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**Financial Statements  
As of June 30, 2022 and 2021  
and for the Fiscal Years Then Ended**

**Together with Independent Accountants' Review Report**



**MELLOR & ASSOCIATES PLLC**  
EXPERIENCED, MULTI-TOOLED PROFESSIONALS

6589 S 1300 E Ste 120  
Murray, UT 84121  
Phone: 801-750-0605  
Fax: 801-326-4730

To the Board of Directors  
Ouelessebougou Alliance

**Independent Accountants' Review Report**

We have reviewed the accompanying financial statements of Ouelessebougou Alliance (a not-for-profit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**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.

**Independent Accountants' Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Ouelessebougou Alliance and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

**Independent Accountants' Conclusion**

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Mellor and Associates PLLC*

Mellor and Associates, PLLC  
Murray, Utah  
November 22, 2022

**Ouelessebouyou Alliance**  
**Statements of Financial Position**  
**As of June 30,**

<u><b>Assets</b></u>	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 267,079	\$ 229,544
Receivables	190	33,029
Property and equipment, net	15,663	20,348
Total assets	\$ 282,932	\$ 282,921
<u><b>Liabilities and Net Assets</b></u>		
Liabilities:		
Accounts payable	\$ 1,373	\$ -
Accrued liabilities	10,912	8,612
Paycheck protection program loan	-	17,479
Total liabilities	10,912	26,091
Net assets:		
Net assets without donor restrictions	167,524	172,326
Net assets with donor restrictions	104,496	84,504
Total net assets	272,020	256,830
Total liabilities and net assets	\$ 282,932	\$ 282,921

See accompanying notes to financial statements and independent accountants' review report.

**Ouelessebouougou Alliance**  
**Statement of Activities and Change in Net Assets**  
**Fiscal year Ended June 30, 2022**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Revenues, gains, and other support:			
Private donations	\$ 203,508	\$ 93,313	\$ 296,821
In-kind donations (regular)	276,347	-	276,347
Less: special event expenses	(72,814)	-	(72,814)
Interest income	1,030	-	1,030
	408,071	93,313	501,384
Total revenue			
Net assets released from restrictions	73,321	(73,321)	-
	481,392	19,992	501,384
Total revenues, gains, and other support			
Expenses:			
Program services	443,410	-	443,410
Supporting services:			
Management and general	39,818	-	39,818
Fundraising	30,813	-	30,813
	514,041	-	514,041
Total expenses			
Other Income:			
Paycheck Protection Program forgiveness	17,479	-	17,479
Employee Retention Credit	8,099	-	8,099
Other income	896	-	896
	26,474	-	26,474
Total other income			
Change in net assets	(6,175)	19,992	13,817
	172,326	84,504	256,830
Net assets, beginning of the year			
Net assets, end of the year	\$ 166,151	\$ 104,496	\$ 270,647

See accompanying notes to financial statements and independent accountants' review report.

**Ouelessebouyou Alliance**  
**Statement of Activities and Change in Net Assets**  
**Fiscal year Ended June 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Private donations	\$ 257,218	\$ 230,661	\$ 487,879
In-kind donations (regular)	215,980	-	215,980
Less: special event expenses	(14,577)	-	(14,577)
Interest income	28	-	28
	<hr/>	<hr/>	<hr/>
Total revenue	458,649	230,661	689,310
Net assets released from restrictions	<hr/>	<hr/>	<hr/>
	151,878	(151,878)	-
	<hr/>	<hr/>	<hr/>
Total revenues, gains, and other support	610,527	78,783	689,310
Expenses:			
Program services	510,167	-	510,167
Supporting services:			
Management and general	40,828	-	40,828
Fundraising	26,327	-	26,327
	<hr/>	<hr/>	<hr/>
Total expenses	577,322	-	577,322
Other Income:			
Paycheck Protection Program forgiveness	25,300	-	25,300
Employee Retention Credit	32,316	-	32,316
	<hr/>	<hr/>	<hr/>
Total other income	57,616	-	57,616
Change in net assets	<hr/>	<hr/>	<hr/>
	90,821	78,783	169,604
	<hr/>	<hr/>	<hr/>
Net assets, beginning of the year	81,505	5,721	87,226
Net assets, end of the year	<hr/>	<hr/>	<hr/>
	\$ 172,326	\$ 84,504	\$ 256,830

See accompanying notes to financial statements and independent accountants' review report.

