

**Humaniti Foundation**  
**Financial Statements  
and Independent Auditor's Report**  
**December 31, 2024**

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# Humaniti Foundation

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Independent Auditor's Report

To the Board of Directors  
Humaniti Foundation

*Opinion*

We have audited the accompanying financial statements of Humaniti Foundation, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Humaniti Foundation as of December 31, 2024, 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.

*Basis for Opinion*

We conducted our audit 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 Humaniti Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 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.

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 Humaniti Foundation's ability to continue as a going concern for one year after the date that the financial statements are 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 Humaniti Foundation'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 Humaniti Foundation'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.

*Report on Summarized Comparative Information*

We have previously audited Humaniti Foundation 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 11, 2024. In our opinion, the summarized comparative information presented herein as of December 31, 2023 and for the period from March 10, 2023 (inception) through December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Los Angeles, California  
November 10, 2025

**Humaniti Foundation**  
**Statement of Financial Position**  
**December 31, 2024**  
**(With Summarized Totals at December 31, 2023)**

	<u>Assets</u>	
	<u>2024</u>	<u>2023</u>
Current assets		
Cash and cash equivalents	\$ 1,032,498	\$ 69,509
Due from related party	325,429	-
Pledges receivable	-	30,000
Total current assets	<u>1,357,927</u>	<u>99,509</u>
Investments	-	206,833
Total assets	<u>\$ 1,357,927</u>	<u>\$ 306,342</u>
<u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 3,902	\$ 9,779
Grant payable	735,932	40,809
Total current liabilities	739,834	50,588
Noncurrent liabilities		
Note payable	-	497,425
Total liabilities	739,834	548,013
Net assets		
Without donor restrictions	618,093	(241,671)
Total liabilities and net assets	<u>\$ 1,357,927</u>	<u>\$ 306,342</u>

See Notes to Financial Statements.

## Humaniti Foundation

### Statement of Activities

Year Ended December 31, 2024

(With Summarized Totals for the Period from March 10, 2023 (inception) through December 31, 2023)

	<u>2024</u>	<u>2023</u>
Revenue and support		
Donations	\$ 11,060,643	\$ 226,233
Interest and dividends	5,167	6,833
In-kind donations	<u>2,501,230</u>	<u>-</u>
Total revenue and support	<u>13,567,040</u>	<u>233,066</u>
Expenses		
Program	12,164,835	438,512
Management and general	265,281	36,225
Fundraising	<u>277,160</u>	<u>-</u>
Total expenses	<u>12,707,276</u>	<u>474,737</u>
Change in net assets	859,764	(241,671)
Net assets, beginning	<u>(241,671)</u>	<u>-</u>
Net assets, end	<u>\$ 618,093</u>	<u>\$ (241,671)</u>

See Notes to Financial Statements.

## Humaniti Foundation

### Statement of Functional Expenses Year Ended December 31, 2024

(With Summarized Totals for the Period from March 10, 2023 (inception) through December 31, 2023)

	2024			2023	
	Program	Management and general	Fundraising	Total	Total
Computer	\$ -	\$ 6,143	\$ -	\$ 6,143	\$ 1,662
Bank fees	-	219,718	-	219,718	811
Consulting services	395,323	-	-	395,323	120,000
Donations	9,268,282	-	-	9,268,282	307,290
Advertising	-	-	277,160	277,160	11,043
Interest	-	-	-	-	5,057
Professional fees	-	23,124	-	23,124	28,874
Miscellaneous	-	16,296	-	16,296	-
In-kind expenses	2,501,230	-	-	2,501,230	-
<b>Total</b>	<b>\$ 12,164,835</b>	<b>\$ 265,281</b>	<b>\$ 277,160</b>	<b>\$ 12,707,276</b>	<b>\$ 474,737</b>

See Notes to Financial Statements.

## Humaniti Foundation

### Statement of Cash Flows Year Ended December 31, 2024

(With Summarized Totals for the Period from March 10, 2023 (inception) through December 31, 2023)

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ 859,764	\$ (241,671)
Changes in operating assets and liabilities		
Pledges receivable	30,000	(30,000)
Due from related party	(325,429)	-
Accounts payable and accrued expenses	(5,877)	9,779
Grants payable	695,123	40,809
	1,253,581	(221,083)
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Proceeds from sales of investments	206,833	-
Purchases of investments	-	(200,000)
Reinvested interest and dividends	-	(6,833)
	206,833	(206,833)
Net cash provided by (used in) investing activities		
Cash flows from financing activities		
Proceeds from note payable	-	500,000
Payments on note payable	(497,425)	(2,575)
	(497,425)	497,425
Net cash (used in) provided by financing activities		
Net Increase in cash and cash equivalents	962,989	69,509
Cash and cash equivalents, beginning	69,509	-
Cash and cash equivalents, end	\$ 1,032,498	\$ 69,509

See Notes to Financial Statements.

## Humaniti Foundation

### Notes to Financial Statements December 31, 2024

#### Note 1 - Business and summary of significant accounting policies

##### **Business**

Humaniti Foundation (the "Foundation") was organized in 2023 under Internal Revenue Code Section 501(c)(3) as a nonprofit entity and began operating as a public charity. The specific, and primary, purpose of the Foundation is to raise funds and make distributions for charitable, religious educational, and scientific purposes.

Since 2023, the Foundation has touched the hearts and lives of millions across over 31 countries, bringing hope where it was fading, water where there was thirst, and healing where there was pain. Through healing, water, emergency relief, food, orphan care, and more, every initiative is designed for lasting impact—because every person deserves dignity, every child deserves a chance, and every life matters.

