

Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)

501(c)(3) PUBLIC CHARITY

FINANCIAL STATEMENTS FOR YEARS ENDED 2018 AND 2019

**(With summarized comparative financial information for the year ended
December 31, 2018, 2019)**

Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)
(With summarized comparative financial information for the year ended
December 31, 2018, 2019)

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INDEPENDENT AUDITORS' REPORT

Board of Directors

Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)
Boca Raton, Florida 33428

Report on the Financial Statements

We have audited the accompanying financial **Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)** a (501 (c) (3) nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2019, and the related statement of activities, statement of cash flows for the year ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant



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accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH) as of December 31, 2018 and 2019, 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.

Hakim & Zafar CPA's and Advisory Services
Miami, Florida
February 4, 2020

Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)
 (With summarized comparative financial information for the year ended
 December 31, 2018, 2019)

ASSETS	<u>2019</u>	<u>2018</u>
Cash and Savings	445,964	203,601
TOTAL ASSETS	<u>\$ 445,964</u>	<u>\$ 203,601</u>

NET ASSETS BALANCE		
Without Donor Restrictions	445,964	203,601
FUND BALANCE	<u>\$ 445,964</u>	<u>\$ 203,601</u>

STATEMENT OF CASHFLOWS

	<u>2019</u>	<u>2018</u>
Cashflow from Operating Activities		
Cash Received from Donations	1,260,231	449,504
Cash Paid for Fundraising Expenses	(403,384)	(153,463)
Cash paid for Program Services	(545,719)	(75,924)
Cash paid for Operating Expenses	(68,766)	(19,792)
Total Net Cash Received and Disbursed	<u>\$ 242,362</u>	<u>\$ 200,325</u>
Beginning Cash Balance	\$ 203,601	\$ 3,276
Ending Cash Balance	\$ 445,964	\$ 203,601

Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)
 (With summarized comparative financial information for the year ended
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	Without Donor Restrictions		Fiscal Year
	2019	2018	End
REVENUE AND SUPPORT			
Program Revenue			
General Donations	1,260,231	449,504	1,709,735
Total Program Income	\$ 1,260,231	\$ 449,504	\$ 1,709,735
EXPENSES			
Salaries and Taxes	(30,239)		(30,239)
Professional & Legal Svcs	(6,446)	(2,911)	(9,358)
Office Equipment	(1,711)	(2,621)	(4,332)
Rent	(11,000)	(7,900)	(18,900)
Other Admin Cost	(19,370)	(6,360)	(25,730)
Fundraising Expenses			
Fundraising & Other	(403,384)	(153,463)	(556,846)
Program Related Expenses			
Program funding	(545,719)	(75,924)	(621,643)
Total Expenses	\$ (1,017,869)	\$ (249,179)	\$(1,267,047)
NET ACTIVITY CURRENT YEAR	\$ 242,362	\$ 200,325	\$ 442,687

**Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)
(With summarized comparative financial information for the year ended
December 31, 2018, 2019)**

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH), is a 501(c)(3) Public Charity not for profit organization dedicated to providing aid and support to people in need.

"Brighten a life, change a world " is a philosophy of BASMAH. Its vision is to empower people and enable them to help themselves and their communities. Its projects are developed with the hope of long- term growth for communities all over Bangladesh. It believes as we empower as many individuals as possible by brightening their lives through better opportunities each of these empowered can then brighten the lives of those around them, changing their world. All its projects are currently focused in Bangladesh.

A summary of Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH) significant programs follows:

Supported Programs

Medical Camp and Medicine Distribution: Several medical camps have been established in Rohingya Refugee Camps, Cox Bazaar, in Bangladesh. Everyday hundreds of patients are being treated in each medical camp overseen by qualified doctors, staff members and volunteers. All patients are provided with primary medical care, medicine, urgent care, health advice and so much more.

Children Care & Learning Center: Education paves the way to a brighter future for children whereby they will have the ability to be empowered in a more established career where they can begin their lives smoothly and support their families financially. Numerous children learning centers have been established that are spread out through the Rohingya refugee camp which provide a safe place for kids to learn and grow. The centers strive to provide them with the skills needed to obtain a successful life. Everyday more than 400 students are attending these centers.

Disaster Relief: Disaster relief services are being provided to Bangladesh which is often affected by extreme climatic conditions like floods and cyclones. The destruction by these climatic events ravages the homes and businesses of the various towns and villages. A multitude of raw materials, raw products like crops are lost in addition to the casualties of lost lives. Emergency relief like healthy food and clean water have been distributed to the victims.

Sewing Machine Training and Distribution: Skill training and women empowerment centers have been set up with distribution of sewing machine to needy women in Bangladesh. This dual- prolonged approach, providing free machines as well as three months of training that empower the women to create a stream of income for themselves and their families.

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Clean Water Project: It is very challenging to acquire secure water sources for the needy and poor people. Basmah has set up several clean water facilities through digging bore wells and setting up the proper infrastructure for water distribution and cleaning. To assure a stable source of clean water Basmah has been maintaining these wells to the best of its ability. Hundreds of families in Rohingya camps and local communities are benefiting from this water supply source.

Accounting Method

Meer Foundation uses the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

Tax Exempt Status

BASMAH is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to Meer Foundation's tax-exempt purpose is subject to taxation as unrelated business income. For the years ended December 31, 2019 and 2018, there was no unrelated business income.

Cash and Cash Equivalents

For purposes of the statements of cash flows, **BASMAH** considers all highly liquid investment instruments purchased with an original maturity of three months or less to be cash equivalents. The foundation had over \$445,963 and \$203,600 at year end December 31 2019 and 2018.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Bangladesh American Society of Muslim Aid for Humanity Inc. (BASMAH)
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Basis of Presentation

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of contributions with donor-imposed restrictions. The net assets of BASMAH are reported in each of the following three classes: (a) With Donor Restrictions and (b) Without Donor Restrictions. Accordingly, net assets are classified and reported as follows:

Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations. Board designated or appropriated amounts are legally unrestricted and therefore reported as part of the unrestricted class.

With Donor Restrictions - Net assets from contributions subject to donor-imposed stipulations, which are permanent or temporary in nature, prohibiting expenditure of the assets pledged or donated. Typically, the income earned on invested balances of permanently restricted net assets is reported as part of unrestricted net assets unless the donor specifically limits the use of such income.

Donor Restrictions

All donor-restricted support is reported as an increase in With Donor Restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), With Donor Restricted net assets are reclassified to Without Donor Restricted net assets and reported on the Statements of Activities as net assets released from restrictions.

NOTE 2 CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject to concentrations of credit risk include cash deposits with commercial banks. BASMAH's cash management policies limit its exposure to concentrations of credit risk by maintaining cash accounts at financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Cash deposits may, however, exceed the FDIC insurable limits at times throughout the year. Management does not consider this a significant concentration of credit risk.

NOTE 3 SUBSEQUENT EVENTS

BASMAH has evaluated subsequent events for potential required disclosure through February 4th, 2020, which is the date financial statements were available to be issued.