

ALLIANCE FOR AFRICAN ASSISTANCE, INC.

Audited Financial Statements

JUNE 30, 2021

FINANCIAL STATEMENTS

ALLIANCE FOR AFRICAN ASSISTANCE, INC.

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**FINANCIAL
INFORMATION**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Alliance for African Assistance, Inc.
San Diego, California

I have audited the accompanying financial statements of Alliance for African Assistance, Inc., which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, changes in net assets, and cash-flows for the year then 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alliance for African Assistance, Inc. as of June 30, 2021, 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated December 13, 2021, on my consideration of Alliance for African Assistance, Inc.'s internal control over financial reporting and on my test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alliance for African Assistance, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with government auditing standards in considering Alliance for African Assistance, Inc.'s internal control over financial reporting and compliance.

Clifford R. Benn, CPA

Carson, California
December 13, 2021

ALLIANCE FOR AFRICAN ASSISTANCE, INC.

Statement of Financial Position

June 30, 2021

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTED</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and Cash Equivalents (Notes 5)	\$ 844,301	\$ 12,206	\$ 856,507
Grants and Contracts Receivable, Net	297,439		297,439
Prepaid Expenses	15,710		15,710
Due From Affiliate	53,503		53,503
Other Receivables	18,530		18,530
Property, Furniture, and Equipment (Notes 2 and 4)	3,094,231		3,094,231
Deposits	6,531		6,531
Interfund Transfers	<u>(54,239)</u>	<u>54,239</u>	<u>-</u>
 Total Assets	 <u>\$ 4,276,006</u>	 <u>\$ 66,445</u>	 <u>\$ 4,342,451</u>
<u>LIABILITIES</u>			
Accounts Payable and Other Accrued Expenses	\$ 156,776		\$ 156,776
Deferred Revenue	-	\$ 21,889	21,889
Accrued Vacation Pay (Note 12)	23,641		23,641
Tenant Security Deposits	1,800		1,800
Lease Payable	16,892		16,892
Mortgages and Loans Payable (Note 10)	<u>1,539,830</u>		<u>1,539,830</u>
 Total Liabilities	 <u>1,738,939</u>	 <u>21,889</u>	 <u>1,760,828</u>
<u>NET ASSETS</u>			
Without donor restrictions	2,537,067		2,537,067
With donor restrictions		<u>\$ 44,556</u>	<u>44,556</u>
 Total Net Assets	 <u>2,537,067</u>	 <u>44,556</u>	 <u>2,581,623</u>
 Total Liabilities and Net Assets	 <u>\$ 4,276,006</u>	 <u>\$ 66,445</u>	 <u>\$ 4,342,451</u>

See Accompanying Notes and Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.

Statement of Activity

For the Year Ended June 30, 2021

	<u>TOTAL</u>	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTED</u>
REVENUE AND SUPPORT			
Contract Services	\$ 811,717	\$ 674,949	\$ 136,768
Client Fees	1,209,375	1,209,375	
Thrift Store Sales	281,125	281,125	
Rental Income	79,800	79,800	
Other Revenue	26,571	26,571	
Contributions	153,021	127,017	26,004
Investment Income	2,644	2,644	
Fundraising Income	19,916		19,916
Other Support	176,208	176,208	
	<u>2,760,377</u>	<u>2,577,689</u>	<u>182,688</u>
SUB-TOTAL REVENUES AND SUPPORT	2,760,377	2,577,689	182,688
Net Assets Released From Restrictions	<u>-</u>	<u>182,718</u>	<u>(182,718)</u>
TOTAL REVENUE AND OTHER SUPPORT	2,760,377	2,760,407	(30)
EXPENSES			
General Services	1,406,136	1,406,136	
Sub-Contract Services	545,702	545,702	
Direct Contract Services	498,012	498,012	
Management and General	287,692	287,692	
	<u>2,737,542</u>	<u>2,737,542</u>	<u>-</u>
TOTAL EXPENSES	2,737,542	2,737,542	-
INCREASE IN NET ASSETS	<u>\$ 22,835</u>	<u>\$ 22,865</u>	<u>\$ (30)</u>

See Accompanying Notes And Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Functional Expenses
For the Year Ended June 30, 2021