**Ouelessebouyou Alliance**  
**Statements of Cash Flows**  
**Fiscal Years Ended June 30,**

	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities:</b>		
Increase (decrease) in net assets	\$ 15,190	\$ 169,604
Adjustments to reconcile increase (decrease) in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation	4,685	3,052
Paycheck Protection Program loan forgiveness	(17,479)	(25,300)
Change in assets and liabilities:		
Accounts Receivable	32,839	(33,029)
Accrued expenses	2,300	(612)
Net cash and cash equivalents provided by (used in) operating activities	37,535	113,715
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	-	(8,780)
Net cash and cash equivalents used in investing activities	-	(8,780)
<b>Cash flows from financing activities:</b>		
Proceeds from Paycheck Protection Program loan	-	17,479
Net cash and cash equivalents provided by (used in) financing activities	-	17,479
Net change in cash and cash equivalents	37,535	122,414
Cash and cash equivalents at beginning of the year	229,544	107,130
Cash and cash equivalents at end of the year	\$ 267,079	\$ 229,544
<b>Supplemental disclosure of cash flow information:</b>		
Donation of property and equipment	\$ 8,780	\$ -

See accompanying notes to financial statements and independent accountants' review report.

## Ouelessebouyou Alliance

### Notes to Financial Statements

#### Note 1 - Organization and Summary of Significant Accounting Policies

**Organization** - Ouelessebouyou Alliance (the Organization) (organized in 1986) is a nonprofit organization organized to assist the people of the Ouelessebouyou region in Mali, West Africa through a long-term development relationship. The Organization's purpose is two-fold: 1) to work in partnership with village citizens to achieve their economic, health care, and education objectives, and 2) to provide the opportunity for both cultures to learn from other's family and social relationships.

The Organization's activities are located primarily in the Ouelessebouyou region of Mali, West Africa. The Organization has employees in both Salt Lake City, Utah and employees in Mali, West Africa.

**Property and Equipment** - Property and equipment purchased by the Organization are capitalized at cost. The fair value of donated furniture and equipment is similarly capitalized. Depreciation expense is computed on the straight-line basis over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the statement of activities for the period. Expenditures for maintenance and repairs are charged to expense as incurred.

**Cash and Cash Equivalents** - The Organization considers all highly liquid investments with original maturities to the Organization of three months or less to be cash equivalents. As of June 30, 2022 and 2021, these cash equivalents consisted of money market funds.

#### **Basis of Accounting and Financial Statement Presentation**

The Organization prepares its financial statements on the accrual basis of accounting and follows accounting principles generally accepted in the United States of America (US GAAP) for not-for-profit organizations. The Organization reports information regarding its financial position according to the following net asset classifications, as applicable:

**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 Board of Directors.

**Net assets with donor restrictions:** Net assets subject to restrictions 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, where the donor stipulates the funds be maintained in perpetuity. The Organization has elected to classify donations received with donor restrictions for which the restriction was met in the same fiscal years as being "without donor restrictions" given that the purpose restriction was satisfied in the same fiscal year.

As of June 30, 2022 and 2021, the Organization had \$104,496 and \$84,504, respectively, of net assets with donor restrictions (Note 8).

**Net Assets, Without Donor Restrictions** – Net assets available for use in general operations. Unrestricted board-designated net assets consist of net assets designated by the Board of Directors for operating reserve and board-designated endowment.

**Net Assets, With Donor Restrictions** – Net assets subject to donor restrictions that may or will be met by expenditures or our actions and/or the passage of time, and certain income earned on permanently restricted net assets that has not yet been appropriated for expenditures by our Board of Directors.

The Organization reports contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated restriction ends or purpose restriction is accomplished, net assets, with donor restrictions are classified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Ouelessebougou Alliance**  
**Notes to Financial Statements**

**Note 1 -  
Organization and  
Summary of  
Significant  
Accounting  
Policies  
(continued)**

**Revenue and Revenue Recognition** - Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

**Donated Services and In-Kind Contributions** - Volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The Organization records donated professional services at the respective fair values of the services received (Note 9).

**Functional Allocation of Expenses** - The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Income Taxes** - The Organization is organized as a Utah nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifying for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Section 509(a)(1). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The Organization has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Organization believes they have appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

**Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

**Recent Accounting Pronouncements** - In February 2016 the FASB issued ASU 2016-02 (Topic 842): Leases. This ASU requires a lessee to recognize a right-of-use asset and a lease liability for most leases in its balance sheet. The standard requires leases to be initially measured at the present value of lease payments, for all leases with a term greater than 12 months. This standard is applicable for the Organization beginning in the 2023 fiscal year. Management is currently evaluating the effect the ASU will have on the Organization's financial statements.

