



SAVING MOSES®
saving babies every day

Financial Statements
With Independent Auditors' Report

December 31, 2017 and 2016

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, 2017 and 2016, and the related statements of activities 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 audit 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, 2017 and 2016, 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 24, 2018

SAVING MOSES

Statements of Financial Position

	December 31,	
	<u>2017</u>	<u>2016</u>
ASSETS:		
Cash	\$ 518,538	\$ 528,160
Investments	212,675	-
Prepaid expenses	-	2,875
	<u> </u>	<u> </u>
Total Assets	<u>\$ 731,213</u>	<u>\$ 531,035</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	\$ 5,900	\$ 13,258
Accrued expenses	15,315	13,592
Amounts due to related party	92,003	32,011
	<u>113,218</u>	<u>58,861</u>
Net assets:		
Unrestricted	617,995	451,913
Temporarily restricted	-	20,261
	<u>617,995</u>	<u>472,174</u>
Total Liabilities and Net Assets	<u>\$ 731,213</u>	<u>\$ 531,035</u>

See notes to financial statements

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Statements of Activities

Year Ended December 31,

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE:						
Contributions	\$ 1,089,523	\$ 69,304	\$ 1,158,827	\$ 1,130,373	\$ 59,917	\$ 1,190,290
Program revenue	100,288	-	100,288	92,753	-	92,753
Total Revenue	1,189,811	69,304	1,259,115	1,223,126	59,917	1,283,043
NET ASSETS RELEASED:						
Purpose restrictions	89,565	(89,565)	-	39,656	(39,656)	-
EXPENSES:						
Program services	776,603	-	776,603	652,044	-	652,044
Supporting activities:						
Fundraising	192,738	-	192,738	184,315	-	184,315
General and administrative	143,953	-	143,953	155,315	-	155,315
	336,691	-	336,691	339,630	-	339,630
Total Expenses	1,113,294	-	1,113,294	991,674	-	991,674
Change in Net Assets	166,082	(20,261)	145,821	271,108	20,261	291,369
Net Assets, Beginning of Year	451,913	20,261	472,174	180,805	-	180,805
Net Assets, End of Year	<u>\$ 617,995</u>	<u>\$ -</u>	<u>\$ 617,995</u>	<u>\$ 451,913</u>	<u>\$ 20,261</u>	<u>\$ 472,174</u>

See notes to financial statements

SAVING MOSES

Statements of Cash Flows

	Year Ended December 31,	
	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 145,821	\$ 291,369
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Changes in operating assets and liabilities:		
Prepaid expenses	2,875	815
Amounts due to related party	59,992	26,591
Accounts payable	(7,358)	(7,122)
Accrued expenses	1,723	(1,507)
Net Cash Provided by Operating Activities	<u>203,053</u>	<u>310,146</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(212,675)	-
Net Cash Used by Investing Activities	<u>(212,675)</u>	<u>-</u>
Net Change in Cash	(9,622)	310,146
Cash, Beginning of Year	<u>528,160</u>	<u>218,014</u>
Cash, End of Year	<u>\$ 518,538</u>	<u>\$ 528,160</u>

See notes to financial statements

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Notes to Financial Statements

December 31, 2017 and 2016

1. NATURE OF ORGANIZATION:

Saving Moses 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. Saving Moses 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.

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

Cash consists of cash held in checking accounts. At December 31, 2017 and 2016, SM's cash balances exceeded federally insured limits by \$124,558 and \$269,223. 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, with original maturities of greater than 90 days, which are readily marketable and highly liquid. Certificates of deposit are not subject to fair value valuation. Realized and unrealized gains and losses are included as unrestricted revenue 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.

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Notes to Financial Statements

December 31, 2017 and 2016

2. SUMMARY OF ACCOUNTING POLICIES, continued:

AMOUNTS DUE TO RELATED PARTY

Amounts due to related party for services provided consists of amounts payable to MHM.

NET ASSETS

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

Unrestricted net assets are those resources that are currently available for operations.

Temporarily restricted net assets are those resources which are stipulated by donors for various ministry projects and programs. As of December 31, 2017, all temporarily restricted funds had been released. As of December 31, 2016, \$20,261 was restricted for projects in Syria.

SUPPORT AND REVENUE

Contributions are recorded when made, which may be when cash or other assets are received or unconditionally promised. Contributions restricted by the donor for a specific purpose are recorded as income in the temporarily restricted class of net assets until funds have been expended by SM for the purposes specified. Upon satisfaction of the restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from purpose restrictions. All contributions are considered available for unrestricted 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 consists of sales, registration revenue, and honorariums, which are recorded when earned.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs, such as salaries and benefits, have been allocated among the program services and supporting activities benefited.

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

ADVERTISING COSTS

Advertising costs for the years ended December 31, 2017 and 2016, of \$16,561 and \$13,406, respectively, are expensed as incurred and included in the statements of activities.

3. INVESTMENTS:

Investments as of December 31, 2017 consist of \$212,675 of certificates of deposit which are readily marketable and highly liquid. There were no investments as of December 31, 2016.

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Notes to Financial Statements

December 31, 2017 and 2016

3. INVESTMENTS, continued:

Investment income consists of:

	September 30,	
	2017	2016
Interest and dividends	\$ 2,090	\$ -
Realized and unrealized gains	(350)	-
	<u>\$ 1,740</u>	<u>\$ -</u>

4. OPERATING LEASES:

SM has agreements for equipment that include commitments if SM were to cancel the contracts prior to their termination date. Total expenses under these agreements for the years ended December 31, 2017 and 2016, were \$53,467 and \$46,813, respectively. Under the terms of the contract, SM will be responsible for paying \$105,000 for the year ending December 31, 2018.

5. RELATED PARTY TRANSACTIONS:

During the years ended December 31, 2017 and 2016, SM incurred expenses to MHM for shared services of \$141,381 and \$165,548, respectively. This accounted for approximately 7% and 17% of total expenses during the years ended December 31, 2017 and 2016, respectively. These expenses are determined by a shared services agreement between SM and MHM and include executive planning services, operations support services, broadcasting time, web related services, and fundraising consulting services. SM owed MHM \$92,003 and \$32,011 as of December 31, 2017 and 2016, 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, 2017 and 2016, SM granted funds of \$123,000 and \$110,000, respectively, to the Cambodian organization.

6. SUBSEQUENT EVENTS:

Subsequent events were evaluated through April 24, 2018, which is the date the financial statements were available to be issued.