	Program Services			Supporting Services	Total
	General Services	Sub Contract Services	Direct Contract Services	Management and General	
PERSONNEL EXPENSES:					
Salaries	\$ 146,602	\$ 294,163	\$ 182,067	\$ 8,070	\$ 630,902
Payroll Protection Plan Wages				175,000	175,000
Payroll Taxes	30,894	25,933	14,970	653	72,450
Other Employee's Benefits	179,899	50,225	62,440	(1,035)	291,529
Total Personnel Expenses	<u>357,395</u>	<u>370,321</u>	<u>259,477</u>	<u>182,688</u>	<u>1,169,881</u>
OPERATING EXPENSES:					
Bad Debt Expenses	22,189			(2,740)	19,449
Bank Charges	10,271	281	15	526	11,093
Communications	7,861	5,892	3,208	1,447	18,408
Conferences and Workshops	90	115		30	235
Contract Services				13,153	13,153
Depreciation	8,925	4,877		44,096	57,898
Direct Client Assistance		81,153	192,769		273,922
Donations	170,031			5,469	175,500
Dues and Subscription				2,286	2,286
Insurance	18,925	15,631	3,986	12,363	50,905
Interest Expense				38,779	38,779
Interpretation Services	669,232	125	1,277		670,634
Mileage		1,952			1,952
Other Expenses	5,885	927	533	6,216	13,561
Postage	4,424				4,424
Printing	184	734	605	275	1,798
Professional Fees - Legal				4,150	4,150
Professional Fees - Other	3,465	4,991	3,491	1,328	13,275
Rental Expenses				1,380	1,380
Repairs & Maintenance	2,603	1,899	275	1,643	6,420
Space Costs	79,478	18,432	22,885	(49,132)	71,663
Supplies	5,368	18,247	4,416	100	28,131
Taxes, Licenses and Permits	1,867			7,643	9,510
Taxes, Real Property				13,747	13,747
Transportation Expense	7,570	12,307	745		20,622
Utilities	30,373	7,818	4,330	2,245	44,766
Total Operating Expenses	<u>1,048,741</u>	<u>175,381</u>	<u>238,535</u>	<u>105,004</u>	<u>1,567,661</u>
TOTAL PROGRAM EXPENSES	<u><u>\$ 1,406,136</u></u>	<u><u>\$ 545,702</u></u>	<u><u>\$ 498,012</u></u>	<u><u>\$ 287,692</u></u>	<u><u>\$ 2,737,542</u></u>

See Accompanying Notes and Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Statement of Change in Net Assets
June 30, 2021

	<u>TOTAL</u>	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTED</u>
NET ASSETS, June 30, 2020	\$ 2,558,788	\$2,514,202	\$44,586
Plus:			
Increase in Net Assets	<u>22,835</u>	<u>22,865</u>	<u>(30)</u>
NET ASSETS, June 30, 2021	<u><u>\$ 2,581,623</u></u>	<u><u>\$ 2,537,067</u></u>	<u><u>\$ 44,556</u></u>

See Accompanying Notes and Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Statement of Cash Flows
June 30, 2021

Cash Flow From Operating Activities:

Increase in Net Assets	\$ 22,835
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	57,898
Increase in grants and contracts receivable	(63,283)
Increase in other receivables	(3,450)
Decrease in prepaid expenses	285
Increase in accounts payable and accrued expenses	38,960
Decrease in accrued vacation	(5,388)
Increase in deferred revenue	4,348
Non-cash PPP loan forgiveness	<u>(175,000)</u>
Total adjustments	<u>(145,630)</u>
Net cash flow consumed by operating activities	<u>(122,795)</u>

Cash Flow From Financing Activities

Principal payments on Lease payable	(4,976)
Proceeds from PPP loan	163,435
Principal payments on loans payable	<u>(50,360)</u>
Net cash provided by financing activities	<u>108,099</u>

Cash Flow From Investing Activities

Advances made to AHC	(6,694)
Investment in construction in process	<u>(86,484)</u>
Net cash consumed by investing activities	<u>(93,178)</u>

Net increase in cash	(107,874)
Cash and cash equivalents at June 30, 2020	<u>964,381</u>
Cash and cash equivalents at June 30, 2021	<u><u>\$ 856,507</u></u>

SUPPLEMENTAL DISCLOSURE:

1. During the year, the agency paid a total of \$75,875 in interest.

See Accompanying Notes and Auditor's Report

**ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1: NATURE OF BUSINESS

Alliance for African Assistance, Inc. (AAA) is a private non-profit corporation. The corporation is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code and similar California State law. AAA's primary mission is to provide aid to refugees and welfare recipients in the San Diego, California, area. The organizations services encompass daily living assistance, education support, job training and placement, and community outreach services. AAA is supported primarily by various governmental grants, subcontracting with other nonprofits, and interpretation/translation services.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Depreciation

Land, buildings and equipment are reported in the statement of financial position at cost, if purchased, and at estimated fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of \$1,000 or more and a useful life, when acquired, of more than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows (See note 4):

Buildings and improvements	10-40 years
Leasehold improvements	15 years, or remaining lease Term, if shorter
Furniture and Equipment	3-10 years
Equipment used under capital Leases	5-7 years
Vehicles	5-10 years

B. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

C. Contributed Services

AAA receives a substantial number of donated services in carrying out its objectives. No amounts have been reflected in the financial statements for those services because the criteria for recognition were not met.

See Accompanying Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. Accounting Method

The accompanying financial statements have been prepared using the accrual method of accounting, which reflects revenues and expenditures in the accounts in the period in which they are considered earned and incurred. Donations and pledges are recognized when the donor or grantor makes an unconditional promise to give to the organization. The significant accounting and reporting policies followed are described below to enhance the usefulness of the financial statements to the reader:

Functional Allocation of Expenses – the costs of providing program services and the general administrative activities of AAA have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Fund Accounting – AAA receives a significant portion of its revenue in the form of restricted contracts and grants for program operations. To ensure observance of limitations and restrictions placed on the use of resources available to AAA, accounts are maintained in accordance with the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund.

