

JUST ONE AFRICA, INC.

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

Years Ended December 31, 2022 and 2021

JUST ONE AFRICA, INC.
TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT..... 1

FINANCIAL STATEMENTS

Statements of Financial Position..... 3

Statements of Activities..... 4

Statements of Functional Expenses..... 5

Statements of Cash Flows..... 6

Notes to Financial Statements..... 7



Mersereau, Lazenby & Rockas, LLC

Certified Public Accountants

Laura E. Rockas, CPA, CFP®

Lois S. Lazenby, CPA, CFP®

Steven O. Wykoff, CFP®

Joel R. Mulkey, CPA

3469 Lawrenceville-Suwanee Rd., Suite B • Suwanee, GA 30024

Tel 770.614.6800 • Fax 770.614.5432 • www.CPAMLR.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Just One Africa, Inc.
Alpharetta, Georgia

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Just One Africa, Inc., 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 Just One Africa, Inc., 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 Audit of the Financial Statements section of our report. We are required to be independent of Just One Africa, Inc. 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 Just One

Africa, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' 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 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 Just One Africa, Inc.'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 Just One Africa, Inc.'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.

Mersereau, Lazenby & Rockas, LLC

Mersereau, Lazenby & Rockas, LLC
Certified Public Accountants
Suwanee, GA 30024
September 20, 2023

JUST ONE AFRICA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

ASSETS		2022	2021
CURRENT ASSETS			
Cash		\$ 299,397	\$ 603,300
Inventory		13,429	12,657
TOTAL ASSETS		\$ 312,826	\$ 615,957
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable		\$ 6,773	\$ 6,982
TOTAL LIABILITIES		6,773	6,982
NET ASSETS			
Without donor restrictions - expendable		306,053	488,894
With donor restrictions		-	120,081
TOTAL NET ASSETS		306,053	608,975
TOTAL LIABILITIES AND NET ASSETS		\$ 312,826	\$ 615,957

See auditors' report and accompanying notes to financial statements

JUST ONE AFRICA, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions	\$ 338,066	\$ 289,759	\$ 627,825	\$ 322,049	\$ 533,368	\$ 855,417
Other income	440	-	440	74	-	74
Total contributions and income	<u>338,506</u>	<u>289,759</u>	<u>628,265</u>	<u>322,123</u>	<u>533,368</u>	<u>855,491</u>
Sale of products	39,162	-	39,162	48,728	-	48,728
Less cost of goods sold	<u>(10,637)</u>	<u>-</u>	<u>(10,637)</u>	<u>(33,982)</u>	<u>-</u>	<u>(33,982)</u>
Net sales	28,525	-	28,525	14,746	-	14,746
Net assets released from restrictions:						
Satisfaction of program restrictions	<u>409,840</u>	<u>(409,840)</u>	<u>-</u>	<u>532,865</u>	<u>(532,865)</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>776,871</u>	<u>(120,081)</u>	<u>656,790</u>	<u>869,734</u>	<u>503</u>	<u>870,237</u>
EXPENSES						
Program services	875,548	-	875,548	816,172	-	816,172
Management and general	56,843	-	56,843	53,960	-	53,960
Fundraising	<u>27,321</u>	<u>-</u>	<u>27,321</u>	<u>25,913</u>	<u>-</u>	<u>25,913</u>
TOTAL EXPENSES	<u>959,712</u>	<u>-</u>	<u>959,712</u>	<u>896,045</u>	<u>-</u>	<u>896,045</u>
CHANGE IN NET ASSETS	(182,841)	(120,081)	(302,922)	(26,311)	503	(25,808)
NET ASSETS, Beginning of year	<u>488,894</u>	<u>120,081</u>	<u>608,975</u>	<u>515,205</u>	<u>119,578</u>	<u>634,783</u>
NET ASSETS, End of year	<u>\$ 306,053</u>	<u>\$ -</u>	<u>\$ 306,053</u>	<u>\$ 488,894</u>	<u>\$ 120,081</u>	<u>\$ 608,975</u>

See auditors' report and accompanying notes to financial statements

JUST ONE AFRICA, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2022 and 2021

