



***THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS***

***FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021***

***THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS***

***FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
TABLE OF CONTENTS***

Independent Auditors' Report	1
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Audited Financial Statements:

Statements of Financial Position	3
Statements of Activities	4
Statement of Functional Expenses for the year ended December 31, 2022	5
Statement of Functional Expenses for the year ended December 31, 2021	6
Statements of Cash Flows	7
Notes to Financial Statements	8

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Shepherd and Mother of Light for the Needy
d/b/a Care 4 Needy Copts
Plainview, New York 11803

Opinion

We have audited the accompanying financial statements of The Shepherd and Mother of Light for the Needy d/b/a Care 4 Needy Copts (a not-for-profit corporation, "C4NC"), which comprise the statements of financial position as of December 31, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of C4NC as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of C4NC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 C4NC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audits 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 auditors' 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 C4NC'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 C4NC'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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Corin & Associates LLP

Bohemia, New York
June 27, 2023

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
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**STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31,**

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents.....	\$ 499,900	\$ 1,012,128
Investments.....	395,040	-
Pledges receivable.....	17,530	66,919
Prepaid expenses and other current assets.....	8,039	9,963
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	920,509	1,089,010
Property and equipment, net of accumulated depreciation.....	1,061	2,219
Operating lease right-of-use assets - building, net of accumulated amortization.....	120,665	-
	<hr/>	<hr/>
TOTAL ASSETS	<u><u>\$ 1,042,235</u></u>	<u><u>\$ 1,091,229</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses.....	\$ 26,046	\$ 22,801
Grants payable.....	143,074	274,500
Current portion of operating lease liability.....	24,044	-
	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	193,164	297,301
Operating lease liability, net of current portion.....	97,521	-
	<hr/>	<hr/>
TOTAL LIABILITIES	290,685	297,301
Net Assets:		
Net assets without donor restrictions.....	751,550	793,928
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,042,235</u></u>	<u><u>\$ 1,091,229</u></u>

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31,

2022

2021

SUPPORT AND REVENUE:

Contributions.....	\$	1,871,813	\$	2,331,905
In-kind donations.....		53,100		53,100
Fundraising events and campaign funds, net of direct expenses.....		490,665		408,748
Other income.....		7,879		565
TOTAL SUPPORT AND REVENUE		2,423,457		2,794,318

EXPENSES:

Program services.....		2,329,453		2,159,398
Management and general.....		72,579		60,501
Fundraising.....		63,803		80,666
TOTAL EXPENSES		2,465,835		2,300,565

CHANGE IN NET ASSETS		(42,378)		493,753
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Net assets, beginning of year.....		793,928		300,175
Net assets, end of year.....	\$	751,550	\$	793,928

The accompanying notes are an integral part of these financial statements.

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Program Services	Management and General	Fundraising	Total
Salaries.....	\$ 71,647	\$ 10,475	\$ 22,625	\$ 104,747
Employee benefits and payroll taxes.....	17,671	2,584	5,580	25,835
Occupancy.....	14,729	2,153	4,652	21,534
Equipment and repairs.....	7,533	358	2,174	10,065
Supplies.....	972	455	394	1,821
Postage and printing.....	10,920	360	3,107	14,387
Insurance.....	-	501	-	501
Depreciation.....	792	116	250	1,158
Travel and meetings.....	-	-	952	952
Professional fees.....	54,998	14,750	13,739	83,487
Program expenses - funds sent to Copts.....	2,084,210	-	-	2,084,210
Telephone and internet.....	2,798	409	884	4,091
Bank card and other fees.....	27,565	2,332	6,926	36,823
Transportation.....	-	-	-	-
Promotion.....	12,938	-	-	12,938
Miscellaneous expense.....	-	10,186	-	10,186
TOTAL OPERATING EXPENSES	2,306,773	44,679	61,283	2,412,735
In-kind professional fees.....	22,680	27,900	2,520	53,100
TOTAL EXPENSES	\$ 2,329,453	\$ 72,579	\$ 63,803	\$ 2,465,835