General and Management Fund – this fund is used to account for all resources over which the governing board has discretionary control to use in carrying on the general operations of the organization. Contributions and activities for general purposes are all accounted for in this fund.

E. Display of Net Assets by Class

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Without Donor Restrictions (General and Administrative Fund) – This fund is used to account for all resources over which the governing board has discretionary control to use in carrying on the general operations of the organization. Contributions and activities for general purposes are all accounted for in this fund.

With Donor Restrictions – This fund represents resources that are restricted by a donor for use for a particular purpose or in a particular future period. The organization's unspent contributions are classified in this class if the donor limited their use.

See Accompanying Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the use of the related resources is subject to temporary or permanent donor restrictions. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions.

NOTE 3: RENTAL INCOME

AAA owns a 12,050 square-foot commercial building and an accompanying 1,278 square-foot house. The commercial building houses the administrative offices of the agency as well as the office of many of the programs it administers. The house is rented to an unrelated party to supplement the income of the agency. Rental income for the house amounted to \$27,600, during the current period.

AAA also charged unrelated parties \$48,000 to store equipment on the premises during the year ended June 30, 2021.

NOTE 4: PROPERTY AND EQUIPMENT

Following is a summary of property and equipment at June 30, 2021:

Land	\$ 662,956
Building and Improvement	1,769,290
Construction in Process	1,031,860
Furniture and Equipment	147,780
Automobiles	<u>321,177</u>
 Total Property and Equipment	 3,933,063
Accumulated Depreciation	<u>(838,832)</u>
 Net Property and Equipment	 <u>\$3,094,231</u>

NOTE 5: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of checking accounts, demand deposits, interest-bearing time deposits, money market accounts and certificates of deposits with maturity dates up to 180 days. Cash and cash equivalents at June 30, 2021, includes \$501,940 in money market accounts.

See Accompanying Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6: RECEIVABLES

Grants and contracts receivable (before the \$2,000 allowance for doubtful accounts) consist of the following:

San Diego Hunger Coalition	\$ 20,287
Blue Shield of California	44,168
Community Health Group	56,421
ECDC	27,437
Self Help for the Elderly	21,647
St. Paul's – PACE	20,729
Cajon Valley Union	6,265
UPAC	14,790
The Preuss School	6,462
San Diego Unified Translation	29,974
UCSD Medical Center	19,024
Other	<u>32,235</u>
Total	<u>\$299,439</u>

NOTE 7: RELATED PARTY TRANSCATIONS

AAA provides space for medical facilities to Alliance Health Clinic, Inc., a related organization. The estimated value of the space is \$36,000, annually. AAA has elected to waive charging for the space costs until the financial condition of the clinic improves.

NOTE 8: LINES-OF-CREDIT

At June 30, 2021, the agency had available the following lines-of-credit:

Wells Fargo Bank has granted the agency a \$150,000 operating line-of-credit. The agreement is a variable rate monthly interest payment plan at prime plus 1.75% with a current annual interest rate of 5.00%. The account is renewable annually. At June 30, 2021, the credit-line was not being utilized.

NOTE 9: CONTINGENCIES

Financial awards from governmental entities in the form of grants are subject to audit. Such audits could result in claims against AAA for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such an audit since the amount, if any, cannot be determined at this date.

See Accompanying Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10: MORTGAGE AND LOAN PAYABLE

At June 30, 2021, AAA had the following mortgage outstanding:

Note payable – American Commerce Bank, Starting May 18, 2008, secured by deed of trust, with monthly principal and interest payments of \$5,305, including current variable interest of 3.82% per year. The loan has a maturity date of October 15, 2021. \$655,252

Note payable – American Commerce Bank, Starting August 25, 2014, secured by deed of trust, due August 15, 2024, with monthly principal and interest payments of \$5,077, with interest at 4.99% per year. A final balloon Payment of approximately \$635,044 is due at maturity. 721,143

Paycheck Protection Program Loan – On March 26, 2021, The Agency was granted a loan under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT). The loan is forgivable for the sum of documented Payroll costs, covered mortgage interest payments, covered rent payments and covered utilities. The final forgiven amount will be determined by the Small Business Administration (SBA). Any unforgiven amount of the loan is Due March 26, 2026. 163,435

Total mortgage payable \$1,539,830

Following is a summary of mandatory long-term debt payments for each of the next five years:

2022	\$ 680,770
2023	67,673
2024	72,755
2025	685,187
2026	<u>33,445</u>
Total	<u>\$ 1,539,830</u>

NOTE 11: ADVERTISING

General advertising costs are expensed when incurred. Event advertising is expensed as of the date of the event.

See Accompanying Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12: ACCRUED VACATION

AAA accrues vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days. Employees are not reimbursed for unused sick leave.

The cost of accumulated vacation pays, which is to be paid from currently available resources, is recorded as an expenditure of the current period.

