

OPERATION INTERNATIONAL LTD  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDING DECEMBER 31, 2022 and 2021

OPERATION INTERNATIONAL LTD  
TABLE OF CONTENTS

	<u>Page</u>
Accountant's Report	1,2
Statements of Financial Position	3
Statements of Activities	4,5
Statements of Cash Flows	6
Statement of Functional Expenses	7,8
Notes to Financial Statements	9,10,11,12

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Operations International LTD

### Opinion

I have audited the accompanying financial statements of Operational International LTD ( a nonprofit organization), which comprises the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pronto as of December 31, 2022 and 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

### Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am required to be independent of Operational International Ltd and to meet my other ethical responsibilities in accordance with the relevant requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Operational International LTD ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objective is 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 my 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 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, internal omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted standards I:

**Exercise professional judgement**

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 examine, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of interna control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of Operational International LTD'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 my judgment, there are conditions or events, considered in the aggregate, that raises substantial doubt about Operational Internationa; LTD's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged wit governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**Report on Supplementary Information**

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis 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, 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 State of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.

Bruce Fabrizio  
Certified Public Accountant  
Brentwood, NY 11717  
October 26, 2023

**OPERATION INTERNATIONAL LTD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2022 and 2021**

<b>ASSETS:</b>	<u><b>December 31, 2022</b></u>	<u><b>December 31, 2021</b></u>
<b>Current assets:</b>		
Cash and cash equivalents	<u>\$ 956,448</u>	<u>\$ 817,713</u>
<b>Property, Plant and Equipment (net)</b>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 956,448</u></u>	<u><u>\$ 817,713</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Credit Cards Payable	<u>\$ 4,230</u>	<u>\$ 6,265</u>
 <b>NET ASSETS:</b>		
Without Donor Restrictions	952,218	774,013
With Donor Restrictions	<u>-</u>	<u>37,435</u>
Total net assets	<u>952,218</u>	<u>811,448</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 956,448</u></u>	<u><u>\$ 817,713</u></u>

See independent accountant's audit report and noted to financial statements

OPERATIONS INTERNATIONAL LTD  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2022

	<b>Net Assets without Donor Restrictions</b>	<b>Net Assets with Donor Restrictions</b>	<b>Total</b>
<b>REVENUES:</b>			
Donation Income	<u>\$ 1,038,601</u>	<u>572,982</u>	<u>\$ 1,611,583</u>
Total Revenue and other Support	<u>1,038,601</u>	<u>122,600</u>	<u>1,611,583</u>
<b>EXPENSES:</b>			
Program	789,563	606,077	1,395,640
Supporting service expense:	-	-	-
Fundraising expenses	50,822	-	50,822
Management & General expense	<u>24,351</u>	<u>-</u>	<u>24,351</u>
TOTAL EXPENSES	<u>864,736</u>	<u>606,077</u>	<u>1,470,813</u>
<b>CHANGE IN NET ASSETS</b>	173,865	(33,095)	140,770
<b>Net Assets January 1, 2022</b>	<u>774,013</u>	<u>37,435</u>	<u>811,448</u>
<b>Net Assets December 31, 2022</b>	<u><u>\$ 947,878</u></u>	<u><u>\$ 4,340</u></u>	<u><u>\$ 952,218</u></u>

See independent accountant's report and notes to financial position

OPERATIONS INTERNATIONAL LTD  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDING DECEMBER 31, 2021

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<b>REVENUES:</b>			
Donation Income	\$ 520,043	122,600	\$ 642,643
Total Revenue and other Support	<u>520,043</u>	<u>122,600</u>	<u>642,643</u>
<b>EXPENSES:</b>			
Program	242,689	85,165	327,854
Supporting service expense:	-	-	-
Fundraising expenses	24,166	-	24,166
Management & General expense	<u>14,218</u>	<u>-</u>	<u>14,218</u>
TOTAL EXPENSES	<u>281,073</u>	<u>85,165</u>	<u>366,238</u>
<b>CHANGE IN NET ASSETS</b>	238,970	37,435	276,405
Net Assets January 1, 2021	<u>535,043</u>	<u>-</u>	<u>535,043</u>
Net Assets December 31, 2021	<u>\$ 774,013</u>	<u>\$ 37,435</u>	<u>\$ 811,448</u>

See independent accountant's audit report and notes to the financial statements

**OPERATION INTERNATIONAL LTD**  
**STATEMENT OF CASH FLOWS**  
**AS OF DECEMBER 31, 2022 and 2021**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase(decrease)in Net Assets	\$ 140,770	\$ 276,406
Change in assets		
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation and Amortization		-
Changes in assets (increase) decrease		
Accounts receivable		-
Changes in liabilities increase (decrease)		
Accounts payable and Accrueables	(2,035)	5,875
	<u>138,735</u>	<u>282,281</u>
Net cash provided (used) by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		-
NET INCREASE (DECREASE) IN CASH	138,735	282,281
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>817,713</u>	<u>535,432</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 956,448</u>	<u>\$ 817,713</u>

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See independent accountant's review report and notes to financial statements



OPERATIONS INTERNATIONAL LTD  
SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES  
FOR TE YEAR ENDED DECEMBER 31, 2022

