

OUTREACH AID TO THE AMERICAS, INC.

FINANCIAL STATEMENTS AND
SINGLE AUDIT REPORTS

DECEMBER 31, 2024 AND 2023



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Outreach Aid to the Americas, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Outreach Aid to the America, Inc. (the "Organization"), a non-profit organization, which comprise the statement of financial position as of December 31, 2024 and 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the change 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 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. 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 the Organization 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.

Responsibility 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 the Organization's ability to continue as a going concern for one year from the date the financial statements are issued or 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the Organization'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 the Organization'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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards on page 18 is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, 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 has 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 2025 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the Organization's internal control over financial reporting and compliance.

PAAST.PL

Certified Public Accountants
Coral Gables, Florida
July 14, 2025

OUTREACH AID TO THE AMERICAS, INC.
FINANCIAL STATEMENTS
TABLE OF CONTENTS

	<u>Pages</u>
Financial Statements:	
Statements of Financial Position.....	1
Statements of Activities.....	2
Statement of Functional Expenses.....	3-4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6-12
Single Audit Reporting:	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government</i> <i>Auditing Standards</i>	13-14
Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	15-17
Schedule of Expenditures of Federal Awards.....	18
Notes to Schedule of Expenditures of Federal Awards.....	19
Schedule of Findings and Questioned Costs.....	20-21

FINANCIAL STATEMENTS

OUTREACH AID TO THE AMERICAS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 113,461	\$ 206,671
Grants receivable	-	7,326
Prepaid expenses	11,654	3,520
Total current assets	125,115	217,517
Investments	216,906	445,243
Property and equipment, net	-	3,432
Operating lease right-of-use assets, net	-	29,308
Security deposits	7,200	7,200
TOTAL ASSETS	\$ 349,221	\$ 702,700
LIABILITIES AND NET ASSETS		
Current liabilities		
Line of credit	\$ 89,294	\$ 23,035
Current portion of loan payable	12,362	11,997
Accounts payable	59,553	95,290
Accrued expenses	53,321	22,453
Current portion of operating lease liabilities	-	30,308
Total current liabilities	214,530	183,083
Loan payable, net of current portion	463,797	461,519
TOTAL LIABILITIES	678,327	644,602
Net assets		
Without donor restrictions	(329,106)	58,098
TOTAL LIABILITIES AND NET ASSETS	\$ 349,221	\$ 702,700

The accompanying notes are an integral part of the basic financial statements.

OUTREACH AID TO THE AMERICAS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
REVENUE AND SUPPORT		
Contributions	\$ 283,379	\$ 130,053
Grants	1,671,780	2,045,184
Private programs	18,000	85,000
In-kind donations	5,492,707	5,024,939
Net investment return	278,001	54,030
Other income	95	-
TOTAL REVENUE AND SUPPORT	<u>7,743,962</u>	<u>7,339,206</u>
EXPENSES		
Program services		
Government program services	1,717,881	1,982,897
Private program services	224,409	5,241,107
Total program services	<u>1,942,290</u>	<u>7,224,004</u>
Supporting services		
Management and general	6,188,876	492,860
Fundraising	-	2,301
Total supporting services	<u>6,188,876</u>	<u>495,161</u>
TOTAL EXPENSES	<u>8,131,166</u>	<u>7,719,165</u>
CHANGE IN NET ASSETS	(387,204)	(379,959)
NET ASSETS, BEGINNING OF YEAR	<u>58,098</u>	<u>438,057</u>
NET ASSETS, END OF YEAR	<u>\$ (329,106)</u>	<u>\$ 58,098</u>

The accompanying notes are an integral part of the basic financial statements.