NOTE 13: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 13, 2021, the date on which the financial statements were available to be issued.

As of December 13, 2021, the agency was awaiting notification from American Commerce Bank regarding the extension of the maturity date on the loan secured by its primary offices beyond October 15, 2021. All of the other terms of the agreement remain the same.

NOTE 14: FACILITY LEASE

During the year, the agency leased two facilities, on a month-to-month basis. Effective The agency has a month-to-month lease on the facility housing its thrift store. Under the agreement the company will pay \$5,800 per month, including common area costs. Lease expenses on this facility totaled \$69,600 during the current period. The second location (131 Avocado Ave., El Cajon) is an office suite used for client meetings. The company currently pays \$188 per month, plus common area charges. Lease expenses on this location totaled \$2,063.

NOTE 15: TAX UNCERTAINTIES

The agency's policy is to record interest expense and penalties in operating expenses. For the year ended June 30, 2021, \$626 in interest and penalties expense was recorded.

The agency's federal and state tax returns are open for examination for the years 2018, 2019, and 2020.

AAA is receiving rent from two properties. The rentals generate unrelated business income which is subject to income taxes. During the period, the agency paid \$6,925 in unrelated business income taxes related to the 2019 tax period.

See Accompanying Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 16: RESTRICTED NET ASSETS

Net assets with donor restrictions at June 30, 2021, Consist of the following funding sources' restrictions:

Purpose restrictions, available for spending:

California State Immigration Contract	<u>\$ 44,556</u>
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NOTE 17: LEASES PAYABLE

The agency is leasing two new copiers under a capital lease expiring June 2024. The assets and liabilities under capital leases were recorded at the fair market value of the copiers, at the start of the lease. The copiers are being depreciated over their estimated useful life. Depreciation of the copiers is included in depreciation expense at June 30, 2021. Total depreciation for the copiers charged to expense during the fiscal year ended June 30, 2021 was \$4,158.

Following is a summary of the book value of the copiers:

Copier Costs	\$20,791
Less: Accumulated Depreciation	<u>(9,356)</u>
Net Book Value	<u>\$ 11,435</u>

Minimum future lease payments under this capital lease as of June 30, 2021, through the remainder of the leases:

2022	\$ 6,177
2023	6,177
2024	<u>6,180</u>
Total minimum lease payments	18,534
Less: Amount representing interest	<u>(1,642)</u>
Present value of net minimum lease payments	<u>\$ 16,892</u>

Residual purchase price at the end of the lease will be the fair market value of the machines at the end of the lease.

See Accompanying Auditor's Report

**ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 18: RETIREMENT PLANS

AAA sponsors a defined contribution plan. Participation in the plan is available to substantially all employees. The defined contribution plan is a 403(b) plan to which employees may contribute up to 16% of their pay fully matched by AAA. Employee contributions are invested, at the employees' direction, among a variety of investments. AAA has discretion to vary the rate of employer matching contributions. AAA contributions to the plan during the year ended June 30, 2021, were \$59,908.

AAA also has a Supplemental Executive Retirement Plan. These 401(a) plans provide select employees who satisfy certain eligibility requirements with certain benefits upon retirement. During the year ended June 30, 2021, AAA contributed \$117,000 to the plan. The contribution represents \$54,167 for the current period and \$62,833 for unaccrued prior year's contributions.

AAA has an Executive Deferred Compensation plan. These 457(b) plans are an employer sponsored nonqualified plan that augments the agency's tax qualified retirement plans. Participation in this plan is limited to selected members of management. During the year, AAA expensed \$23,500 for this plan.

NOTE 19: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects AAA's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within in one year of the balance sheet date.

Cash	\$ 856,507
Accounts Receivable	<u>297,439</u>
Financial assets at year-end	1,153,946
Less those unavailable for general expenditures within one year, due to:	
Contractual restrictions	<u>(21,889)</u>
Financial assets available to meet cash needs for General expenditure within one year.	<u>\$1,132,057</u>

AAA's working capital and cash flows are constant and it usually pays for the expenses on a regular basis. AAA maintains a line of credit of \$150,000 with Wells Fargo Bank which is available at all times. AAA's sister organization, Alliance Health Clinic (AHC) which is housed in the same building is another source of liquidity. Both organizations borrow from each other as need arises.

See Accompanying Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 20: CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject AAA to a concentration of credit risk consist principally of cash and cash equivalents.

AAA maintains a majority of its cash balances with Citi Bank and U.S. Bank. Cash accounts are federally insured by the Federal Deposit Insurance Corporation, currently, up to \$250,000. At June 30, 2021, the agency had \$25,305 in excess of the insured limits.

See Accompanying Auditor's Report

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

INDEPENDENT AUDITOR'S REPORT

To the Boards of Directors
Alliance for African Assistance, Inc.

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Alliance for African Assistance, Inc. (AAA) and the related statements of activity, changes in net assets, cash-flow, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise AAA's basic financial statements, and have issued my report thereon dated December 13, 2021.

