



SAVING MOSES

Financial Statements
With Independent Auditors' Report

December 31, 2021 and 2020

SAVING MOSES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Saving Moses
Centennial, Colorado

Opinion

We have audited the accompanying financial statements of Saving Moses, which comprise the statements of financial position as of December 31, 2021 and 2020, 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 Saving Moses as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Saving Moses and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Saving Moses's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Saving Moses
Centennial, Colorado

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 Saving Moses'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 Saving Moses'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.

Capin Crouse LLP

Centennial, Colorado
July 21, 2022

SAVING MOSES

Statements of Financial Position

	December 31,	
	<u>2021</u>	<u>2020</u>
ASSETS:		
Cash and cash equivalents	\$ 1,027,383	\$ 953,329
Investments	381,212	373,794
Prepaid expenses and other assets	16,210	24,741
Property and equipment-net	11,588	9,267
	<u> </u>	<u> </u>
Total Assets	<u>\$ 1,436,393</u>	<u>\$ 1,361,131</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 52,206	\$ 20,681
Amounts due to related party	97,987	172,667
Total liabilities:	<u>150,193</u>	<u>193,348</u>
Net assets:		
Without donor restrictions	1,276,996	1,167,783
With donor restrictions	9,204	-
Total net assets:	<u>1,286,200</u>	<u>1,167,783</u>
Total Liabilities and Net Assets	<u>\$ 1,436,393</u>	<u>\$ 1,361,131</u>

See notes to financial statements

SAVING MOSES

Statements of Activities

	Year Ended December 31,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	\$ 1,844,686	\$ 45,747	\$ 1,890,433	\$ 1,679,412	\$ 122,266	\$ 1,801,678
Program revenue and other	5,357	-	5,357	32,825	-	32,825
Total Support and Revenue	1,850,043	45,747	1,895,790	1,712,237	122,266	1,834,503
NET ASSETS RELEASED FROM:						
Purpose restrictions	36,543	(36,543)	-	122,266	(122,266)	-
EXPENSES:						
Program services	1,443,904	-	1,443,904	1,318,432	-	1,318,432
Supporting activities:						
General and administrative	170,189	-	170,189	145,260	-	145,260
Fund-raising	163,280	-	163,280	158,856	-	158,856
	333,469	-	333,469	304,116	-	304,116
Total Expenses	1,777,373	-	1,777,373	1,622,548	-	1,622,548
Change in Net Assets	109,213	9,204	118,417	211,955	-	211,955
Net Assets, Beginning of Year	1,167,783	-	1,167,783	955,828	-	955,828
Net Assets, End of Year	\$ 1,276,996	\$ 9,204	\$ 1,286,200	\$ 1,167,783	\$ -	\$ 1,167,783

See notes to financial statements

SAVING MOSES

Statements of Functional Expenses

Year Ended December 31, 2021				
Program Services	Supporting Activities:			Total
	General and Administrative	Fund-raising		
Grants to foreign programs	\$ 778,654	\$ -	\$ -	\$ 778,654
Salary and benefits	233,588	21,729	16,297	271,614
Advertising and promotion	62,479	8,472	100,951	171,902
Printing and postage	124,969	-	41,656	166,625
Airtime	111,204	-	-	111,204
Professional services	46,059	51,338	3,664	101,061
Office and shared services	15,199	85,363	93	100,655
Travel and team trips	42,983	-	-	42,983
Occupancy	27,959	2,477	619	31,055
Depreciation	810	810	-	1,620
Total 2021 Expenses	\$ 1,443,904	\$ 170,189	\$ 163,280	\$ 1,777,373

Year Ended December 31, 2020				
Program Services	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
Advertising and promotion	53,374	7,237	101,803	162,414
Printing and postage	131,774	-	43,925	175,699
Airtime	116,900	-	-	116,900
Professional services	32,310	42,747	1,261	76,318
Office and shared services	23,105	74,878	79	98,062
Travel and team trips	12,605	-	-	12,605
Occupancy	27,390	1,999	552	29,941
Depreciation	422	421	-	843
Total 2020 Expenses	\$ 1,318,432	\$ 145,260	\$ 158,856	\$ 1,622,548

See notes to financial statements

SAVING MOSES

Statements of Cash Flows

	Year Ended December 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 118,417	\$ 211,955
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Net realized and unrealized gains (losses)	1,326	(6,304)
Depreciation	1,620	843
Donated Securities	(4,101)	-
Recognition of Paycheck Protection Program loan	-	(46,700)
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	8,531	(982)
Accounts payable and accrued expenses	31,525	(8,486)
Amounts due to related party	(74,680)	145,862
Net Cash Provided by Operating Activities	82,638	296,188
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(3,941)	(10,110)
Purchases of investments and reinvested interest and dividends	(4,643)	(117,024)
Proceeds from sale of investments	-	203,323
Net Cash Provided (Used) by Investing Activities	(8,584)	76,189
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Paycheck Protection Program loan	-	46,700
Net Cash Provided by Financing Activities	-	46,700
Net Change in Cash and Cash Equivalents	74,054	419,077
Cash and Cash Equivalents, Beginning of Year	953,329	534,252
Cash and Cash Equivalents, End of Year	\$ 1,027,383	\$ 953,329
NON-CASH ITEM:		
Recognition of Paycheck Protection Program loan	\$ -	\$ 46,700

See notes to financial statements

SAVING MOSES

Notes to Financial Statements

December 31, 2021 and 2020

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, 2021 and 2020, SM's cash balances on deposit exceeded federally insured limits by approximately \$576,000 and \$552,000, 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 and equity securities, 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, 2021 and 2020

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, 2021 and 2020, property and equipment consists of equipment and leasehold improvements and fixtures of \$14,050 and \$10,110, respectively. Accumulated depreciation was \$2,462 and \$843, during the years ended December 31, 2021 and 2020, 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. As of December 31, 2021, net assets with donor restrictions are restricted for the BirthAid program. As of December, 2020, all net assets with donor restrictions had been released.

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 was eligible for forgiveness based on SM incurring various qualifying expenses such as normal payroll costs, mortgage interest, and utilities. SM 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. No such loan was obtained during the year ended December 31, 2021.

SAVING MOSES

Notes to Financial Statements

December 31, 2021 and 2020

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, 2021 and 2020, of \$105,897 and \$90,464, respectively, are expensed as incurred and included in the statements of activities.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

SM has approximately \$1,409,000 and \$1,327,000, of financial assets available within one year of the statements of financial position date as of December 31, 2021 and 2020, 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, 2021 and 2020. Management monitors cash flows closely through monthly reviews and quarterly board meetings.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS:

Investments consist of:

	December 31,	
	2021	2020
Fixed income mutual funds	\$ 375,707	\$ 373,794
Equity	5,505	-
	<u>\$ 381,212</u>	<u>\$ 373,794</u>

SAVING MOSES

Notes to Financial Statements

December 31, 2021 and 2020

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS, continued:

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 and equity 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.

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 \$9,592 and \$9,015, for the years ended December 31, 2021 and 2020, respectively.

6. RELATED PARTY TRANSACTIONS:

During the years ended December 31, 2021 and 2020, SM paid MHM for shared services of \$159,445 and \$164,203, respectively. This accounted for approximately 9% and 10% of total expenses during the years ended December 31, 2021 and 2020, 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 \$97,987 and \$172,667, as of December 31, 2021 and 2020, 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, 2021 and 2020, SM granted funds of \$184,240 and \$165,577, respectively, to the Cambodian organization.

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Notes to Financial Statements

December 31, 2021 and 2020

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 July 21, 2022, which is the date the financial statements were available to be issued.