 | - | 2,358 | 14,370 |
| Professional fees | 40,787 | - | 40,787 | 13,904 | - | 13,904 | 54,691 |
| Supplies | 13,797 | 2,382 | 16,179 | 79 | - | 79 | 16,258 |
| Taxes, licenses, and fees | 9,920 | 80 | 10,000 | 25,309 | 248 | 25,557 | 35,557 |
| Travel | <u>3,368</u> | <u>2,172</u> | <u>5,540</u> | <u>22,721</u> | <u>-</u> | <u>22,721</u> | <u>28,261</u> |
| | \$ 1,638,716 | \$ 24,568 | \$ 1,663,284 | \$ 229,908 | \$ 126,425 | \$ 356,333 | \$ 2,019,617 |

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
 Statements of Cash Flows
 For the Years Ended December 31, 2022 and 2021

| | 2022 | 2021 |
|--|---------------------|---------------------|
| Cash, beginning of year | \$ 1,615,505 | \$ 984,625 |
| Cash flows from operating activities | | |
| Change in net assets | 99,517 | 495,887 |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities: | | |
| Depreciation | 129,125 | 145,773 |
| Loss on disposal of asset | 460 | - |
| Change in fair value of investments | 29,576 | (20,490) |
| Change in: | | |
| Other assets | (120,746) | 18,826 |
| Accounts payable | 3,518 | (2,277) |
| Accrued expenses | 148,697 | (7,052) |
| Net cash provided (used) by operating activities | <u>290,147</u> | <u>630,667</u> |
| Cash flows from investing activities | | |
| Purchases of equipment | (5,100) | - |
| Purchase of investments | (588,917) | (17,136) |
| Sale of investments | 71,182 | 17,349 |
| Net cash provided (used) by investing activities | <u>(522,835)</u> | <u>213</u> |
| Net change in cash | <u>(232,688)</u> | <u>630,880</u> |
| Cash, end of year | \$ 1,382,817 | \$ 1,615,505 |

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 1. Organization and Nature of Activities

Mobile Medical Disaster Relief, Inc. dba LiveBeyond (the Organization) is a 501(c)(3) nonprofit organization that provides healthcare, education, and nutritional support to vulnerable individuals in order to foster the development of stable, healthy, and sustainable communities. The focus of operations since 2012 has centered on the LiveBeyond base in Thomazeau, Haiti. This base serves as the home for the LiveBeyond Mother & Child program, run by Haitian doctors and nurses, which serves mothers and their children through the first 1,000 days of life. It's also the base for the LiveBeyond School; the LiveBeyond Johnny's Kids program - a day school for children with mental and physical challenges; the LiveBeyond Hospital, staffed by Haitian doctors and nurses who also serve in the LiveBeyond Community Healthcare Worker program; the LiveBeyond Nutrition program - providing nutritional support and medical evaluation to the students of the Thomazeau area schools; the LiveBeyond Agricultural-Farm; and the LiveBeyond Church. In 2021, the Organization expanded operations into Israel to serve mentally and physically challenged individuals.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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

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

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

Use of Estimates

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

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing medical services and interest and dividends earned on investments. Non-operating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or non-recurring nature.

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 2. **Summary of Significant Accounting Policies**

Cash and Cash Equivalents

The Organization's cash consists of cash on deposit with banks and cash on hand. Cash equivalents represent short-term investments with original maturities of three months or less from the date of purchase, except for those amounts held in the investment portfolio which are invested for long-term purposes.

Property and Equipment

Property and equipment is stated at acquisition cost or at estimated fair value at the time of the gift, if donated. The cost of land, land improvements, property, and equipment purchased in excess of \$2,000 is capitalized. Depreciation is calculated by the straight-line method over the estimated useful life of the related assets (5 to 30 years). A gain or loss on the sale of property and equipment is reported as other revenues on the statements of activities.

Impairment of Long-lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparing the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such an asset is considered to be impaired, the impairment to be recognized is equal to the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There were no impairment charges recognized during 2022 and 2021.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of investments are recorded on a trade-date basis. Interest and dividends are recorded when received.

Fair Value Measurements

The Organization classifies its assets and liabilities measured at fair value based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available) and Level 3 (valued based on significant unobservable inputs).

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Mobile Medical Disaster Relief, Inc.
dba LiveBeyond
Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 2. **Summary of Significant Accounting Policies**

Fair Value Measurements

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Investments are classified within Level 1 where quoted market prices are available in an active market for identical assets. If quoted market prices are unavailable, fair value is estimated using quoted prices of investments with similar characteristics, and the investments are classified within Level 2.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The Organization believes its valuation method is appropriate and consistent with that of other market participants; however, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date. There have been no changes in valuation methodologies since the prior year.