Internal Controls over Financial Reporting

In planning and performing my audit of the financial statements, I considered AAA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of AAA's internal controls. Accordingly, I do not express an opinion on the effectiveness of AAA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal controls was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I

consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether AAA's financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of the testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clifford R. Benn, CPA

Carson, California
December 13, 2021

**SUPPLEMENTARY
INFORMATION**

REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors
Alliance for African Assistance, Inc.
San Diego, California

I have audited the financial statements of Alliance for African Assistance, Inc. as of and for the year ended June 30, 2021, and have issued my report dated December 13, 2021, which contained an unqualified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditure of federal awards and other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information in these schedules have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards used in the United States of America. In my opinion, the schedule of expenditure of federal awards and the other supplementary information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Clifford R. Benn, CPA

Carson, California
December 13, 2021

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Revenue and Other Support
For the Year Ended June 30, 2021

REVENUE:	<u>TOTAL</u>	<u>General Services</u>	<u>Sub-contract Services</u>	<u>Direct Contracted Services</u>	<u>General Programs</u>
Federal Contracts	\$ 354,025			\$ 354,025	
State Contracts	74,800			74,800	
City Contracts	52,173			52,173	
Sub-contracts	330,719		\$ 328,719		\$ 2,000
Client Fees	1,209,375	\$ 1,209,375			
Thrift Store Sales	281,125	281,125			
Rental Income	79,800				79,800
Other Revenue	<u>26,571</u>		<u>1,230</u>	<u>25,338</u>	<u>3</u>
Total Revenue	2,408,588	1,490,500	329,949	506,336	81,803
OTHER SUPPORT:					
Contributions - Unrestricted	127,017				127,017
Contributions - Restricted	26,004				26,004
Interest Income	2,644				2,644
Fundraising Income	19,916				19,916
Other Support	<u>176,208</u>				<u>176,208</u>
Total Other Support	<u>351,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>351,789</u>
TOTAL REVENUE AND OTHER SUPPORT	<u>\$ 2,760,377</u>	<u>\$ 1,490,500</u>	<u>\$ 329,949</u>	<u>\$ 506,336</u>	<u>\$ 433,592</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Revenue and Other Support - General Services
For the Year Ended June 30, 2021

REVENUE:	<u>TOTAL</u>	<u>Interpretation Services</u>	<u>Immigration Citizenship Services</u>	<u>Thrift Store</u>	<u>In-Home Care Services</u>
Federal Contracts	\$ -				
State Contracts	-				
City Contracts	-				
Sub-contracts	-				
Client Fees	1,209,375	\$ 1,139,677	\$ 69,698		\$ -
Thrift Store Sales	281,125			\$ 281,125	
Rental Income	-				
Other Revenue	-				
Total Revenue	1,490,500	1,139,677	69,698	281,125	-
OTHER SUPPORT:					
Contributions - Unrestricted	-				
Contributions - Restricted	-				
Investment Income	-				
Interest Income	-				
Fundraising Income	-				
Other Support	-				
Total Other Support	-	-	-	-	-
TOTAL REVENUE AND OTHER SUPPORT	<u><u>\$ 1,490,500</u></u>	<u><u>\$ 1,139,677</u></u>	<u><u>\$ 69,698</u></u>	<u><u>\$ 281,125</u></u>	<u><u>\$ -</u></u>

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Revenue and Other Support - Sub-contracts
For the Year Ended June 30, 2021

REVENUE:	<u>TOTAL</u>	<u>ECDC</u>	<u>Team and Changes</u>	<u>Cal-Fresh Program</u>
Federal Contracts	\$ -			
State Contracts	-			
City Contracts	-			
Sub-contracts	328,719	\$ 233,140	\$ 56,034	\$ 39,545
Client Fees	-			
Thrift Store Sales	-			
Rental Income	-			
Other Revenue	1,230	1,230		
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue	329,949	234,370	56,034	39,545
 OTHER SUPPORT:				
Contributions - Unrestricted	-			
Contributions - Restricted	-			
Investment Income	-			
Interest Income	-			
Fundraising Income	-			
Other Support	-			
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Support	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUE AND OTHER SUPPORT	<u>\$ 329,949</u>	<u>\$ 234,370</u>	<u>\$ 56,034</u>	<u>\$ 39,545</u>

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Revenue and Other Support - Direct Contracted Services
For the Year Ended June 30, 2021

REVENUE:	<u>TOTAL</u>	<u>IDA Program</u>	<u>California State Immigration</u>	<u>Micro Enterprise Program</u>	<u>Haines Solar Cooker</u>	<u>VITA Tax Program</u>
Federal Contracts	\$ 354,025	\$ 344,230				\$ 9,795
State Contracts	74,800		\$ 74,800			
City Contracts	52,173			\$ 52,173		
Sub-contracts	-					
Client Fees	-					
Thrift Store Sales	-					
Rental Income	-					
Other Revenue	<u>25,338</u>				<u>\$ 25,338</u>	
Total Revenue	506,336	344,230	74,800	52,173	25,338	9,795
OTHER SUPPORT:						
Contributions - Unrestricted	-					
Contributions - Restricted	-					
Investment Income	-					
Interest Income	-					
Fundraising Income	-					
Other Support	<u>-</u>					
Total Other Support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE AND OTHER SUPPORT	<u>\$ 506,336</u>	<u>\$ 344,230</u>	<u>\$ 74,800</u>	<u>\$ 52,173</u>	<u>\$ 25,338</u>	<u>\$ 9,795</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Revenue and Other Support - General Programs
For the Year Ended June 30, 2021