OUTREACH AID TO THE AMERICAS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Programs Services			Supporting Services		Total Supporting Services	Total Expenses
	Government Program Services	Private Program Services	Total Program Services	Management and General	Fundraising		
EXPENSES							
Auto expenses	\$ 121	\$ -	\$ 121	\$ 33,813	\$ -	\$ 33,813	\$ 33,934
Bank charges and fees	957	319	1,276	10,030	-	10,030	11,306
Business development	3,258	9,405	12,663	9,175	-	9,175	21,838
Charitable contributions	-	31,800	31,800	2,500	-	2,500	34,300
Conferences and training	1,200	190	1,390	-	-	-	1,390
Consultants	35,644	1,033	36,677	20,500	-	20,500	57,177
Depreciation	-	-	-	3,432	-	3,432	3,432
Employee benefits and taxes	237,499	11,027	248,526	135,475	-	135,475	384,001
Insurance	-	-	-	2,490	-	2,490	2,490
Interest	-	-	-	44,168	-	44,168	44,168
Marketing	226	2,587	2,813	3,075	-	3,075	5,888
Miscellaneous	-	-	-	40,003	-	40,003	40,003
Office	16,747	5,558	22,305	41,956	-	41,956	64,261
Professional support	339,840	17,480	357,320	74,599	-	74,599	431,919
Program activities	497,984	82,538	580,522	20,313	-	20,313	600,835
Program activities-containers, meals	-	5,492,707	5,492,707	-	-	-	5,492,707
Rent and utilities	29,872	3,130	33,002	32,816	-	32,816	65,818
Repairs and maintenance	-	-	-	13,155	-	13,155	13,155
Salaries	534,187	14,137	548,324	204,100	-	204,100	752,424
Travel	20,346	45,205	65,551	4,569	-	4,569	70,120
TOTAL EXPENSES	<u>\$ 1,717,881</u>	<u>\$ 5,717,116</u>	<u>\$ 7,434,997</u>	<u>\$ 696,169</u>	<u>\$ -</u>	<u>\$ 696,169</u>	<u>\$ 8,131,166</u>

The accompanying notes are an integral part of the basic financial statements.

OUTREACH AID TO THE AMERICAS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Programs Services			Supporting Services		Total Supporting Services	Total Expenses
	Government Program Services	Private Program Services	Total Program Services	Management and General	Fundraising		
EXPENSES							
Auto expenses	\$ -	\$ 7	\$ 7	\$ 27,982	\$ -	\$ 27,982	\$ 27,989
Bank charges and fees	2,255	330	2,585	2,794	-	2,794	5,379
Business development	33,759	3,245	37,004	14,426	2,301	16,727	53,731
Charitable contributions	-	2,768	2,768	-	-	-	2,768
Conferences and training	2,618	5,702	8,320	8,891	-	8,891	17,211
Consultants	18,027	2,156	20,183	4,500	-	4,500	24,683
Depreciation	-	-	-	5,282	-	5,282	5,282
Employee benefits and taxes	194,051	4,730	198,781	224,807	-	224,807	423,588
Insurance	-	-	-	487	-	487	487
Interest	-	-	-	2,663	-	2,663	2,663
Marketing	725	-	725	11,577	-	11,577	12,302
Miscellaneous	3,612	177	3,789	610	-	610	4,399
Office	34,548	34,536	69,084	58,432	-	58,432	127,516
Professional support	449,387	38,907	488,294	24,604	-	24,604	512,898
Program activities	459,503	92,630	552,133	9,145	-	9,145	561,278
Program activities-containers, meals	1,695	5,025,359	5,027,054	-	-	-	5,027,054
Rent and utilities	40,359	486	40,845	24,814	-	24,814	65,659
Repairs and maintenance	-	-	-	15,738	-	15,738	15,738
Salaries	705,187	8,961	714,148	42,683	-	42,683	756,831
Travel	37,171	21,113	58,284	13,425	-	13,425	71,709
TOTAL EXPENSES	<u>\$ 1,982,897</u>	<u>\$ 5,241,107</u>	<u>\$ 7,224,004</u>	<u>\$ 492,860</u>	<u>\$ 2,301</u>	<u>\$ 495,161</u>	<u>\$ 7,719,165</u>

The accompanying notes are an integral part of the basic financial statements.

OUTREACH AID TO THE AMERICAS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (387,204)	\$ (379,959)
Adjustments to reconcile change in net assets to net cash used in activities:		
Depreciation	3,432	5,281
Net unrealized gain on investments	(15,276)	(15,243)
Amortization of right-of-use asset	29,308	45,070
Adjustment to loan payable	14,841	-
Changes in assets and liabilities:		
Grants receivable	7,326	207,757
Prepaid expenses	(8,134)	(3,520)
Security deposits	-	(91)
Accounts payable	(35,737)	64,401
Accrued expenses	30,868	(57,249)
Operating lease liabilities	(30,308)	(45,070)
Total adjustments	(3,680)	201,336
NET CASH USED IN OPERATING ACTIVITIES	(390,884)	(178,623)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	243,613	(101,393)
Proceeds from sale of investments	-	171,393
NET CASH PROVIDED BY INVESTING ACTIVITIES	243,613	70,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	178,245	24,000
Payments on line of credit	(111,986)	(965)
Payment on loan payable	(12,198)	(26,484)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	54,061	(3,449)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(93,210)	(112,072)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	206,671	318,743
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 113,461	\$ 206,671
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION		
Cash paid during the year for interest	\$ 44,168	\$ 2,663

The accompanying notes are an integral part of the basic financial statements.