Contributions of Cash and Other Financial Assets

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

Contributions of Nonfinancial Assets (New Accounting Standard Adopted in 2022)

Donated facilities and services are recognized as support if they create or enhance non-financial assets or the donated service requires specialized skills, was performed by a donor who possess such skills, and would have been purchased by the Organization if not donated. Such services are recognized at estimated fair value as support and expenses in the period the services were performed.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

A number of unpaid volunteers have made significant contributions of their time to assist the Organization in achieving its stated goals. The value of contributed time is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

Mobile Medical Disaster Relief, Inc.
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Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 2. **Summary of Significant Accounting Policies**

Functional Expenses

The costs of providing program services and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

| | Method of allocation |
|-----------------------------|-----------------------------|
| Salaries and wages | Time and effort |
| Employee benefits | Time and effort |
| Advertising | Time and effort |
| Contract and other services | Time and effort |
| Office expenses | Time and effort |
| Professional fees | Time and effort |
| Rent | Square footage |
| Supplies | Time and effort |
| Taxes, licenses, and fees | Time and effort |
| Travel | Time and effort |
| Processing fees | Time and effort |
| Miscellaneous | Time and effort |

Income Taxes

The Organization is exempt from income tax under Internal Revenue Code (IRC) section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Reclassifications

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

Mobile Medical Disaster Relief, Inc.
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Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 3. Liquidity and Availability

The following represents the Organization's financial assets at December 31:

| | 2022 | 2021 |
|---|---------------------|---------------------|
| Financial assets at year-end | | |
| Cash | \$ 1,382,817 | \$ 1,615,505 |
| Investments | <u>655,829</u> | <u>167,670</u> |
| Total financial assets at year-end | 2,038,646 | 1,783,175 |
| Less amounts not available to be used within one year | | |
| Net assets with donor restrictions | <u>(61,045)</u> | <u>(243,880)</u> |
| Financial assets available to meet general expenditures within one year | \$ 1,977,601 | \$ 1,539,295 |

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in securities and money market accounts.

Note 4. Foreign Operations and Concentration of Credit Risk

Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. The Organization operates a mission base in Haiti. The net assets in Haiti are largely uninsured. Account balances relating to foreign operations are reflected in the financial statements in United States dollars. Assets and net assets reported in the accompanying statements of financial position related to that facility as of December 31, 2022 and 2021 are as follows:

| | 2022 | 2021 |
|-----------------------------|---------------------|---------------------|
| Cash | \$ 47,066 | \$ 20,013 |
| Property and equipment, net | <u>2,547,323</u> | <u>2,673,808</u> |
| Net assets in Haiti | \$ 2,594,389 | \$ 2,693,821 |

The Organization also operates in Israel. The net assets in Israel are largely uninsured. Account balances relating to foreign operations are reflected in the financial statements in United States dollars. Assets and net assets reported in the accompanying statements of financial position related to that facility as of December 31, 2022 and 2021 are as follows:

| | 2022 | 2021 |
|-----------------------------|-----------------|-----------------|
| Cash | \$ 5,752 | \$ 1,252 |
| Property and equipment, net | <u>2,000</u> | <u>-</u> |
| Net assets in Israel | \$ 7,752 | \$ 1,252 |

Mobile Medical Disaster Relief, Inc.
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Notes to Financial Statements
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Note 4. Foreign Operations and Concentration of Credit Risk

At times, the Organization may maintain cash balances in banks in excess of the Federal Deposit Insurance Corporation (FDIC) insured limit of \$250,000. The Organization has not experienced any losses in such accounts and management believes the Organization is not exposed to any significant credit risk related to cash. At December 31, 2022 and 2021, the cash in excess of FDIC limit amounts were approximately \$1,061,000 and \$1,328,000, respectively.

At December 31, 2022, independent managers handled investments for the Organization. The investments are not insured by the FDIC or any other government agency and are subject to investment risk, including risk of loss of principal. The investments are insured by the Securities Investor Protection Corporation (SIPC), which covers a portion of investor losses, in some cases, attributable to bankruptcy or fraudulent practices of brokerage firms. Coverage is limited to \$500,000, including up to \$250,000 in cash. The SIPC does not insure against market risk.