REVENUE:	<u>TOTAL</u>	<u>Scholarship Program</u>	<u>World Refugee Day Fundraiser</u>	<u>General & Administration</u>
Federal Contracts	\$ -			
State Contracts	-			
City Contracts	-			
Sub-contracts	2,000			\$ 2,000
Client Fees	-			
Thrift Store Sales	-			
Rental Income	79,800			79,800
Other Revenue	<u>3</u>	<u>\$ 3</u>	<u> </u>	<u> </u>
Total Revenue	81,803	3	-	81,800
OTHER SUPPORT:				
Contributions - Unrestricted	95,256			95,256
Contributions - Restricted	31,761			31,761
Interest Income	2,644			2,644
Fundraising Income	45,920	26,004	\$ 19,916	
Other Support	<u>176,208</u>	<u> </u>	<u> </u>	<u>176,208</u>
Total Other Support	<u>351,789</u>	<u>26,004</u>	<u>19,916</u>	<u>305,869</u>
TOTAL REVENUE AND OTHER SUPPORT	<u>\$ 433,592</u>	<u>\$ 26,007</u>	<u>\$ 19,916</u>	<u>\$ 387,669</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Revenue and Other Support - ECDC Programs
For the Year Ended June 30, 2021

	<u>TOTAL</u>	<u>Resettlement & Placement</u>	<u>PC AmeriCorps</u>
REVENUE:			
Federal Contracts	\$ -		
State Contracts	-		
City Contracts	-		
Sub-contracts	233,140	\$ 111,135	\$ 122,005
Client Fees	-		
Thrift Store Sales	-		
Rental Income	-		
Other Revenue	<u>1,230</u>	<u>1,230.00</u>	<u></u>
 Total Revenue	 234,370	 112,365	 122,005
OTHER SUPPORT:			
Contributions - Unrestricted	-		
Contributions - Restricted	-		
Investment Income	-		
Interest Income	-		
Fundraising Income	-		
Other Support	<u>-</u>	<u></u>	<u></u>
 Total Other Support	 <u>-</u>	 <u>-</u>	 <u>-</u>
 TOTAL REVENUE AND OTHER SUPPORT	 <u>\$ 234,370</u>	 <u>\$ 112,365</u>	 <u>\$ 122,005</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Functional Expenses - General Services
For the Year Ended June 30, 2021

	<u>TOTAL</u>	<u>Interpretation Services</u>	<u>Immigration Citizenship Services</u>	<u>Thrift Store</u>	<u>In-Home Care Services</u>	<u>Other Programs</u>
PERSONNEL EXPENSES:						
Salaries	\$ 146,602	\$ 74,085	\$ 13,230	\$ 56,919	\$ 1,199	\$ 1,169
Payroll Protection Plan Wages	-					
Payroll Taxes	30,894	15,662	2,371	12,369	95	397
Other Employee's Benefits	179,899	172,635	3,237	4,047	(20)	
Total Personnel Expenses	<u>357,395</u>	<u>262,382</u>	<u>18,838</u>	<u>73,335</u>	<u>1,274</u>	<u>1,566</u>
OPERATING EXPENSES:						
Bad Debt Expenses	22,189	22,189				
Bank Charges	10,271	2,090	3,762	4,419		
Communications	7,861	4,833	2,270	758		
Conferences and Workshops	90		60			30
Contract Services	-					
Depreciation	8,925	233	774	7,918		
Direct Client Assistance	-					
Donations	170,031					170,031
Dues and Subscription	-					
Insurance	18,925	6,451	1,528	7,384	3,562	
Interest Expense	-					
Interpretation Services	669,232	669,232				
Mileage	-					
Other Expenses	5,885	2,325	3,560			
Postage	4,424	17	4,407			
Printing	184	184				
Professional Fees - Legal	-					
Professional Fees - Other	3,465	3,465				
Rental Expenses	-					
Repairs & Maintenance	2,603	884	117	1,602		
Space Costs	79,478	7,949	1,929	69,600		
Supplies	5,368	3,971	1,199	183	15	
Taxes, Licenses and Permits	1,867			969		898
Taxes, Real Property	-					
Transportation Expense	7,570	2,445	241	4,704		180
Utilities	30,373	5,792	3,062	11,566		9,953
Total Operating Expenses	<u>1,048,741</u>	<u>732,060</u>	<u>22,909</u>	<u>109,103</u>	<u>3,577</u>	<u>181,092</u>
TOTAL PROGRAM EXPENSES	<u>\$ 1,406,136</u>	<u>\$ 994,442</u>	<u>\$ 41,747</u>	<u>\$ 182,438</u>	<u>\$ 4,851</u>	<u>\$ 182,658</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Functional Expenses - Sub-contract Services
For the Year Ended June 30, 2021

