



SAVING MOSES

Financial Statements
With Independent Auditors' Report

December 31, 2020 and 2019

SAVING MOSES

Table of Contents

	<u>Page</u>
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

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, 2020 and 2019, 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, 2020 and 2019, 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 1, 2021

SAVING MOSES

Statements of Financial Position

	December 31,	
	<u>2020</u>	<u>2019</u>
ASSETS:		
Cash and cash equivalents	\$ 953,329	\$ 534,252
Investments	373,794	453,789
Prepaid expenses and other assets	24,741	23,759
Property and equipment-net	<u>9,267</u>	<u>-</u>
Total Assets	<u>\$ 1,361,131</u>	<u>\$ 1,011,800</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 20,681	\$ 29,167
Amounts due to related party	<u>172,667</u>	<u>26,805</u>
	<u>193,348</u>	<u>55,972</u>
Net assets:		
Without donor restrictions	<u>1,167,783</u>	<u>955,828</u>
	<u>1,167,783</u>	<u>955,828</u>
Total Liabilities and Net Assets	<u>\$ 1,361,131</u>	<u>\$ 1,011,800</u>

See notes to financial statements

SAVING MOSES

Statements of Activities

	Year Ended December 31,					
	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	\$ 1,679,412	\$ 122,266	\$ 1,801,678	\$ 1,500,996	\$ 133,697	\$ 1,634,693
Program revenue and other	32,825	-	32,825	86,823	-	86,823
Total Support and Revenue	1,712,237	122,266	1,834,503	1,587,819	133,697	1,721,516
NET ASSETS RELEASED FROM:						
Purpose restrictions	122,266	(122,266)	-	133,854	(133,854)	-
EXPENSES:						
Program services	1,318,432	-	1,318,432	1,113,286	-	1,113,286
Supporting activities:						
General and administrative	145,260	-	145,260	169,368	-	169,368
Fund-raising	158,856	-	158,856	141,166	-	141,166
	304,116	-	304,116	310,534	-	310,534
Total Expenses	1,622,548	-	1,622,548	1,423,820	-	1,423,820
Change in Net Assets	211,955	-	211,955	297,853	(157)	297,696
Net Assets, Beginning of Year	955,828	-	955,828	657,975	157	658,132
Net Assets, End of Year	\$ 1,167,783	\$ -	\$ 1,167,783	\$ 955,828	\$ -	\$ 955,828

See notes to financial statements

SAVING MOSES

Statements of Functional Expenses

Year Ended December 31, 2020				
Program Activities	Supporting Activities:			Total
	General and Administrative	Fund-raising		
Grants to foreign programs	\$ 725,046	\$ -	\$ -	\$ 725,046
Salary and benefits	195,506	17,978	11,236	224,720
Printing and postage	131,774	-	43,925	175,699
Advertising and promotion	53,374	7,237	101,803	162,414
Airtime	116,900	-	-	116,900
Office and shared services	23,105	74,878	79	98,062
Professional services	32,310	42,747	1,261	76,318
Occupancy	27,390	1,999	552	29,941
Travel and team trips	12,605	-	-	12,605
Depreciation	422	421	-	843
Total 2020 Expenses	<u>\$ 1,318,432</u>	<u>\$ 145,260</u>	<u>\$ 158,856</u>	<u>\$ 1,622,548</u>

Year Ended December 31, 2019				
Program Activities	Supporting Activities:			Total
	General and Administrative	Fund-raising		
Grants to foreign programs	\$ 492,658	\$ -	\$ -	\$ 492,658
Salary and benefits	250,543	20,192	19,446	290,181
Printing and postage	79,698	39,165	39,359	158,222
Advertising and promotion	25,914	12,957	78,957	117,828
Airtime	123,445	-	-	123,445
Office and shared services	14,028	64,810	-	78,838
Professional services	26,157	29,867	2,780	58,804
Occupancy	29,325	2,377	624	32,326
Travel and team trips	71,518	-	-	71,518
Total 2019 Expenses	<u>\$ 1,113,286</u>	<u>\$ 169,368</u>	<u>\$ 141,166</u>	<u>\$ 1,423,820</u>

See notes to financial statements

SAVING MOSES

Statements of Cash Flows

	Year Ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 211,955	\$ 297,696
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Net realized and unrealized gains	(6,304)	(3,139)
Depreciation	843	-
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(982)	(23,759)
Accounts payable and accrued expenses	(8,486)	(6,446)
Amounts due to related party	145,862	(13,916)
Net Cash Provided by Operating Activities	<u>342,888</u>	<u>250,436</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(10,110)	-
Purchases of investments and reinvested interest and dividends	(117,024)	(23,408)
Proceeds from sale of investments	203,323	-
Net Cash Provided (Used) by Investing Activities	<u>76,189</u>	<u>(23,408)</u>
Net Change in Cash and Cash Equivalents	419,077	227,028
Cash and Cash Equivalents, Beginning of Year	<u>534,252</u>	<u>307,224</u>
Cash and Cash Equivalents, End of Year	<u>\$ 953,329</u>	<u>\$ 534,252</u>

See notes to financial statements

SAVING MOSES

Notes to Financial Statements

December 31, 2020 and 2019

1. NATURE OF ORGANIZATION:

Saving Moses (SM) is a global humanitarian organization to save babies (age 0-5) 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 organization as of January 1, 2012.