NOTE 1 – NATURE OF OPERATIONS

Outreach Aid to the Americas, Inc., a nonprofit organization, (the "Organization") was incorporated in the state of Florida on June 28, 1994, under the name of "The Cuban Humanitarian Assistance Society." The purpose of the Organization is to conduct advocacy, community, and economic development programs both in Cuba and throughout the Americas, faith-based and otherwise. The Organization's faith-based internal division advocates a nondenominational Evangelical Christian statement of faith and mission statement.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the Organization's significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

A) BASIS OF PRESENTATION

The financial statements have been prepared on the accrual basis of accounting. Classification of the Organization's net assets, its revenue and expenses, and gains and losses are based on the existence or absence of donor/grantor-imposed restrictions. Net assets can be classified in the following categories:

- (i) *Net assets without donor restrictions* – consists of net assets that are not subject to donor/grantor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization, at the discretion of management and the board of directors.
- (ii) *Net assets with donor restrictions* – represent net assets subject to stipulations imposed by donors and/or grantors. Some donor/grantor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor/grantor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor/grantor-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. As of December 31, 2024 and 2023 there were no net assets with donor restrictions.

B) CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on deposit and money market accounts with original maturities of three months or less.

C) INVESTMENTS

The Organization's investments, which are comprised of corporate debt securities, certificates of deposit and money market funds, are stated at fair value. In general, the fair market value of investments is determined by the last reported sales price, using quoted market prices on the last business day of the fiscal year. The fair value of investments in marketable equity securities is based on quoted market prices. Corporate and government debt securities are valued at the closing price reported in the active market in which the individual securities are traded or are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas which may include market-corroborated inputs for credit risk factors, interest rate and yield curves and broker quotes, to calculate fair values.

Realized gains and losses are computed based on the specific-identification method for the securities sold. Interest and dividend income are recognized on the accrual basis. Dividend income is recognized on the ex-dividend date. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, when applicable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) INVESTMENTS (CONTINUED)

The Organization's investments are maintained in a professionally managed portfolio and are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term could materially affect and the amounts reported in the financial statements.

The Organization also maintains an investment in a New York Life Insurance and Annuity Corporation secure term choice fixed annuity contract, which is recorded at contract value, which approximates market value.

D) FAIR VALUE MEASUREMENTS

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1 – quoted prices are available in active markets for identical assets and liabilities. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 – observable market inputs, other than quoted prices included in Level 1, that are either directly or indirectly observable. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and market inputs other than quoted prices (such as interest rates and yield curves) that are directly observable for the asset or liability.
- Level 3 – unobservable market inputs that are used to measure fair value if observable market inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Organization considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

E) GRANTS RECEIVABLE

Balances reflected as grants receivable represent the difference between the grant awards and contractual revenue that has been earned, and cash received related to these awards and revenue. Management believes that the entire balance of grants receivable are fully collectible.

F) PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense, while significant renewals and betterments are capitalized. The estimated useful lives of significant property and equipment categories are as follows:

	Years
Furniture and fixtures	5-7
Leasehold improvements	3
Office equipment and computers	5-7

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G) LEASES

The Organization determines if an arrangement is a lease at the inception of the agreement. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease.

Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the lease agreement does not provide an implicit rate, The Organization utilizes the incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Organization has elected to apply the short-term lease measurement and recognition exemption to its current operating lease agreement for office space and warehouse space. A short-term lease is defined as a lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise. If a lessee chooses to elect the short-term lease measurement and recognition exemption, lease payments are recognized in net income on a straight-line basis over the lease term.

H) REVENUE RECOGNITION

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Grant revenue

Grant revenue is recognized over time in the period expenditures are incurred in compliance with the terms of the grants.

Contributed goods and services

The Organization receives a substantial amount of goods and services donated by several entities in carrying out activities and special projects. The Organization has recognized in the financial statements, in accordance with ASC 958-605, those goods which are voluntarily transferred and have no unstated obligations and those services which create or enhance non-financial assets or require specialized skills which would typically need to be purchased, if not provided by donation. The goods and services received are recorded at their fair value. The total value of goods and services received for the year ended December 31, 2024 and 2023 were \$5,492,707 and \$5,024,939, respectively.