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Program Services	Management and General	Fundraising	Total
Salaries.....	\$ 70,133	\$ 11,168	\$ 30,376	\$ 111,677
Employee benefits and payroll taxes.....	15,972	2,543	6,918	25,433
Occupancy.....	7,928	1,262	3,434	12,624
Equipment and repairs.....	3,228	116	1,250	4,594
Supplies.....	312	163	177	652
Postage and printing.....	8,410	299	3,254	11,963
Insurance.....	-	501	-	501
Depreciation.....	888	141	385	1,414
Travel and meetings.....	-	-	1,125	1,125
Professional fees.....	52,566	13,900	17,379	83,845
Program expenses - funds sent to Copts.....	1,949,830	-	-	1,949,830
Telephone and internet.....	1,816	289	786	2,891
Bank card and other fees.....	23,208	1,659	8,728	33,595
Transportation.....	739	-	-	739
Promotion.....	6,022	-	-	6,022
Miscellaneous expense.....	-	560	-	560
TOTAL OPERATING EXPENSES	2,141,052	32,601	73,812	2,247,465
In-kind professional fees.....	18,346	27,900	6,854	53,100
TOTAL EXPENSES	\$ 2,159,398	\$ 60,501	\$ 80,666	\$ 2,300,565

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31,

2022

2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets.....	\$ (42,378)	\$ 493,753
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Adjustments to reconcile change in net assets to net

cash (used in)/provided by operating activities:

Proceeds from donated stock.....	(45,040)	-
Depreciation expense.....	1,158	1,414
Amortization of operating right-of-use asset.....	16,048	-

Changes in operating assets and liabilities:

Pledges receivable.....	49,389	(25,130)
Prepaid expenses and other current assets.....	1,924	(4,607)
Accounts payable and accrued expenses.....	3,245	(1,787)
Payroll and related payables.....	-	(1,705)
Grants payable.....	(131,426)	(32,747)
Operating lease liability.....	(15,439)	-

NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(162,519)	429,191
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CASH USED IN INVESTING ACTIVITIES:

Purchases of investments.....	(350,000)	-
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NET CHANGE IN CASH AND CASH EQUIVALENTS	(512,519)	429,191
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Cash and cash equivalents, beginning of year.....	1,012,128	582,937
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Cash and cash equivalents, end of year.....	<u>\$ 499,609</u>	<u>\$ 1,012,128</u>
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SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Recognition of operating lease right-of-use asset and liability.....	<u>\$ 133,020</u>	<u>\$ -</u>
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The accompanying notes are an integral part of these financial statements.

THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY D/B/A CARE 4 NEEDY COPTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of The Shepherd and Mother of Light for the Needy, d/b/a Care 4 Needy Copts ("C4NC") is presented to assist in understanding C4NC's financial statements. The financial statements and notes are representations of C4NC's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization: C4NC was incorporated in 2007 as a not-for-profit corporation, organized under the laws of the State of New York. Its primary purpose is to raise public awareness for the needy Copts in Egypt who are suffering from hunger and disease. The Copts are a minority population in Egypt who follow the Christian faith of the Coptic Church (primarily based in Egypt, Africa, and the Middle East). C4NC's goal is to serve the Coptic population that lives in extreme poverty, barely meeting their basic needs, to lift these individuals from their state of extreme poverty to a humane level of existence by providing both financial support and aid in improving the health and economic condition of these men, women, and children. C4NC sends money raised through contributions and fundraising events in the United States of America to Oskofiat El-Khadamat El-Amma (the "Egypt organization"), for the benefit of the Shepherd and Mother of Light ("SML"), an organization in Egypt, that disburses the money to the Copts in need. C4NC has regular communication with this organization and makes frequent visits to ensure its mission is being fulfilled.