	<u>TOTAL</u>	<u>ECDC Programs</u>	<u>Team and Changes</u>	<u>Cal-Fresh Program</u>
PERSONNEL EXPENSES:				
Salaries	\$ 294,163	\$ 218,714	\$ 36,645	\$ 38,804
Payroll Protection Plan Wages	-			
Payroll Taxes	25,933	19,649	2,913	3,371
Other Employee's Benefits	50,225	36,564	1,034	12,627
Total Personnel Expenses	<u>370,321</u>	<u>274,927</u>	<u>40,592</u>	<u>54,802</u>
OPERATING EXPENSES:				
Bad Debt Expenses	-			
Bank Charges	281	281		
Communications	5,892	5,188		704
Conferences and Workshops	115	115		
Contract Services	-			
Depreciation	4,877	4,877		
Direct Client Assistance	81,153	81,153		
Donations	-			
Dues and Subscription	-			
Insurance	15,631	14,102	910	619
Interest Expense	-			
Interpretation Services	125	125		
Mileage	1,952	1,744	23	185
Other Expenses	927	737		190
Postage	-			
Printing	734	642		92
Professional Fees - Legal	-			
Professional Fees - Other	4,991	3,577	750	664
Rental Expenses	-			
Repairs & Maintenance	1,899	1,885		14
Space Costs	18,432	13,214	4,028	1,190
Supplies	18,247	17,914		333
Taxes, Licenses and Permits	-			
Taxes, Real Property	-			
Transportation Expense	12,307	12,210		97
Utilities	7,818	7,012		806
Total Operating Expenses	<u>175,381</u>	<u>164,776</u>	<u>5,711</u>	<u>4,894</u>
TOTAL PROGRAM EXPENSES	<u>\$ 545,702</u>	<u>\$ 439,703</u>	<u>\$ 46,303</u>	<u>\$ 59,696</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Functional Expenses - Direct Contract Services
For the Year Ended June 30, 2021

	<u>TOTAL</u>	<u>IDA Program</u>	<u>California State Immigration</u>	<u>Micro Enterprise Program</u>	<u>Haines Solar Cooker</u>	<u>VITA Tax Program</u>
PERSONNEL EXPENSES:						
Salaries	\$ 182,067	\$ 86,983	\$ 48,234	\$ 26,961	\$ 17,433	\$ 2,456
Payroll Protection Plan Wages	-					
Payroll Taxes	14,970	6,993	3,923	2,229	1,619	206
Other Employee's Benefits	<u>62,440</u>	<u>40,535</u>	<u>10,919</u>	<u>8,279</u>	<u>(697)</u>	<u>3,404</u>
Total Personnel Expenses	<u>259,477</u>	<u>134,511</u>	<u>63,076</u>	<u>37,469</u>	<u>18,355</u>	<u>6,066</u>
OPERATING EXPENSES:						
Bad Debt Expenses	-					
Bank Charges	15	15				
Communications	3,208	2,116	906	186		
Conferences and Workshops	-					
Contract Services	-					
Depreciation	-					
Direct Client Assistance	192,769	192,769				
Donations	-					
Dues and Subscription	-					
Insurance	3,986	2,110	192	1,684		
Interest Expense	-					
Interpretation Services	1,277	107				1,170
Mileage	-					
Other Expenses	533	137	396			
Postage	-					
Printing	605	275	330			
Professional Fees - Legal	-					
Professional Fees - Other	3,491	1,991	1,500			
Rental Expenses	-					
Repairs & Maintenance	275	147	62	66		
Space Costs	22,885	5,509	4,576	5,817	6,983	
Supplies	4,416	1,500	2,192			724
Taxes, Licenses and Permits	-					
Taxes, Real Property	-					
Transportation Expense	745	289	456			
Utilities	<u>4,330</u>	<u>2,754</u>	<u>1,144</u>	<u>432</u>		
Total Operating Expenses	<u>238,535</u>	<u>209,719</u>	<u>11,754</u>	<u>8,185</u>	<u>6,983</u>	<u>1,894</u>
TOTAL PROGRAM EXPENSES	<u>\$ 498,012</u>	<u>\$ 344,230</u>	<u>\$ 74,830</u>	<u>\$ 45,654</u>	<u>\$ 25,338</u>	<u>\$ 7,960</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Functional Expenses - General Programs
For the Year Ended June 30, 2021