I) INCOME TAXES

The Organization is organized as a charitable organization and is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As a result, no income tax provision or liability has been provided in the accompanying financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I) INCOME TAXES (CONTINUED)

In the unlikely event an uncertain tax position exists in which the Organization could incur income taxes, the Organization would evaluate whether there is a probability that the uncertain tax position taken would be sustained upon examination by a taxing authority. Reserves for uncertain tax positions would then be recorded if the Organization determined it is probable either a position would not be sustained upon examination or if a payment would have to be made to a taxing authority and the amount was reasonably estimable.

As of December 31, 2024 and 2023, the Organization does not believe it has any uncertain tax positions that would result in the Organization having a liability to a taxing authority. The Organization is subject to federal and state income tax examinations generally three years from the date the returns are filed. The income tax returns for the years ending 2021, 2022, 2023 and 2024 (when filed) remain open to examination.

J) FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing various programs and other activities are summarized on a functional basis in the statement of activities. Accordingly, certain costs are allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

K) 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 the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

L) RECENT ACCOUNTING PRONOUNCEMENTS

The Organization evaluates new accounting pronouncements for relevance and impact on its financial statements. Management of the Organization is currently evaluating the effect the pronouncements will have on its financial statements.

NOTE 3 – AVAILABILITY AND LIQUIDITY

The following reflects the Organization's financial assets at December 31, 2024 and 2023, reduced by any amounts that are not available to meet general expenses within one year of the statement of financial position date:

	<u>2024</u>	<u>2023</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 113,461	\$ 206,671
Grants receivable	<u>-</u>	<u>7,326</u>
Financial assets available to meet general obligations over the next twelve months	<u>\$ 113,461</u>	<u>\$ 213,997</u>

The Organization regularly monitors the availability of resources required to meet its operating needs, and manages its liquidity by operating within a prudent range of financial soundness and stability and maintaining adequate liquid assets to fund near-term operating needs. In addition, the Organization anticipates, on an annual basis, collecting sufficient revenue to cover general expenses not covered by donor/grantor-restricted resources.

NOTE 4 – INVESTMENTS

Fair value of investments at December 31, 2024 and 2023, consists of the following:

2024				
	Level 1	Level 2	Level 3	Total
Secure term choice fixed annuity contract	\$ -	\$ -	\$ 216,906	\$ 216,906
2023				
	Level 1	Level 2	Level 3	Total
Cash sweep	\$ 4,020	\$ -	\$ -	\$ 4,020
Certificates of deposits	32,016	-	-	31,016
Corporate bonds	-	198,972	-	198,972
Secure term choice fixed annuity contract	-	-	210,235	210,235
Total investments	\$ 36,036	\$ 198,972	\$ 210,235	\$ 445,243

Changes in the secure term choice fixed annuity contract (Level 3 investment) during the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Balance at January 1,	\$ 210,235	\$ 203,843
Unrealized gain on investment	6,671	6,392
Balance at December 31,	\$ 216,906	\$ 210,235

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2024 and 2023, consists of the following:

	2024	2023
Furniture and fixtures	\$ 29,785	\$ 29,785
Leasehold improvements	37,110	37,110
Office equipment and computers	32,879	32,879
Total	99,774	99,774
Less accumulated depreciation	(99,774)	(96,342)
Property and equipment, net	\$ -	\$ 3,432

Depreciation expense for the years ended December 31, 2024 and 2023 totaled \$3,432 and \$5,282, respectively.

NOTE 5 – LINE OF CREDIT

During 2023, the Organization entered into a line of credit agreement with a financial institution in the amount not to exceed \$25,000, and subsequently increased to \$100,000 during 2023, secured by the Organization's brokerage accounts administered by the financial institution. The line of credit is due on demand, with monthly interest only payments at an annual rate selected at or above the Secured Overnight Financing Rate, as administered by the Federal Reserve Bank of New York, published generally two business days prior to each date interest accrues. The balance due on the line of credit at December 31, 2024 and 2023 is \$89,294 and \$23,035, respectively.

NOTE 6 – LOAN PAYABLE

On July 30, 2020, the Organization obtained an Economic Injury Disaster Loan (the "loan") through the United States Small Business Administration in the amount of \$500,000. The loan has a thirty-year term, maturing on July 30, 2050, at a fixed interest rate of 2.75%, with monthly principal and interest installment payments of \$2,207, beginning 30 months from the date of the loan. Substantially all of the assets serve as collateral for the loan.

