



SAVING MOSES

Financial Statements
With Independent Auditors' Report

December 31, 2019 and 2018

SAVING MOSES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Saving Moses
Centennial, Colorado

We have audited the accompanying financial statements of Saving Moses, which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Saving Moses
Centennial, Colorado

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saving Moses as of December 31, 2019 and 2018, and the changes in their net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Capin Crouse LLP

Centennial, Colorado
April 2, 2020

SAVING MOSES

Statements of Financial Position

	December 31,	
	<u>2019</u>	<u>2018</u>
ASSETS:		
Cash and cash equivalents	\$ 534,252	\$ 307,224
Investments	453,789	427,242
Prepaid expenses and other assets	<u>23,759</u>	<u>-</u>
Total Assets	<u>\$ 1,011,800</u>	<u>\$ 734,466</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 29,167	\$ 35,613
Amounts due to related party	<u>26,805</u>	<u>40,721</u>
	<u>55,972</u>	<u>76,334</u>
Net assets:		
Without donor restrictions	955,828	657,975
With donor restrictions	<u>-</u>	<u>157</u>
	<u>955,828</u>	<u>658,132</u>
Total Liabilities and Net Assets	<u>\$ 1,011,800</u>	<u>\$ 734,466</u>

See notes to financial statements

SAVING MOSES

Statements of Activities

	Year Ended December 31,					
	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	\$ 1,500,996	\$ 133,697	\$ 1,634,693	\$ 1,191,604	\$ 67,335	\$ 1,258,939
Program revenue and other	86,823	-	86,823	55,696	-	55,696
Total Revenue	1,587,819	133,697	1,721,516	1,247,300	67,335	1,314,635
NET ASSETS RELEASED FROM:						
Purpose restrictions	133,854	(133,854)	-	67,178	(67,178)	-
EXPENSES:						
Program services	1,118,102	-	1,118,102	1,000,627	-	1,000,627
Supporting activities:						
General and administrative	166,587	-	166,587	163,967	-	163,967
Fund-raising	139,131	-	139,131	109,904	-	109,904
	305,718	-	305,718	273,871	-	273,871
Total Expenses	1,423,820	-	1,423,820	1,274,498	-	1,274,498
Change in Net Assets	297,853	(157)	297,696	39,980	157	40,137
Net Assets, Beginning of Year	657,975	157	658,132	617,995	-	617,995
Net Assets, End of Year	\$ 955,828	\$ -	\$ 955,828	\$ 657,975	\$ 157	\$ 658,132

See notes to financial statements

SAVING MOSES

Statements of Functional Expenses

Year Ended December 31, 2019				
Program Activities	Supporting Activities:			Total
	General and Administrative	Fund-raising		
Grants to foreign partners	\$ 492,658	\$ -	\$ -	\$ 492,658
Salary and benefits	255,359	17,411	17,411	290,181
Printing and postage	79,698	39,165	39,359	158,222
Airtime	123,445	-	-	123,445
Advertising and promotion	25,914	12,957	78,957	117,828
Office and shared services	14,028	64,810	-	78,838
Travel and team trips	71,518	-	-	71,518
Professional services	26,157	29,867	2,780	58,804
Occupancy	29,325	2,377	624	32,326
2019 Total Expenses	\$ 1,118,102	\$ 166,587	\$ 139,131	\$ 1,423,820

Year Ended December 31, 2018				
Program Activities	Supporting Activities:			Total
	General and Administrative	Fund-raising		
Grants to foreign partners	\$ 452,703	\$ -	\$ -	\$ 452,703
Salary and benefits	205,854	16,574	15,962	238,390
Printing and postage	69,647	34,516	34,604	138,767
Airtime	98,673	-	-	98,673
Advertising and promotion	13,168	6,584	57,584	77,336
Office and shared services	19,795	71,433	-	91,228
Travel and team trips	88,967	-	-	88,967
Professional services	27,064	32,856	1,120	61,040
Occupancy	24,756	2,004	634	27,394
2018 Total Expenses	\$ 1,000,627	\$ 163,967	\$ 109,904	\$ 1,274,498

See notes to financial statements

SAVING MOSES

Statements of Cash Flows

	Year Ended December 31,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 297,696	\$ 40,137
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Reinvested interest and dividends	(11,366)	(6,108)
Net realized and unrealized (gains) losses	(3,139)	362
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(23,759)	-
Accounts payable and accrued expenses	(6,446)	14,398
Amounts due to related party	(13,916)	(51,282)
Net Cash Provided by Operating Activities	<u>239,070</u>	<u>(2,493)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(12,042)	(549,339)
Proceeds from sale of investments	-	340,518
Net Cash Used by Investing Activities	<u>(12,042)</u>	<u>(208,821)</u>
Net Change in Cash and Cash Equivalents	227,028	(211,314)
Cash and Cash Equivalents, Beginning of Year	<u>307,224</u>	<u>518,538</u>
Cash and Cash Equivalents, End of Year	<u>\$ 534,252</u>	<u>\$ 307,224</u>

See notes to financial statements

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Notes to Financial Statements

December 31, 2019 and 2018

1. NATURE OF ORGANIZATION:

Saving Moses (SM) is a global initiative to save babies and toddlers (5 & under) by meeting the most urgent & intense survival needs in places where help is least available. SM was founded in 2010 by Sarah Bowling as a ministry within Marilyn Hickey Ministries (MHM) and began operating as an independent ministry as of January 1, 2012.