	<u>TOTAL</u>	<u>Scholarship Program</u>	<u>World Refugee Day Fundraiser</u>	<u>General & Administration</u>
PERSONNEL EXPENSES:				
Salaries	\$ 8,070			\$ 8,070
Payroll Protection Plan Wages	175,000			175,000
Payroll Taxes	653			653
Other Employee's Benefits	(1,035)			(1,035)
	<u>182,688</u>	<u>-</u>	<u>-</u>	<u>182,688</u>
OPERATING EXPENSES:				
Bad Debt Expense	(2,740)			(2,740)
Bank Charges	526	105		421
Communications	1,447			1,447
Conferences and Workshops	30			30
Contract Services	13,153			13,153
Depreciation	44,096			44,096
Direct Client Assistance	-			
Donations	5,469			5,469
Dues and Subscription	2,286			2,286
Insurance	12,363			12,363
Interest Expense	38,779			38,779
Interpretation Services	-			
Mileage	-			
Other Expenses	6,216	6,046		170
Postage	-			
Printing	275			275
Professional Fees - Legal	4,150			4,150
Professional Fees - Other	1,328			1,328
Rental Expenses	1,380			1,380
Repairs & Maintenance	1,643			1,643
Space Costs	(49,132)			(49,132)
Supplies	100			100
Taxes, Licenses and Permits	7,643			7,643
Taxes, Real Property	13,747			13,747
Transportation Expense	-			
Utilities	2,245			2,245
	<u>105,004</u>	<u>6,151</u>	<u>-</u>	<u>98,853</u>
Total Operating Expenses	<u>105,004</u>	<u>6,151</u>	<u>-</u>	<u>98,853</u>
TOTAL PROGRAM EXPENSES	<u>\$ 287,692</u>	<u>\$ 6,151</u>	<u>\$ -</u>	<u>\$ 281,541</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Functional Expenses - ECDC Programs
For the Year Ended June 30, 2021

	<u>TOTAL</u>	<u>Resettlement & Placement</u>	<u>PC AmeriCorps</u>
PERSONNEL EXPENSES:			
Salaries	\$ 218,714	\$ 160,236	\$ 58,478
Payroll Protection Plan Wages	-		
Payroll Taxes	19,649	14,119	5,530
Other Employee's Benefits	36,564	31,656	4,908
Total Personnel Expenses	<u>274,927</u>	<u>206,011</u>	<u>68,916</u>
OPERATING EXPENSES:			
Bad Debt Expenses	-		
Bank Charges	281	281	
Communications	5,188	4,346	842
Conferences and Workshops	115		115
Contract Services	-		
Depreciation	4,877	4,877	
Direct Client Assistance	81,153	58,193	22,960
Donations	-		
Dues and Subscription	-		
Insurance	14,102	11,390	2,712
Interest Expense	-		
Interpretation Services	125		125
Mileage	1,744	595	1,149
Other Expenses	737	737	
Postage	-		
Printing	642	275	367
Professional Fees - Legal	-		
Professional Fees - Other	3,577	2,250	1,327
Rental Expenses	-		
Repairs & Maintenance	1,885	1,832	53
Space Costs	13,214	10,410	2,804
Supplies	17,914	1,056	16,858
Taxes, Licenses and Permits	-		
Taxes, Real Property	-		
Transportation Expense	12,210	11,956	254
Utilities	7,012	4,814	2,198
Total Operating Expenses	<u>164,776</u>	<u>113,012</u>	<u>51,764</u>
TOTAL PROGRAM EXPENSES	<u>\$ 439,703</u>	<u>\$ 319,023</u>	<u>\$ 120,680</u>

See Auditor's Report On Supplementary Information

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2021

FEDERAL GRANTOR/PASS-THROUGH GRANTOR'S PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
Department of Health and Human Services, Administration for Children and Families, Refugee and Entrant Assistance - Discretionary Grants, Refugee Educational and Savings Success Program	93.576	90Z10131	\$ 344,230
Department of Health and Human Services, Administration for Children and Families, Refugee and Entrant Assistance - Discretionary Grants			
Passed through Ethiopian Community Development Council, Inc.	93.576	90RP0114	<u>62,507</u>
Program Sub-total			<u>406,737</u>
U.S. Department of State, Bureau of Population, Refugees and Migrations, U.S. Refugee Admissions Program			
Passed through Ethiopian Community Development Council, Inc.	19.510	SPRMCO19CA0026	112,365
Department of Housing and Urban Development, Community Development Block Grants/ Entitlement Grants			
Passed through the City of San Diego	14.218	B-19-MC-06-0542	45,654
U.S. Department of the Treasury, Volunteer Income Tax Assistance Matching Grant Program	21.009	19VITA0292	7,960
Department of Agriculture, Office of Food and Nutrition Service, State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			
Passed through San Diego Hunger Coalition	10.561	18-7013	<u>39,545</u>
TOTAL ALL PROGRAMS			<u>\$ 612,261</u>

See Accompanying Notes and Auditor's Report

ALLIANCE FOR AFRICAN ASSISTANCE, INC.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

NOTES:

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Alliance for African Assistance under programs of the federal government for the year ended June 30, 2021. The information in this schedule of expenditures of federal awards is presented in accordance with the requirements of the Uniform Guidance for Federal Awards. Because the schedule presents only a selected portion of the operations of Alliance for African Assistance, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Alliance for African Assistance.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of expenditure of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Alliance for African Assistance has elected to not use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance for Federal Awards.