

**HUMANITARIAN AFRICAN RELIEF ORGANIZATION**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2009**

# HUMANITARIAN AFRICAN RELIEF ORGANIZATION

<b>Contents:</b>	<b>Page:</b>
Independent Auditor's Report	1
Balance Sheet	2
Statement of Income, Expenses and Changes in Fund balance	3
Statement of Cash Flows	4
Notes to the Financial Statements	5



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## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors**  
Humanitarian African Relief Organization

We have audited the accompanying balance sheet of Humanitarian African Relief Organization as of December 31, 2009 and the related statements of income, expenses and changes in fund balance, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted audited standards of 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 of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the balance sheet and related statement of income, expenses and changes in fund balance, and cash flows referred to above present fairly, in all material respects, the financial position of Humanitarian African Relief Organization as of December 31, 2009 in conformity with accounting principles generally accepted in the United States of America.



Hussein D. Hashi, CPA  
April 16, 2010



**Humanitarian African Relief Organization**  
**Balance Sheet**  
**December 31, 2009**

**ASSETS**

	<u>2009</u>
<b>Current Assets</b>	
Cash and cash equivalents	\$ 16,218.00
Advances	2,000.00
<b>Total Current Assets</b>	<u>18,218.00</u>
<b>Fixed Assets</b>	
Office furniture and equipments	9,192.00
<b>Net Fixed Assets</b>	<u>9,192.00</u>
<b>Total Assets</b>	<u><u>\$ 27,410.00</u></u>

**LIABILITIES and FUND BALANCE**

Fund Balance	\$ 27,410.00
<b>Total Liabilities and Fund Balance</b>	<u><u>\$ 27,410.00</u></u>

See notes to financial statements.

**Humanitarian African Relief Organization**  
**Statement of Income, Expenses and Changes in Fund Balance**  
**Year Ended December 31, 2009**

	2009
Support and Donations	\$ 129,865.00
<b>Operating Expenses</b>	
Bank Services charges	386.00
Occupancy expenses	26,801.00
Travel and meetings	15,536.00
Office Expenses	16,618.00
Professional fees	3,230.00
Disaster relief program	36,728.00
Contract labor	16,400.00
Miscellaneous	3,516.00
<b>Total Expenses</b>	119,215.00
 Net Increase in Net Assets	 10,650.00
 Net Assets, beginning of year	 16,760.00
 <b>Net Assets, end of year</b>	 <b>\$ 27,410.00</b>

See notes to financial statements.



**Humanitarian African Relief Organization**  
**Statement of Cash Flows**  
**Year Ended December 31, 2009**

	<u>2009</u>
<b>Cash Flows from Operating Activities:</b>	
Net Income	\$ 10,650.00
Adjustments to reconcile Net Income to Net Cash provided by operations	
Advances	<u>(2,000.00)</u>
Net cash from operating activities	8,650.00
<b>Cash Flow from Investing activities:</b>	
Office equipment & furniture	<u>(942.00)</u>
Net cash from investing activities	(942.00)
Net cash increase for the period	7,708.00
Cash at beginning of year	<u>8,510.00</u>
Cash at end of year	<u><u>\$ 16,218.00</u></u>



**HUMANITARIAN AFRICAN RELIEF ORGANIZATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2009**

**Nature of Organization**

Humanitarian African Relief Organization (HARO) is a charitable organization organized under Internal Revenue Code Section 501(C)(3). The purpose of the organization is to provide disaster relief services in Africa.

**1. Summary of Significant Accounting Policies**

**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 may differ from those estimates.

**Support**

Charitable donations received as support are deemed to be earned and reported as support and revenue in the period received since no specific designations have been made.

**Income taxes**

The organization is exempt from federal income tax under Section 501(C) (3) of the Internal Revenue Code except for unrelated business income. The organization had no unrelated business income for 2009 and accordingly, no provision for income taxes has been made in the accompanying financial statements.

**2. Cash and Cash Equivalents**

Cash and cash equivalent consists of cash on deposit at financial institutions and un-disbursed cash held on hand.

**3. Commitments and Contingencies:**

The organization leases two spaces on month to month basis in San Diego and Minneapolis to organize its disaster relief program. The total occupancy expense charged to program activities was \$26,801 in 2009.