SM addresses baby (age 0-5) specific needs worldwide when help is most needed but least available. To date, SM has worked in Costa Rica, Cambodia, Haiti, Albania, Ukraine, Romania, Thailand, China, Guinea-Bissau, Senegal, Madagascar, Kenya, Malawi, Namibia, South Africa, Zambia, Liberia, Tanzania, Ghana, Mozambique, Uganda, Sudan, Botswana, Afghanistan, Sierra Leone, India, Nepal, Angola, and Syria with more places to come.

SM is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, SM is subject to federal income tax on any unrelated business taxable income. In addition, SM is not classified as a private foundation within the meaning of Section 509(a) of the IRC. Contributions are SM's primary source of support and revenue.

2. SUMMARY OF ACCOUNTING POLICIES:

SM maintains its accounts and prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. 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 reported amounts of assets and liabilities, disclosures of any contingent assets and liabilities at the date of the financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from the estimates. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash held in checking and investment accounts. As of December 31, 2019 and 2018, SM's cash balances exceeded federally insured limits by approximately \$441,000 and \$281,000, respectively. SM has not experienced any losses on these accounts and does not believe these funds to be at substantial risk of loss due to the lack of federal insurance coverage.

INVESTMENTS

Investments consist of certificates of deposit and fixed income mutual funds, which are recorded at fair market value. Realized and unrealized gains and losses are included as revenue without donor restrictions in the statements of activities. Donated investments are recorded at the fair value on the date of donation and thereafter carried in accordance with the above provisions.

AMOUNTS DUE TO RELATED PARTY

Amounts due to related party consists of amounts payable to MHM for various services and airtime.

SAVING MOSES

Notes to Financial Statements

December 31, 2019 and 2018

2. SUMMARY OF ACCOUNTING POLICIES, continued:

NET ASSETS

The financial statements report amounts separately by class of net assets as follows:

Net assets without donor restrictions are those resources that are currently available for operations.

Net assets with donor restrictions are those resources which are stipulated by donors for various ministry projects and programs.

SUPPORT AND REVENUE

Contributions are recorded when made, which may be when cash or other assets are received or unconditionally promised. Contributions are reported as restricted contributions if they are received with donor stipulations that limit the use of the donated amounts. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is satisfied, 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. All contributions are considered available for general use unless specifically restricted by the donor. All donations postmarked by the end of the fiscal year are recognized as support and revenue in that fiscal year.

Program revenue and other consists of sales, registration revenue, and honorariums, which are recorded when earned.

FUNCTIONAL ALLOCATION OF EXPENSES

The statements of functional expenses report certain categories of expenses that are attributable to program or support activities of SM. These expenses include occupancy which are allocated based on square footage occupancy. Costs of other categories were allocated on estimates of time and effort.

Program activities include taking care of baby specific needs throughout the globe.

ADOPTION OF NEW ACCOUNTING STANDARD

In 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. SM adopted the provisions of this new standard during the year ended December 31, 2019. This new standard provides guidance on determining whether transactions should be accounted for as an exchange transaction or a contribution and whether a contribution should be recorded as conditional or unconditional. This standard did not have a material impact on the presentation of the December 31, 2019 financial statements.

ADVERTISING COSTS

Advertising costs for the years ended December 31, 2019 and 2018 of \$51,828 and \$26,335, respectively, are expensed as incurred and included in the statements of activities.

SAVING MOSES

Notes to Financial Statements

December 31, 2019 and 2018

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

SM has approximately \$988,000 and \$734,000 of financial assets available within one year of the statements of financial position date as of December 31, 2019 and 2018, respectively. These amounts consists of cash and cash equivalents and investments. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statements of financial position date.

SM structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. SM's goal is to maintain reserves of six months, which it exceeded as of December 31, 2019 and 2018. Management monitors cash flows closely through monthly reviews and quarterly board meetings.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS:

SM uses appropriate valuation techniques to determine fair value based on inputs available. When available SM measures fair value using Level 1 inputs because they generally provide the most reliable evidence for fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position, when measured at the fair value on a recurring basis, and the level of the fair value measurement hierarchy in which the fair value measurements fall:

	Fair Value	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2019:				
Fixed income mutual funds	\$ 453,789	\$ 453,789	\$ -	\$ -
December 31, 2018:				
Fixed income mutual funds	\$ 342,341	\$ 342,341	\$ -	\$ -
Certificates of deposit	84,901	-	84,901	-
	\$ 427,242	\$ 342,341	\$ 84,901	\$ -

Valuation techniques: Fair value for fixed income mutual funds are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair value for certificates of deposit are based on appraisals and market comparisons.

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5. RETIREMENT PLAN:

SM sponsors a 403(b) plan (the Plan) through MHM in which all employees are eligible. SM matches 5% of employee contributions, which was increased from 3% during the year ended December 31, 2018. Employer contributions to the Plan totaled \$9,875 and \$7,492 for the years ended December 31, 2019 and 2018, respectively.

6. RELATED PARTY TRANSACTIONS:

During the years ended December 31, 2019 and 2018, SM incurred expenses to MHM for shared services of \$175,990 and \$148,378, respectively. This accounted for approximately 12% of total expenses during the years ended December 31, 2019 and 2018. These expenses are determined by a shared services and airtime agreement between SM and MHM and include rent, executive planning services, operations support services, broadcasting airtime, web related services, and fundraising consulting services. SM owed MHM \$26,805 and \$40,721 as of December 31, 2019 and 2018, respectively. SM and MHM are considered related parties under U.S. GAAP due to their shared board members resulting in MHM's ability to influence SM's operating decisions.

The president of the SM board is also the president of a like-minded organization in Cambodia. During the years ended December 31, 2019 and 2018, SM granted funds of \$149,985 and \$144,060, respectively, to the Cambodian organization.

7. SUBSEQUENT EVENTS:

Subsequent events were evaluated through April 2, 2020, which is the date the financial statements were available to be issued.