Note 5. Investments

An analysis of the investments held as of December 31 is as follows:

| | 2022 | 2021 |
|---------------------------|-------------------|-------------------|
| Liquid money market funds | \$ 5,445 | \$ 7,093 |
| Mutual funds | 150,384 | 160,577 |
| Preferred equity | <u>500,000</u> | <u>-</u> |
| Total investments | \$ 655,829 | \$ 167,670 |

Investment activity for the years ended December 31 is summarized as follows:

| | 2022 | 2021 |
|--|--------------------|----------------|
| Net realized and unrealized gains (losses) | \$ (9,186) | \$ 2,470 |
| Investment fees | <u>(2,655)</u> | <u>(1,846)</u> |
| Net investment income (loss) | \$ (11,841) | \$ 624 |

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

The investment in JVM Preferred Equity Fund LLC 2020 Series represents a less than 20% interest in that corporation's outstanding common stock. The Organization accounts for this investment by the cost method because the common stock of that corporation is unlisted and the criteria for using the equity method of accounting are not satisfied. Return of capital is recognized in income when declared and totaled \$14,000 for the year ended December 31, 2022..

Mobile Medical Disaster Relief, Inc.
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Notes to Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 6. Fair Value Measurements

The following table presents the Organization's major categories of assets measured at fair value on a recurring basis, by level within the fair value hierarchy.

As of December 31, 2022:

| | Level 1 | Level 2 | Level 3 | Total |
|---|----------------|----------------|----------------|-------------------|
| Investments in fair value hierarchy | | | | |
| Mutual funds | \$ 150,384 | \$ - | \$ - | \$ 150,384 |
| Investments measured at NAV using practical expedient | | | | |
| Preferred equity | | | | <u>500,000</u> |
| | | | | \$ 655,829 |

As of December 31, 2021:

| | Level 1 | Level 2 | Level 3 | Total |
|--------------|----------------|----------------|----------------|--------------|
| Investments | | | | |
| Mutual funds | \$ 160,577 | \$ - | \$ - | \$ 160,577 |

The Organization uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of certain investments in private equity funds which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

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Note 7. Property and Equipment

The Organization's property and equipment consist of the following as of December 31:

| | 2022 | 2021 |
|--------------------------------|---------------------|---------------------|
| Land and land improvements | \$ 158,546 | \$ 158,546 |
| Buildings and improvements | 2,971,949 | 2,971,949 |
| Machinery and equipment | 405,799 | 405,922 |
| Vehicles and related equipment | <u>182,129</u> | <u>195,729</u> |
| | 3,718,423 | 3,732,146 |
| Less: accumulated depreciation | <u>(1,169,100)</u> | <u>(1,058,338)</u> |
| Property and equipment, net | \$ 2,549,323 | \$ 2,673,808 |

Note 8. Net Assets With Donor Restrictions

Net assets with donor restrictions were as follows as of December 31:

| | 2022 | 2021 |
|------------------------------------|------------------|-------------------|
| Specific purpose | | |
| At-risk, Haiti | \$ 61,045 | \$ 82,074 |
| At-risk, Israel | - | 45,832 |
| Other projects | <u>-</u> | <u>115,974</u> |
| Net assets with donor restrictions | \$ 61,045 | \$ 243,880 |

Note 9. Concentration of Revenue Sources

During 2022, the Organization received approximately 37% of its total revenues from a single donor. During 2021, the Organization received approximately 24% of its total revenues from in-kind donations from a single donor.

Note 10. Contributed Nonfinancial Assets

The following represents contributed nonfinancial assets:

| | 2022 | 2021 |
|------------------------|-------------------|-------------------|
| Food and nutrition | \$ 113,249 | \$ 604,396 |
| Supplies and equipment | 7,794 | 127,167 |
| Services | <u>34,400</u> | <u>34,400</u> |
| Total investments | \$ 155,443 | \$ 765,963 |

Unless otherwise noted, the Organization did not recognize any contributions of nonfinancial assets with donor-imposed restrictions.

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Note 10. Contributed Nonfinancial Assets

The contributed building will be used for general and administrative activities. In valuing the contributed building, which is located in Haiti, the Organization estimated the fair value on the basis of recent comparable sales prices in Haiti real estate market.

Contributed food was utilized in the following programs: natural disaster services, domestic community development, and services to community shelters. Contributed medical supplies were utilized in natural disaster services. In valuing food and medical supplies, the Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in Haiti.

Contributed services recognized comprise professional services from attorneys advising the Organization on various administrative legal matters. Contributed services are valued and are reported at their estimated fair value in the financial statement based on current rates for similar legal services.

Note 11. Related Party Transactions

During 2022, the Organization received approximately \$42,000 in donated services and supplies from members of the board of directors, and the Organization paid approximately \$143,000 to a company owned by a relative of a board member for marketing services.

During 2021, the Organization received approximately \$120,000 in donated services and supplies from members of the board of directors. During 2021, the Organization paid approximately \$48,000 to a relative of a board member for marketing services.

Note 12. Subsequent Events

Management has evaluated subsequent events through June 9, 2023, the date on which the financial statements were available for issuance.