New Accounting Pronouncements: During the year ended December 31, 2022, C4NC adopted Accounting Standards Update ("ASU") 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Under this accounting pronouncement, C4NC is required to present contributed nonfinancial assets as a separate line item in the accompanying statements of activities and provide additional disclosures about contributions of nonfinancial assets. These additional disclosures are required to include qualitative information about whether contributed nonfinancial assets were either monetized or utilized during the reporting period, a description of any donor-imposed restrictions associated with the contributed nonfinancial assets, and a description of the valuation techniques and inputs used to arrive at a fair value measure at initial recognition.

During the year ended December 31, 2022, C4NC also adopted Accounting Standards Codification ("ASC"), Topic 842, *Leases*, for all material long-term operating leases. Under this new accounting pronouncement, C4NC recognized right-of-use assets and lease liabilities calculated based on the present value of the lease payments not yet paid, discounted using appropriate discount rates at the lease commencement dates. The right-of-use assets are initially equal to the lease liabilities plus any initial direct costs and prepaid lease payments, less any lease incentives received. Under this approach, amortization of right-of-use assets is charged to rent expense, which is recorded on the straight-line basis over the term of each lease, unless another systematic and rational basis is more representative of the time pattern in which use benefit is derived from the leased property, in which case that basis will be used.

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Pronouncements (continued): The lease liability for an operating lease at any given time is calculated as the present value of the lease payments not yet paid, discounted by using the rate that was established on the lease commencement date.

The right-of-use asset, at any given time, is measured as the right-of-use asset balance at the beginning of the period, adjusted by the current-period right-of-use asset amortization, which is calculated as the current-period lease cost adjusted by the lease liability accretion to the then outstanding lease balance.

Changes in present value discount on operating leases are charged to the respective lease expense based upon the nature of the right-of-use asset that gave rise to the discount.

See Note 5 for additional details on the lease.

Income Tax Status: C4NC is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and is publicly supported, as described in section 509(a). Donors may deduct contributions made to C4NC within the limits of the Internal Revenue Code.

C4NC evaluated its activities for uncertain tax positions and has determined that there were no uncertain tax positions for 2022 and 2021.

C4NC files an IRS form 990 and respective state and local tax returns. These tax returns are subject to review and examination by Federal, State, and local taxing authorities. C4NC has determined that it has registered in all states where it is required to be registered.

Basis of Accounting: These financial statements are presented on the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when incurred.

Basis of Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board as they apply to not-for-profit organizations. C4NC is required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued):

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations or other stipulations that may or will be met, either by action of C4NC and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor restrictions may be perpetual in nature, whereby donors can stipulate that funds be maintained in perpetuity. C4NC had no funds that were stipulated by the donors to be maintained in perpetuity as of December 31, 2022 and 2021.

Donated Services: C4NC records the value of donated services when there is an objective basis available for measuring their value. C4NC benefits from volunteer services in program and administrative duties from its Executive Director and Board of Directors. The estimated value of the Executive Director's donated services is reflected in the accompanying statements of activities as in-kind donations and are shown as in-kind professional fees on the accompanying statements of functional expenses since they meet the criteria for recognition and create or enhance C4NC's nonfinancial assets. Donated services are recognized at fair value. The fair value of donated services is determined by the average time spent working for the Organization.

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

Cash and Cash Equivalents: C4NC considers all highly liquid financial instruments with original maturities of three months or less from the dates of purchase to be cash equivalents. From time to time, C4NC may have cash or deposits with financial institutions that are in excess of Federal Deposit Insurance Corporation Limits.

Receivables: Receivables are stated at the amount management expects to collect from outstanding balances. C4NC considers receivables past due or delinquent when payments have not been received in a timely manner, and receivables are written off when management deems the possibility of collecting amounts due as completely unlikely. Receivables are amounts pledged but not yet collected. All receivables were collected subsequent to year-end. As such, no allowance for doubtful accounts was established as of December 31, 2022 and 2021.