At December 31, 2024, maturities of the loan are as follows:

Year ending December 31,	Amount
2025	\$ 12,362
2026	12,738
2027	13,126
2028	13,525
2029	13,936
Thereafter	410,472
	<u>\$ 476,159</u>

NOTE 7 – OPERATING LEASE AGREEMENT

In May 2016, the Organization entered into a lease agreement for office and warehouse space, which expired on April 30, 2022. On August 21, 2022, the Organization extended the lease term for two years, from September 1, 2022 through August 31, 2024, with monthly rental payments of \$3,800. In September 2024, the Organization entered into a one-year lease agreement for office and warehouse space.

Activity on the operating leases as of and for the years ended December 31, 2024 and 2023, consists of the following:

	2024	2023
Operating lease costs	<u>\$ 29,308</u>	<u>\$ 45,070</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	<u>\$ 30,308</u>	<u>\$ 45,600</u>
Right-of-use asset obtained in exchange for operating lease obligations:		
Balance at January 1	\$ 29,308	\$ 74,378
New right-of-use asset	-	-
Amortization of right-of-use asset	<u>(29,308)</u>	<u>(45,070)</u>
Balance at December 31	<u>\$ -</u>	<u>\$ 29,308</u>

NOTE 7 – OPERATING LEASE AGREEMENT (CONTINUED)

	<u>2024</u>	<u>2023</u>
Weighted averages:		
Remaining lease term (in months)	-	8
Discount rate	-	1.04%

NOTE 8 – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances in one financial institution. The Organization’s cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution. At times, cash balances may exceed federally insured limits.

NOTE 9 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through July 14, 2025, the date the financial statements were available to be issued, and does not believe that there are any such events or transactions that require disclosure.

SINGLE AUDIT REPORTING



INDEPENDENT AUDITOR'S 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*

To the Board of Directors
Outreach Aid to the Americas, Inc.

We have audited, in accordance with the 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, the financial statements of Outreach Aid to the Americas, Inc. (the "Organization"), 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, and have issued our report thereon dated July 14, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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.

Our consideration of internal control 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 our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we 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 financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our 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 our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PAAST.PL

Coral Gables, Florida
July 14, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE

To the Board of Directors
Outreach Aid to the Americas, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Outreach Aid to the Americas, Inc. (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Organization's major federal programs for the year ended December 31, 2024. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

PAAST.PL

Coral Gables, Florida
July 14, 2025

OUTREACH AID TO THE AMERICAS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Passed Through to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF STATE			
International Programs to Support Democracy, Human Rights and Labor:			
Faith Fundamental Freedom	19.345	\$ 12,800	\$ 364,226
U.S. Agency for International Programs, Faith Community Action for Nicaragua Electoral Participation	19.345	-	411,731
Public Diplomacy Programs:			
Suenos de Paz	19.040	-	9,500
TOTAL U.S. DEPARTMENT OF STATE		12,800	785,457
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT			
Foreign Assistance for Programs Overseas:			
Accion Humanitaria y Conciencia	98.001	-	441,503
Rebuilding Cuba's Emerging Civil Society	98.001	-	63,650
Lifting Nicaraguan Voices	98.001	-	72,942
		-	578,095
Ocean Freight Reimbursement	98.003	-	62,596
Food for Peace Emergency Program	98.008	-	309,314
TOTAL U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT		-	950,005
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 12,800	\$ 1,735,462

See accompanying notes to the schedule of expenditures of federal awards.

OUTREACH AID TO THE AMERICAS, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Outreach Aid to the Americas, Inc. (the "Organization") under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, results of its operations, or cash flows of the Organization.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Organization has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

OUTREACH AID TO THE AMERICAS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

SECTION 1 – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material for financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR? _____ yes X no

Identification of major federal programs:

Assistance listing number	Name of federal program
19.345	U.S. Department of State: International Programs to Support Democracy, Human Rights and Labor: Faith Fundamental Freedom Action for Nicaragua Electoral Participation

Dollar threshold used to distinguish between type A and Type B programs:

\$ 750,000

Auditee qualified as a low-risk auditee? X yes _____ no

SECTION II – FINANCIAL STATEMENT FINDINGS

Internal Control Over Financial Reporting – None reported.
Compliance – None reported.

OUTREACH AID TO THE AMERICAS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Internal Control Over Compliance – None reported.

Compliance – None reported.

SECTION IV – OTHER MATTERS

- No management letter is required because there were no findings required to be reported in a management letter.
- No summary schedule of prior audit findings is required because there were no prior audit findings related to federal awards programs.