	2022				2021			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Payroll	\$ 59,337	\$ 18,784	\$ 18,781	\$ 96,902	\$ 54,136	\$ 20,786	\$ 20,140	\$ 95,062
Bank fees	1,262	1,617	5,039	7,918	2,050	1,501	2,406	5,957
Cost of goods sold	10,637	-	-	10,637	33,982	-	-	33,982
Dues and subscriptions	-	2,818	-	2,818	-	3,411	-	3,411
Insurance	-	5,545	858	6,403	-	7,340	-	7,340
Licenses and permits	-	13,875	-	13,875	-	3,300	-	3,300
Marketing and promotion	1,238	-	580	1,818	4,274	1,704	37	6,015
Miscellaneous expenses	-	415	-	415	367	1,622	2,179	4,168
Office supplies	336	567	-	903	680	1,177	147	2,004
Postage and shipping	-	-	714	714	-	-	1,004	1,004
Printing and publication	13	-	-	13	50	-	-	50
Professional fees	-	13,025	-	13,025	-	12,688	-	12,688
Program projects	808,362	-	-	808,362	731,850	-	-	731,850
Training	5,000	197	-	5,197	818	297	-	1,115
Travel	-	-	1,349	1,349	21,947	134	-	22,081
Total expenses by function	886,185	56,843	27,321	970,349	850,154	53,960	25,913	930,027
Less expenses included with revenues in the statement of activities:								
Cost of goods sold	(10,637)	-	-	(10,637)	(33,982)	-	-	(33,982)
Total expenses included in the expense section in the statement of activities	<u>\$ 875,548</u>	<u>\$ 56,843</u>	<u>\$ 27,321</u>	<u>\$ 959,712</u>	<u>\$ 816,172</u>	<u>\$ 53,960</u>	<u>\$ 25,913</u>	<u>\$ 896,045</u>
<i>Percentage of total expenses</i>	<i>91%</i>	<i>6%</i>	<i>3%</i>	<i>100%</i>	<i>91%</i>	<i>6%</i>	<i>3%</i>	<i>100%</i>

See auditors' report and accompanying notes to financial statements

JUST ONE AFRICA, INC.
 STATEMENTS OF CASH FLOWS
 Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (302,922)	\$ (25,808)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Inventory	(772)	15,504
Accounts payable	<u>(209)</u>	<u>(3,102)</u>
CASH (USED) PROVIDED BY OPERATING ACTIVITIES	(303,903)	(13,406)
CASH, Beginning of year	<u>603,300</u>	<u>616,706</u>
CASH, End of year	<u><u>\$ 299,397</u></u>	<u><u>\$ 603,300</u></u>

See auditors' report and accompanying notes to financial statements

JUST ONE AFRICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2022 and 2021

NOTE 1: NATURE OF ORGANIZATION

Just One Africa, Inc. the (“Organization”) was established in 2012 under the laws of the State of Georgia as a not-for-profit corporation to provide for the humanitarian needs, including but not limited to food, water, shelter, education, and hope of vulnerable children and women in rural areas in Africa. Just One Africa, Inc. is supported through the contributions of interested individuals, churches, foundations, and businesses and the sale of fair-trade products, which are handmade by artisans in Kenya.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), which require the Organization 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 restrictions and may be expended for any purpose in performing the primary objectives of the Organization.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature and will be met by actions of the Organization or with the passage of time. Other donor restrictions may be perpetual in nature, whereby the donor stipulates that the funds be maintained in perpetuity.

Basis of Accounting

The financial statements of Just One Africa, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Cash

The Organization maintains cash balances at a financial institution that may, at times, exceed the federally insured limits. The Federal Deposit Insurance Corporation insures cash balances held at a financial institution up to \$250,000. Deposits in excess of federally insured totaled \$-0- and \$331,792 for December 31, 2022 and 2021, respectively.

Inventory

The Organization offers a collection of fair-trade products which are handmade by artisans in Kenya. Just One Africa, Inc. sells these products at their online store and the profit from these sales is used to fund the clean water program. Inventory is carried at cost, with cost determined by the first-in, first-out method.

Contributed Goods and Services

The Organization receives a substantial amount of services donated by volunteers in carrying out its ministry. The volunteer services received do not meet the criteria for recognition according to US GAAP. Accordingly, no amounts for contributed volunteer services have been recorded in the financial statements.

JUST ONE AFRICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2022 and 2021

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions: satisfaction of program restrictions.

Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code (the Code) Section 501(c)(3) and the Georgia Revenue and Taxation Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income, to determine its filing and tax obligations in jurisdictions for which it has nexus, and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Estimates in the Financial Statements

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Certain amounts included in the statement of functional expenses are allocated based on actual use estimated by each program. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs such as compensation, have been allocated among the program services and supporting activities benefited based on the level of time and effort expended.