Investments: C4NC reports investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Investment income and gains and losses on investments are reported in the statements of activities as increases or decreases in net assets without donor restrictions unless donors or relevant laws place restrictions on its use.

THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY **D/B/A CARE 4 NEEDY COPTS**

NOTES TO FINANCIAL STATEMENTS **FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021** ---

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued): C4NC's investments are exposed to risks such as interest rate and market risks. Due to the level of risk associated with certain investment vehicles, it is possible that changes in the values of investment holdings could occur in the near term and that such changes could affect the amounts reported in the statements of financial position.

Property, Equipment, and Depreciation: Property and equipment are stated at original cost or at estimated fair market value, if donated. Maintenance and repairs are charged to expense and betterments over \$1,000 are capitalized. Depreciation expense is computed using the straight-line method over each asset's estimated useful life. Estimated useful lives are as follows:

Furniture and equipment	3 - 7 years
Software.....	3 years

Revenue Recognition: Contributions are recognized when donors make promises to give to C4NC that are, in substance, unconditional. Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year that the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional contributions are accounted for as liabilities or are not recognized as revenue initially, until the barriers to entitlement are overcome, at which point revenue is recognized as unconditional and classified as either net assets with donor restrictions, or net assets without donor restrictions.

For all contributions made, C4NC utilizes the guidance set forth by Accounting Standards Update ("ASU") 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (collectively, "ASC 958") to determine if contributions should be recognized as net assets with or without donor restrictions, or as liabilities until a specified condition is met by C4NC. ASC 958 guidance assists entities in evaluating whether contributions made are subject to additional guidance, such as ASU 2014-09, *Revenue from Contracts with Customers*, or determining whether contributions are conditional.

C4NC follows the revenue recognition standards set forth by ASU 2014-09, *Revenue from Contracts with Customers* ("ASC 606"). One of C4NC's revenue streams falls within the scope of ASC 606: net proceeds from special events.

Special Events: C4NC holds fundraising events and campaigns to provide additional support for its mission. Revenue from these events is recorded as performance obligations are met, at points in time, as the events take place. Costs incurred for which donors receive direct benefits, exchange transactions, have been offset against the revenue earned in the statements of activities. Other costs related to the events for which the donors do not receive direct benefits are included within fundraising costs in the statements of functional expenses.

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, the direct costs of providing programs have all been allocated to program services. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direct of C4NC.

The material expenses that are allocated, and their respective allocation methods, include the following:

- Salaries – Time and effort
- Employee benefits and payroll taxes – Time and effort
- Professional fees – Time and purpose
- Bank card and other fees – Purpose

Promotion: C4NC uses newsletters to promote its mission among the audiences it serves. The production costs of promotional materials are expensed as incurred.

Reclassifications: Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. \$100,000 has been reclassified from net assets with donor restrictions on the prior year presentation to net assets without donor restrictions in the current year presentation. \$100,000 has also been reclassified from restricted cash and cash equivalents on the prior year presentation to cash and cash equivalents in the current year presentation.

Events Occurring After the Report Date: C4NC has evaluated events and transactions that occurred between January 1, 2023 and June 27, 2023, which is the date that the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 - INVESTMENTS

C4NC presents investments in the statements of financial position at fair value. A fair value hierarchy has been established based on the observability of inputs to the evaluation of an asset or liability as of the measurement date. The three-level valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value levels (Level 1, 2, and 3):

- Level 1: Level 1 instruments are valued using observable inputs that reflect quoted prices for identical assets or liabilities in active markets that C4NC has the ability to access at the measurement date. Level 1 assets include highly liquid U.S. Treasury securities and exchange-traded equity securities.