	<u>Program</u>	<u>Fundraising</u>	<u>Management &amp; General</u>	<u>TOTAL</u>
Mission expense	\$ 726,870	\$ -	\$ -	726,870
Program- Construction of school	606,077	-	-	606,077
Medical equipment	14,686	-	-	14,686
Medical supplies	44,060	-	-	44,060
Insurance	1,083	-	-	1,083
Website Expenses	2,864	-	-	2,864
Fundraiser expense	-	50,822	-	50,822
Office Expense	-	-	6,355	6,355
NY fee	-	-	125	125
Storage	-	-	10,319	10,319
Supplies	-	-	222	222
Travel	-	-	2,384	
Postage	-	-	462	462
Bank charges	-	-	4,483	4,483
	<u>\$ 1,395,640</u>	<u>\$ 50,822</u>	<u>\$ 24,350</u>	<u>\$ 1,470,812</u>

See independent accountant's audit report and notes to financial statements

**OPERATIONS INTERNATIONAL LTD**  
**SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021**

	<u>Program</u>	<u>Fundraising</u>	<u>Management &amp; General</u>	<u>TOTAL</u>
Mission expense	\$ 163,190	\$ -	\$ -	163,190
Program-- Construction of School	85,165			85,165
Medical equipment	11,788	-	-	11,788
Medical supplies	65,872	-	-	65,872
Insurance	1,267	-	-	1,267
Website Expenses	572			572
Fundraiser expense	-	24,166	-	24,166
Office Expense	-	-	1,360	1,360
NY fee	-	-	250	250
NJ fees	-	-	31	31
Storage	-	-	7,040	7,040
Supplies	-	-	2,375	2,375
Postage	-	-	388	388
Bank charges	-	-	2,774	2,774
	<u>\$ 327,854</u>	<u>\$ 24,166</u>	<u>\$ 14,218</u>	<u>\$ 366,238</u>

See independent's accountant's audit report and notes to financial statements

**OPERATION INTERNATIONAL LTD  
NOTES TO FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 2022**

**Note 1 - Description of Organization**

Organization and Activity:

Operation International Ltd. Is a not-for-profit, tax exempt entity incorporated on September 17, 2002 in Suffolk County, NY. The Organization's principal function is to provide medical and surgical expertise to the indigent.

Qualifying contributions to the organization are tax deductible.

**Note 2 - Summary of Significant Accounting Policies**

**Basis of presentation** - The financial statements of the organization have been prepared in accordance with U.S. generally accepted accounting principles (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. These net assets may be used at the discretion of the organization's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulation imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities

**Measure of operations** - The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the organization's program services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

**Cash and cash equivalents** -The organization's cash consists of cash on deposit with banks, Cash equivalents represent money market funds or short term investments with original maturities of three months or less of from the date of purchase, except for those amounts that are held in investment portfolio which are invested for long term purposes.

**OPERATION INTERNATIONAL LTD  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 2022**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Grants Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at net realized value.

As of December 31, 2022 the organization's Grants Receivable consisted of promises of \$0.

**Advertising Costs**

The Organization uses advertising to promote among its programs among the audience it serves. The production costs of advertising are expensed as incurred.

**Functional Allocation of Expenses**

The cost of providing the program and other activities have been summarized basis in the statements of activities. Accordingly, certain costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis.

**Use of estimates**

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

**Contributions**

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-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are classified without donor and are reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with Donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net restrictions assets with donor restrictions; otherwise, the contributions are recorded as net assets without restrictions.

Accordingly, certain costs have been allocated between the program and the supporting services in reasonable ratios determined by management.

**OPERATION INTERNATIONAL LTD  
NOTES TO FINANCIAL STATEMENT  
AS OF DECEMBER 31, 2022**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Concentration of credit risk**

Financial instruments that potentially subject the organization to concentrations of credit risk consists principally of cash and cash equivalents. maintains its cash and cash equivalents in various bank accounts. The organization's cash and cash equivalents account have been placed with high credit quality financial institutions. The organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

**Income taxes**

The organization is exempt from income tax under IRC section 501 ( c ) (3), though it is subject to tax on subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The organization is exempt from income tax under IRC section 501 (c ) (3), though it is subject to tax on disclosure in the financial statements.

**Reclassifications**

Certain prior year amounts have been reclassified to conform to the current year presentation.

**New Accounting Pronouncement**

On August 16, 2016, FASB issued ASU 2016-14, Not- for -Profit Entities (topic 958)- Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net assets classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**Note 3- Intangible Assets**

As of December 31, 2021 Intangible Asset consists of the following:

	<u>December 31, 2021</u>
Organizational Costs	\$ 1,028
Less: Accumulated Amortization	<u>1,028</u>
Intangible Asset (net)	<u><u>\$ -</u></u>

OPERATION INTERNATIONAL LTD  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 2022

**Note 4 - Availability and Liquidity**

The following represents the organization's financial assets at December 31, 2021:

Financial assets at year end:	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 956,448	\$ 817,713
Accounts receivable	-	-
Total financial assets	<u>956,448</u>	<u>817,713</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	4,340	37,435
Less net assets with purpose restrictions to be met in less than a year	<u>-</u>	<u>-</u>
	<u>4,340</u>	<u>37,435</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 952,108</u>	<u>\$ 780,278</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operation expenses (approximately \$216,184). The Organization has assets to meet its cash flow needs.

**Note 5 -Net assets with donor restrictions**

Net assets with donor restrictions were as follows for the years ended December 31, 2021

Specific purpose	<u>2021</u>	<u>2021</u>
	\$ 4,340	\$ 37,435
Total	<u>\$ 4,340</u>	<u>\$ 37,435</u>

Net assets without donor restrictions for the years ended December 31, 2021 were as follows:

Undesignated	<u>2022</u>	<u>2021</u>
	\$ 647,878	\$ 774,013

**Note 6 - Subsequent Events**

Management has evaluated subsequent events through October 26, 2023 which is the date the financial statements were available to be issued. The company notes that it is not aware of any material subsequent events other than an international pandemic which has affected the entire nation.