

CHILDREN'S GLOBAL HEALTH FUND, INC.

**FINANCIAL STATEMENTS
AND
ACCOUNTANTS' REPORT**

DECEMBER 31, 2018

CHILDREN'S GLOBAL HEALTH FUND, INC.

Index

	<u>Page</u>
Independent Accountants' Review Report	1
Statement of financial position as of December 31, 2018	2
Statement of activities for the year ended December 31, 2018	3
Statement of expenses for the year ended December 31, 2018	4
Statement of cash flows for the year ended December 31, 2018	5
Notes to financial statements	6 – 9



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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To: The Board of Directors of
Children's Global Health Fund, Inc.

We have reviewed the accompanying statement of financial position of Children's Global Health Fund, Inc., a not-for-profit organization, as of December 31, 2018, and the related statements of activities, expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with U.S. generally accepted accounting principles. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with U.S. generally accepted accounting principles.

Skody Scot & Company, CPAs, PC

New York, NY
June 24, 2019

CHILDREN'S GLOBAL HEALTH FUND, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

ASSETS

Cash	\$ 57,898
Contributions receivable	105,131
	<hr/>
Total assets	<u>\$ 163,029</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 7,650
Grants payable	3,821
Total liabilities	<hr/> 11,471
Commitments and contingencies (see notes)	
Net Assets:	
Without donor restrictions	151,558
With donor restrictions	<hr/> -
Total net assets	<hr/> 151,558
Total liabilities and net assets	<u>\$ 163,029</u>

**See independent accountants' review report
and accompanying notes.**

**CHILDREN'S GLOBAL HEALTH FUND, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018**

Support and Revenues:

Contributions and grants - without donor restrictions	\$ 565,350
Total support and revenues	565,350

Expenses:

Program Expenses:	
Grantmaking	382,971
Total program expenses	382,971

Supporting Services:

Management and general	48,385
Fundraising	15,998
Total expenses	447,354

Increase/(Decrease) in net assets

Without donor restrictions	117,996
With donor restrictions	-
Increase/(decrease) in net assets	117,996
Net assets, beginning of year	33,562
Net assets, end of year	\$ 151,558

**See independent accountants' review report
and accompanying notes.**

**CHILDREN'S GLOBAL HEALTH FUND, INC.
STATEMENT OF EXPENSES
YEAR ENDED DECEMBER 31, 2018**

	Supporting Services			
	Grantmaking	Management and General	Fundraising	Total Expenses
Consultants & outside services	4,685	30,452	15,998	51,135
Grants to affiliate	378,286	-	-	378,286
Office supplies & expenses	-	829	-	829
Professional fees	-	11,641	-	11,641
Telephone, communication, and IT	-	2,877	-	2,877
Travel and meetings	-	2,586	-	2,586
Total expenses	\$ 382,971	\$ 48,385	\$ 15,998	\$ 447,354

**See independent accountants' review report
and accompanying notes.**

**CHILDREN'S GLOBAL HEALTH FUND, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2018**

Cash flows from operating activities:	
Increase/(decrease) in net assets	\$ 117,996
Adjustments for non-cash items included in operating activities	-
Changes in assets and liabilities:	
Contributions receivable	(105,131)
Accounts payable and accrued expenses	3,251
Grants payable	3,821
Net cash provided/(used) by operating activities	<u>19,937</u>
Cash flows from investing activities	<u>-</u>
Cash flows from financing activities	<u>-</u>
Net increase/(decrease) in cash	19,937
Cash at beginning of year	<u>37,961</u>
Cash at end of year	<u><u>\$ 57,898</u></u>

**See independent accountants' review report
and accompanying notes.**

**CHILDREN'S GLOBAL HEALTH FUND, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

The Organization

Children's Global Health Fund, Inc. (the Organization), a not-for-profit organization, was incorporated in the State of New York on September 30, 2016. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for federal, state or local income taxes has been recorded. The Organization does not believe its financial statements include any uncertain tax positions. The Organization primarily receives its support from contributions and grants.

The purpose of the Organization is to save the lives of vulnerable children and families globally. It does this by raising funds and organizing volunteers for the purpose of providing assistance to organizations improving family health in developing countries, with an initial focus on ensuring the long-term sustainability of Clinica de Familia La Romana, which is located in the Dominican Republic. As the Organization grows, it plans to expand its grantmaking focus to other health providers in need.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

In 2018, the Organization adopted all reporting changes required under FASB ASU 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities*. Accordingly, all amounts on the 2018 financial statements have been reclassified to conform to the new presentation requirements. All required disclosures have been incorporated and included on the accompanying financial statements and in these notes.

In accordance with GAAP the Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions (formerly unrestricted) and with donor restrictions (formerly temporarily restricted and permanently restricted). In addition, the Organization is required to present a statement of cash flows.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

CHILDREN'S GLOBAL HEALTH FUND, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as revenue with donor restrictions and increases in net assets with donor restrictions. Contributions received with restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increases in net assets without donor restrictions. When a restriction expires (either a stipulated time period ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include consulting fees based on estimated time and effort. The Organization classifies expenses, which are not directly related to a specific program, as Management and General expenses.

Grants Payable

Grants payable represents all unconditional grants that have been authorized prior to year-end but remain unpaid as of the statement of financial position date. Conditional grants are expensed and considered payable in the period the conditions are substantially satisfied.

Note 2 - Concentrations

The Organization maintains its checking account with a major financial institution. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to \$250,000 per financial institution. At times, the balances of the accounts may have exceeded the insurance limits during the year ended December 31, 2018.

For the year ended December 31, 2018 approximately 84% of the Organization's total revenue was provided by two major contributors. It is always possible that benefactors, grantors or contributors might be lost in the near term. In the event funding is terminated, the Organization's ability to continue providing the same level of program services would be greatly diminished.

CHILDREN'S GLOBAL HEALTH FUND, INC.
NOTES TO FINANCIAL STATEMENTS

Note 3 - Volunteers

During the year ended December 31, 2018, volunteers donated their time to provide the Organization with various services. The volunteer time does not meet GAAP criteria for recognition and management does not collect documentation to estimate the value of volunteers' contributions of time.

Note 4 - Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Amounts available for general expenditures over a 12-month period include donor-restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Organization's financial assets, as of December 31, 2018, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

Financial assets:	
Cash	\$ 57,898
Contributions receivable	<u>105,131</u>
Total financial assets	163,029
Less those unavailable for general expenditures within one year	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 163,029</u>

Note 5 - Foreign Affiliate

The Organization grants funds to a foreign affiliate (Affiliate) located in the Dominican Republic as mentioned in Note 1. The Affiliate is audited annually by an independent auditor located in the Dominican Republic. The Affiliate provides the Organization with periodic reports on the use of grant funds. The total amount granted to the Affiliate during the year ended December 31, 2018 amounted to \$378,286.

During the year ended December 31, 2018, the executive director of the Affiliate was on the board of directors of the Organization. This board member recused herself from decisions which could have created a conflict of interest. This board member stepped down from the Organization's board of directors in April 2019.

**CHILDREN'S GLOBAL HEALTH FUND, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 6 - Grants Payable

Unconditional grants payable at December 31, 2018 were due within the next calendar year, and were payable to:

Clinica de Familia La Romana	\$ 3,821
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Note 7 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through June 24, 2019, which is the date the financial statements were available to be issued.