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 2 - INVESTMENTS (continued)

- Level 2: Level 2 instruments are valued using observable inputs, other than quoted prices included in Level 1, for the asset or liability or prices for similar assets and liabilities. Most debt securities and some preferred stocks are model-priced by vendors using observable inputs and are classified within Level 2. Also included in the Level 2 category are derivative instruments that are priced using models with observable market inputs, including interest rates, foreign currency, and certain credit swap contracts.
- Level 3: Level 3 instruments are valued using valuations that are derived from techniques in which one or more of the significant inputs are unobservable (including assumptions about risk). Level 3 securities include less liquid securities such as highly structured and/or lower quality, asset-backed securities ("ABS") and commercial mortgage-backed securities ("CMBS"), including ABS backed by sub-prime loans, and private placement debt and equity securities.

Because Level 3 fair values, by their nature, contain unobservable market inputs, as there is no observable market for these assets and liabilities, considerable judgment is used to determine the Level 3 fair values. Level 3 fair values represent C4NC's best estimate of an amount that could be realized in a current market exchange absent actual market exchanges.

The fair values of C4NC's investments by major security types were as follows as of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Money market.....	\$ 4,490	\$ -	\$ -	\$ 4,490
Certificates of deposit	-	349,843	-	349,843
Mutual funds	40,707	-	-	40,707
Total investments at fair value	<u>\$ 45,197</u>	<u>\$ 349,843</u>	<u>\$ -</u>	<u>\$ 395,040</u>

There were no investments held by C4NC at December 31, 2021.

NOTE 3 - RELATED PARTY TRANSACTIONS

The Board of Directors can elect to make contributions to C4NC and its mission. For the years ended December 31, 2022 and 2021, Board member donations totaled \$26,600 and \$28,200, respectively. All Board donations are included in contributions on the accompanying statements of activities.

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 4 - GRANTS PAYABLE

C4NC collects contributions from individuals, corporations, and fundraising events throughout the United States. On a monthly basis, C4NC transfers these contributions to the Egypt organization, for the benefit of SML, to support its mission of providing financial support, education, child development, health care, employment, food, clothing, building of a hospital, and other seasonal services to Copts in need. Contributions collected during the year that are not transferred to the Egypt organization by the end of the year are classified as grants payable. As of December 31, 2022 and 2021, there was \$143,074 and \$274,500, respectively, in grants payable. Subsequent to each year-end, these outstanding grants were paid in full to the Egypt organization. Funds sent to the Egypt organization totaled \$2,084,210 and \$1,949,830 during the years ended December 31, 2022 and 2021, respectively.

NOTE 5 - OPERATING LEASE

C4NC entered into a lease agreement for office space in Jericho, New York on July 1, 2022. The lease expires on June 30, 2027. At the end of the lease term, C4NC has the option to renew for an additional five-year term. The monthly rent is \$2,235, with increases of 3% on each anniversary date thereafter, through the end of the lease.

Operating lease costs incurred during the year ended December 31, 2022, inclusive of right-of-use asset amortization, totaled \$21,534 and are included as part of rent expense in the statement of functional expenses for the year then ended.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities for the years ending December 31,:

2023.....	\$	27,167
2024.....		27,876
2025.....		28,606
2026.....		31,158
2027.....		14,870
Total.....		<u>129,677</u>
Less: present value discount.....		<u>(8,112)</u>
Present value.....	\$	<u><u>121,565</u></u>

The remaining lease term (in months) and discount rates for the above-mentioned lease were as follows for the year ended December 31, 2022:

Remaining lease term.....	54.00
Discount rate	2.88%

Operating cash flows from operating lease totaled \$17,878 for the year ended December 31, 2022.

**THE SHEPHERD AND MOTHER OF LIGHT FOR THE NEEDY
D/B/A CARE 4 NEEDY COPTS**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 6 - AVAILABILITY AND LIQUIDITY

The following represents C4NC's financial assets at December 31,:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 499,900	\$ 1,012,128
Investments	395,040	-
Pledges receivable	<u>17,530</u>	<u>66,919</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 912,470</u>	<u>\$ 1,079,047</u>

C4NC's goal is generally to maintain financial assets to meet ninety days of operating expenses (approximately \$595,000).