SM has three main programs which include Malnutrition, NightCare, and BirthAid. The Malnutrition program administers life saving therapeutic milk to babies and toddlers suffering from starvation. The NightCare program provides loving shelter and care to the babies of sex workers overnight when they are most vulnerable to abuse, neglect, and exploitation. The BirthAid program provides community-based education and skilled birth attendants in high conflict areas where the neonatal mortality rate is high due to lack of birth education and low access to healthcare.

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 and cash equivalents held in checking and investment accounts. As of December 31, 2020 and 2019, SM's cash balances on deposit exceeded federally insured limits by approximately \$552,000 and \$190,000, 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 fixed income mutual funds, which are recorded at fair market value. Realized and unrealized gains and losses are included as program revenue and other 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.

SAVING MOSES

Notes to Financial Statements

December 31, 2020 and 2019

2. SUMMARY OF ACCOUNTING POLICIES, continued:

PROPERTY AND EQUIPMENT

SM capitalizes property and equipment purchases exceeding \$3,000 and with useful lives of five years or greater. Property and equipment are recorded at cost, or if donated, at the estimated fair market value at the date of donation. Depreciation is computed on the straight-line method over the estimated useful lives.

As of December 31, 2020 and 2019, property and equipment consists of leasehold improvements and fixtures of \$10,110 and \$0, respectively. Accumulated depreciation was \$843 and \$0, during the years ended December 31, 2020 and 2019, respectively.

AMOUNTS DUE TO RELATED PARTY

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

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, honorariums, and investment income which are recorded when earned.

During the year ended December 31, 2020, SM received a Paycheck Protection Program loan of \$46,700. The loan is eligible for forgiveness based on SM incurring various qualifying expenses such as normal payroll costs, mortgage interest, and utilities. SM has received forgiveness notice from the Small Business Association as of December 31, 2020. The full amount has been recorded in contributions with donor restrictions on the statements of activities.

SAVING MOSES

Notes to Financial Statements

December 31, 2020 and 2019

2. SUMMARY OF ACCOUNTING POLICIES, continued:

FUNCTIONAL ALLOCATION OF EXPENSES

The statements of functional expenses report certain categories of expenses that are attributable to program or supporting 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.

ADVERTISING COSTS

Advertising costs for the years ended December 31, 2020 and 2019, of \$90,464 and \$51,828, respectively, are expensed as incurred and included in the statements of activities.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

SM has approximately \$1,327,000 and \$988,000, of financial assets available within one year of the statements of financial position date as of December 31, 2020 and 2019, 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, 2020 and 2019. Management monitors cash flows closely through monthly reviews and quarterly board meetings.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS:

Investments consist of fixed income mutual funds. Investment income was \$13,530 and \$14,505, for the years ended December 31, 2020 and 2019, respectively, and is recorded within program revenue and other on the statements of activities.

The Fair Value Measurements Topic of the FASB Accounting Standards codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. 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.

Fixed income mutual funds are measured at Level 1 which is determined by reference to quoted market prices and other relevant information generated by market transactions. There were no changes in valuation technique in the current year.

SAVING MOSES

Notes to Financial Statements

December 31, 2020 and 2019

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. Employer contributions to the Plan totaled \$9,015 and \$9,875, for the years ended December 31, 2020 and 2019, respectively.

6. RELATED PARTY TRANSACTIONS:

During the years ended December 31, 2020 and 2019, SM paid MHM for shared services of \$164,203 and \$175,990, respectively. This accounted for approximately 10% and 12% of total expenses during the years ended December 31, 2020 and 2019, respectively. These expenses are determined by a shared services and airtime agreement between SM and MHM and include broadcasting airtime, rent, and operations support services. SM owed MHM \$172,667 and \$26,805, as of December 31, 2020 and 2019, respectively. SM and MHM are considered related parties due to their shared board members resulting in MHM's ability to influence SM's operating decisions, although MHM does not have a controlling interest in the operational decisions of SM. Specifically, five of seven of SM's board members are independent of MHM and MHM does not have the ability to appoint future board members according to SM's bylaws.

A SM board member is also the president of a like-minded organization in Cambodia. During the years ended December 31, 2020 and 2019, SM granted funds of \$165,577 and \$149,985, respectively, to the Cambodian organization.

7. RISKS AND UNCERTAINTIES:

In March 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. COVID-19 has caused a severe negative impact on the world economy and has contributed to significant declines and volatility in financial markets. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of SM for future periods. Management is carefully monitoring the situation and evaluating its options as circumstances evolve.

8. SUBSEQUENT EVENTS:

Subsequent events were evaluated through April 1, 2021, which is the date the financial statements were available to be issued.