The Organization does not believe there are any other recently issued accounting standards that have not yet been adopted that will have a material impact on the Organization's financial statements.

**Note 2- Liquidity  
and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position comprise the following as of June 30, 2022 and 2021:

	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 267,079	\$ 229,544
Add accounts receivable	190	33,029
Less donor restricted cash and cash equivalents	(104,496)	(84,504)
	\$ 162,773	\$ 178,069



## Ouelessebougou Alliance

### Notes to Financial Statements

**Note 2- Liquidity and Availability (continued)**

The Organization primarily relies on donations and secondarily on other revenue sources to fund its operations. The Organization's management monitors its liquidity and cash flow needs through the use of a budget and projections to help ensure that cash inflows are sufficient to cover projected cash outflows. The accompanying statement of cash flows identifies the sources and uses of the Organization's cash and the positive cash flows generated from operating activities during the year ended June 30, 2022 and 2021, totaling \$37,535 and \$113,715, respectively.

**Note 3- Property and Equipment**

Property and equipment consisted of the following at June 30,:

	2022	2021
Vehicles	29,280	\$ 29,280
Equipment	3,005	3,005
Property and equipment, gross	32,285	32,285
Less: accumulated depreciation	(16,622)	(11,937)
Property and equipment, net	\$ 15,663	\$ 20,348

Depreciation expense for the fiscal years ended June 30, 2022 and 2021 was \$4,685 and \$3,052, respectively.

**Note 4- Accrued Liabilities**

Accrued liabilities consisted of the following at June 30,:

	2022	2021
Accrued compensation	\$ 3,802	\$ 5,699
Payroll tax liabilities	6,332	2,913
Other accrued expenses	778	-
Total	\$ 10,912	\$ 8,612

**Note 5 - Payroll Protection Program Loan**

The Organization received a first draw "Payroll Protection Program Loan" established by the CARES Act, from the SBA in April of 2020 as part of the CARES act. Under the terms of the loan, the Organization had the opportunity to, and anticipates receiving, full "forgiveness" of this loan provided it is spent for the purposes outlined by the Act. The Organization received full forgiveness of the first draw Payroll Protection Program loan on May 1, 2021 for the amount of \$25,300. A second draw Payroll Protection Program loan was issued on February 22, 2021 in the amount of \$17,479. The Organization received full forgiveness of the second draw Payroll Protection Program loan in December 2021. The forgiveness amount was included in other income, no interest was accrued for the loan.

**Note 6 - Leases**

During the year ended June 30, 2022, the Organization leased its facility from Professional Plaza LLC. Annual rent during the current fiscal year was approximately \$900 monthly. The lease term ends in February 2023, but the building was demolished, and the Company was released from the lease as of June 30, 2022.

During the year ended June 30, 2022, the Organization leased a storage unit beginning June 1, 2022 for \$142 per month. The lease is on a month to month basis after the first 30 days, and the Organization needs to provide written notice ten days prior to the end of the current month to terminate the agreement.

**Note 7- Line of Credit**

The Organization had an unsecured revolving line of credit with total available borrowings of \$45,000 with a variable interest rate of prime plus two percent. As of June 30, 2022, the interest rate was 6.75 percent. As of June 30, 2022 and 2021, there was no outstanding balance.

**Note 8 - Net Assets, With Donor Restrictions**

Net assets with donor restrictions consisted of the following as of June 30:

	2022	2021
Education - General	\$ 2,495	\$ 8,540
Health - Immunizations	56	3,648
Health - Mosquito Netting	102	102
Health - General	9,332	5,788
Malaria Prevention	61,705	64,116
Economic Development	7,100	-
Nutrition - Food relief	6,252	-
Other	17,454	2,310
	\$ 104,496	\$ 84,504

**Ouelessebougou Alliance**  
**Notes to Financial Statements**

**Note 9- Donated Professional Services and Materials**

The Organization received donated professional services and materials as follows during the fiscal years ended June 30, 2022 and 2021:

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
<u>June 30, 2022</u>				
Physician services and medical	\$ 231,691	\$ -	\$ -	\$ 231,691
Other	600	-	44,051	44,651
	<u>\$ 232,291</u>	<u>\$ -</u>	<u>\$ 44,051</u>	<u>\$ 276,342</u>
<u>June 30, 2021</u>				
Physician services and medical	\$ 214,931	\$ -	\$ -	\$ 214,931
Other	1,049	900	-	1,949
	<u>\$ 215,980</u>	<u>\$ 900</u>	<u>\$ -</u>	<u>\$ 216,880</u>

**Note 10 - Concentration**

The majority of the Organization's operations are carried out in Mali. The foreign operations of the Organization are regulated and subject to the administrative directives, rules and regulations of the local and national governmental authorities of Mali. Such administrative directives, rules, and regulations are subject to change by the same governmental authorities and such changes may occur with little or no notice and could have a significant impact on the Organization.