##### **Basis of accounting**

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

##### **Financial statement presentation**

The Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions, which are described as follows:

*Net assets without donor restrictions* - Net assets for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board may designate, from net assets without donor restrictions for specific purpose.

*Net assets with donor restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. At December 31, 2024, the Foundation does not have any net assets with donor restrictions.

##### **Cash and cash equivalents**

The Foundation considers all highly liquid investments with a maturity at the date of purchase of three months or less to be cash equivalents.

##### **Contributions**

Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. Contributions for which donors have imposed restrictions which limit the use of the donated assets are reported as with donor restrictions if the restrictions are not met in the same reporting period. When such donor-imposed restrictions are met in subsequent reporting periods, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions of assets which donors have stipulated must be maintained permanently, with only the income earned thereon available for current use, are classified as contributions with donor restrictions perpetual. Contributions for which donors have not stipulated restrictions, as well as contributions for which donors have stipulated

## Humaniti Foundation

### Notes to Financial Statements December 31, 2024

restrictions, but which are met within the same reporting period, are reported as net assets without donor restrictions.

Unconditional promises to give with payments due in future periods are reported as restricted support. Gifts of land, buildings and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return to the donor, are not recognized until the conditions on which they depend have been substantially met. The Foundation had no conditional promises to give at December 31, 2024.

#### **Pledges receivable**

Pledges receivable is stated at unpaid balances, less a discount on the pledges receivable due in greater than one year. At December 31, 2024, there were no outstanding pledges receivable.

#### **Donated materials and services**

Contributions of donated non-cash assets are measured on a non-recurring basis and recorded at fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received.

#### **Grant expenditures**

Grant expenditures are recognized in the period the grant is made, provided the grant is not subject to significant future conditions. Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee meets the terms of the conditions. Grants payable that are expected to be paid in future years are recorded at present value of expected future payments. At December 31, 2024, grants payable of \$735,932 are included in grants payable on the statement of financial position and are due within one year.

#### **Income taxes**

The Foundation is a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue Taxation Code of California and classified as a public charity. Accordingly, no provision for income taxes is included in the accompanying financial statements.

The Foundation has no unrecognized tax benefits at December 31, 2024. The Foundation continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

The Foundation recognizes interest and penalties associated with tax matters, if applicable, as part of the tax provision and includes accrued interest and penalties with the related tax liability in the statement of financial position.

The Foundation was initially formed on March 10, 2023, and as a result, the Foundation's federal and state income tax returns since 2023 are open for examination. Management continually

## Humaniti Foundation

### Notes to Financial Statements December 31, 2024

evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and authoritative rulings.

Management has analyzed the tax positions taken by the Foundation and has concluded that, as of December 31, 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

#### Functional expense allocation

The costs of providing program services and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services based on estimates of employees' time incurred and on usage of resources.

#### Advertising costs

Advertising and marketing costs are expensed as incurred. For the year ended December 31, 2024, the Foundation expensed \$277,160 of advertising costs.

#### Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Comparative totals

The financial statements include certain prior period summarized comparative information in total but not by net asset class and do not include a full presentation of the statement of functional expenses, as certain prior period summarized comparative information is presented in total but not by functional classification. Also, the financial statements do not include full financial statement disclosures for the prior period. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the period ended December 31, 2023, from which the summarized information was derived.

#### Subsequent events

The Foundation has evaluated subsequent events through November 10, 2025, which is the date the financial statements were available to be issued.

### Note 2 - Liquidity

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents and pledges receivable.

At December 31, 2024, the Foundation has the following financial assets and liquidity resources available over the next 12 months:

Cash and cash equivalents	\$	1,032,498
Due from related party		<u>325,429</u>
	\$	<u>1,357,927</u>

## **Humaniti Foundation**

### **Notes to Financial Statements December 31, 2024**

#### **Note 3 - Concentrations of credit risk**

Financial instruments which potentially subject the Foundation to concentrations of credit risk include cash and cash equivalents and investments. The Foundation maintains its cash and cash equivalents and investments with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits.

#### **Note 4 - Related parties**

Effective January 1, 2024, the Foundation entered into an agreement with Humaniti International, a Canadian nonprofit organization with certain common board members, to perform limited management services including holding cash on behalf of the Foundation. Fees for services are determined and paid as incurred, for the year ended December 31, 2024, there were no expenses incurred related to this agreement.

The Foundation entered into an agreement with Muslimi Inc. to enhance their availability for people to donate to their cause. All funds were deposited into Humaniti International's bank account, as part of the agreement noted above, to be used for program services incurred on behalf of the Foundation. For the year ended December 31, 2024, the Foundation recorded \$7,709,163 in donations and the balance owed to the Foundation from Humaniti International at December 31, 2024 was \$325,429. The amount of program services incurred by Humaniti International on behalf of the Foundation was \$7,383,734 for the year ended December 31, 2024.

During the period ended December 31, 2024, the Foundation received \$23,130, in donations from Humaniti International, and \$40,000 from Humaniti Inc., a nonprofit organization with certain common board members.

#### **Note 5 - Donated goods and services**

During the year ended December 31, 2024, the Foundation received in-kind contributions of \$2,501,230 in medical supplies and pharmaceuticals that are included in the accompanying statement of activities as in-kind donations.

Contributions of medical supplies and pharmaceuticals were in turn donated in line with the Foundation's purpose. The Foundation estimates the fair value of in-kind donations based on market value as obtained through an independent valuation.



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