Property and Equipment

Property and equipment purchases exceeding \$1,000 are recorded at acquisition cost, including costs necessary to prepare the asset for its intended use. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis as follows:

Furniture and equipment	5 to 10 years.
-------------------------	----------------

The Organization charges maintenance and repairs to expense in the current period. Gains and losses are included in earnings in the period of disposition.

JUST ONE AFRICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2022 and 2021

NOTE 3: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions have the following time and purpose restrictions:

	Year Ended December 31, 2022			Balance 12/31/2022
	Balance 12/31/2021	Restricted Revenue	Restrictions Satisfied	
Water filters and wells	\$ -	\$ 26,701	\$ (26,701)	\$ -
Furnish Their Future	63,184	-	(63,184)	-
Valley Light building project	-	-	-	-
Valley Light home	56,897	24,751	(81,648)	-
Emergency Projects	-	-	-	-
Experience trip	-	64,684	(64,684)	-
Health and Education	-	-	-	-
Lenkai water tank	-	-	-	-
Hope Beyond project	-	4,727	(4,727)	-
Just Add Water	-	4,098	(4,098)	-
Sustainability	-	115,700	(115,700)	-
Sanitation	-	-	-	-
Vehicle Purchase	-	-	-	-
World Water Day	-	49,098	(49,098)	-
	<u>\$ 120,081</u>	<u>\$ 289,759</u>	<u>\$ (409,840)</u>	<u>\$ -</u>

	Year ended December 31, 2021			Balance 12/31/2021
	Balance 12/31/2020	Restricted Revenue	Restrictions Satisfied	
Water filters and wells	\$ 1,732	\$ 26,175	\$ (27,907)	\$ -
Furnish Their Future	-	63,184	-	63,184
Valley Light building project	78,773	150,446	(229,219)	-
Valley Light home	18,243	137,004	(98,350)	56,897
Emergency Projects	12,157	515	(12,672)	-
Health and Education	-	1,030	(1,030)	-
Lenkai water tank	1,800	-	(1,800)	-
Hope Beyond project	-	86,789	(86,789)	-
Just Add Water	-	8,478	(8,478)	-
Sustainability	1,786	29,846	(31,632)	-
Sanitation	5,087	-	(5,087)	-
Vehicle Purchase	-	25,000	(25,000)	-
World Water Day	-	4,901	(4,901)	-
	<u>\$ 119,578</u>	<u>\$ 533,368</u>	<u>\$ (532,865)</u>	<u>\$ 120,081</u>

JUST ONE AFRICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2022 and 2021

NOTE 4: AVAILABILITY AND LIQUIDITY

The Organization receives significant revenue restricted by donors and considers revenue restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For the years ended December 31, 2022 and 2021, assets with donor restrictions of \$-0- and \$120,081, respectively, were included in financial assets available to meet cash needs for general expenditures within one year. The Organization regularly monitored liquidity required to meet its operating needs and other commitments. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization anticipates collecting sufficient revenue to cover general expenditures which are not funded by donor restricted resources with unrestricted contributions. Refer to the statements of cash flows which identifies the sources and uses of the Organization’s cash.

The following represents the Organization’s financial assets available within one year of the statement of financial position for general expenditures at December 31:

	2022	2021
Financial assets at year end		
Cash	\$ 299,397	\$ 603,300
Less amounts not available to be used within one year for general expenditures:	-	-
Financial assets available to meet general expenditures over the next twelve months	\$ 299,397	\$ 603,300

NOTE 5: RISKS AND UNCERTAINTIES

Concentration Risk

Contributions from one donor comprised approximately 40% of total donations received for the year ended December 31, 2022. In 2021, two donors contributed approximately 30% of the total revenue received. There is no indication that any changes in the relationship with this donor will occur in the foreseeable future.

Coronavirus Pandemic

In December 2019, a novel strain of coronavirus (“COVID-19”) was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of International Concern.” The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact COVID-19 on operational and financial performance will depend on certain developments: including the duration and spread of the outbreak, impact on donors, volunteers and vendors, all which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact financial conditions or results of operations is uncertain.

JUST ONE AFRICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2022 and 2021

NOTE 6: SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through September 20, 2023, which represents the date the financial statements were available to be issued. The Organization is unaware of any material events that require disclosure in the financial statements or notes.