**Note 11 - Board Member Donations**

During fiscal years ending June 30, 2022 and 2021 members of the Organization's Board of Directors collectively contributed \$32,623 and \$86,858, respectively, in monetary donations to the Organization.

**Ouelessebougou Alliance**  
**Notes to Financial Statements**

**Note 13 -  
Expenses  
Classified by  
Function and  
Nature**

**Expenses Classified by Function and Nature** - The costs of program and supporting services are summarized below by both their respective natural and functional classifications for the fiscal years ending June 30, 2022 and 2021. These costs have been consistently allocated on a reasonable basis of estimates of time and effort expended among program and supporting services functions.

Fiscal Year Ended June 30, 2022	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries and related expenses:				
Salaries, benefits and taxes	\$ 113,419	\$ 19,324	\$ 25,101	\$ 157,844
Other expenses:				
Accounting	2,540	3,175	635	6,350
Automobile	5,961	-	-	5,961
Community outreach	2,818	-	-	2,818
Depreciation	4,685	-	-	4,685
Health training&materials	202,889	-	-	202,889
Insurance	2,759	1,138	285	4,182
Banking fees	157	240	2,782	3,179
Medical services&supplies	74,495	-	-	74,495
Miscellaneous	3,173	4,745	531	8,449
Newsletter and printing	5,774	136	300	6,210
Office supplies and postage	8,567	3,524	-	12,091
Parking and utilities	1,368	-	-	1,368
Rent	6,057	7,211	1,109	14,377
Repairs and maintenance	2,634	-	-	2,634
Special events	7,281	340	65,193	72,814
Telephone	920	176	-	1,096
Travel	5,194	150	70	5,414
	<u>450,691</u>	<u>40,159</u>	<u>96,006</u>	<u>586,856</u>
Less expenses included in revenues on the statement of activities:	<u>(7,281)</u>	<u>(340)</u>	<u>(65,193)</u>	<u>(72,814)</u>
Total expenses included in the expense section on the statement of activities	<u>\$ 443,410</u>	<u>\$ 39,819</u>	<u>\$ 30,813</u>	<u>\$ 514,041</u>
In-kind donations, not included in revenues on statement of activities	<u>(232,291)</u>	<u>-</u>	<u>-</u>	<u>(232,291)</u>
Expenses net of in-kind donations	<u>\$ 211,119</u>	<u>\$ 39,819</u>	<u>\$ 30,813</u>	<u>\$ 281,750</u>

**Ouelessebouyou Alliance**  
**Notes to Financial Statements**

**Note 13 -  
Expenses  
Classified by  
Function and  
Nature  
(continued)**

Fiscal Year Ended June 30, 2021	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries and related expenses:				
Salaries, benefits and taxes	\$ 125,250	\$ 26,921	\$ 23,832	\$ 176,003
Other expenses:				
Health training and materials	227,944	900	-	228,844
Special events	1,286	-	11,578	12,864
Medical services and supplies	84,090	-	-	84,090
Rent	7,274	5,819	1,455	14,548
Travel	21,372	-	-	21,372
Accounting	1,950	1,560	390	3,900
Newsletter and printing	1,054	-	351	1,405
Telephone	2,849	1,461	-	4,310
Miscellaneous	28,872	4,119	1,111	34,102
Depreciation	3,052	-	-	3,052
Mosquito netting	4,130	-	-	4,130
Office supplies and postage	205	-	205	410
Repairs and maintenance	35	-	-	35
Community Outreach	-	-	1,983	1,983
Parking and utilities	803	-	-	803
Interest	-	47	-	47
	510,166	40,827	40,905	591,898
Less expenses included in revenues on the statement of activities:				
Costs of direct benefits to donors	-	-	(14,577)	(14,577)
	510,166	40,827	26,328	577,321
In-kind donations	\$ (215,980)	\$ (900)	\$ -	\$ (216,880)
Expenses net of in-kind donations	\$ 294,186	\$ 39,927	\$ 26,328	\$ 360,441

**Note 14 -  
Subsequent  
Events**

The Organization has evaluated its June 30, 2022 financial statements for subsequent events through November 22, 2022, the date the financial statements were available to be issued. The Organization is not aware of any subsequent event which would require recognition or disclosure in the financial statements.