

A Child For All, Inc.
(ACFA, Inc.)

FINANCIAL
STATEMENTS

Years Ended December 31, 2014 and 2013

A Child For All, Inc. (ACFA, Inc.)

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Independent Auditors' Report

To the Board of Directors
A Child For All, Inc.
Stafford, Virginia

We have audited the accompanying financial statements of **A Child For All, Inc. (ACFA)**, which comprise the statements of financial position as of December 31, 2014 and 2013, 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

ACFA 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit 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 ACFA'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 ACFA'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.

Opinion on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **A Child For All, Inc.** as of December 31, 2014 and 2013, 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.

A handwritten signature in blue ink, appearing to read "Wilson Kayo".

Montgomery Village,
February 27, 2015

A Child For All, Inc. (ACFA Inc.) Statements of Financial Position December 31, 2014 and 2013		
Assets	2014	2013
Current Assets		
Cash and Cash Equivalents (Notes 2c and 3a)	\$55,562	\$23,481
Grants Receivable (Notes 2d and 3b)	\$23,243	\$23,815
Inventory (Notes 2e and 3c)	\$3,088	\$2,464
Prepaid Expenses (Notes 2f and 3d)	\$0	\$1,981
Furniture, net of accumulated depreciation (Notes 2g and 3e)	\$0	\$2,815
Property, and equipment (Notes 2h and 3f)	\$204,877	\$188,873
Total Assets	\$286,770	\$243,429
Liabilities and Net Assets		
Liabilities		
Accounts Payable (Notes 2i and 3g)	\$988	\$2,288
Total Liabilities	\$988	\$2,288
Net Assets		
Unrestricted (Notes 2j and 3h)	\$285,783	\$241,141
Temporarily Restricted	\$0	\$0
Permanently Restricted	\$0	\$0
Total Net Assets	\$285,783	\$241,141
TOTAL LIAB. AND NET ASSETS	\$286,771	\$243,429

See accompanying notes to the financial statements.

A Child For All, Inc. (ACFA Inc.)
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2014 and 2013

	2014 Unrestricted	2013 Unrestricted
Revenues, Gains and Other Support (Notes 2k and 3i)		
Contributions		
Corporation	\$23,790	\$52,495
Foundations	\$43,516	\$52,078
Individuals	\$15,714	\$25,210
Total Contributions	\$83,020	\$129,782
Other Revenues		
Revenues from Sales	\$1,431	\$976
Dividends from bank	\$82	\$162
In-Kind Donations	\$6,308	\$49,079
Miscellaneous Gain	\$124	\$1,499
Total Other Revenues	\$7,945	\$51,717
Total Revenues, Gains, and Others	\$90,965	\$181,499
Expenses and Losses (Notes 2m and 3k)		
Program Services		
Nutrition	\$6,860	\$7,359
Health Care	\$2,152	\$3,068
Education and Sports	\$5,295	\$5,661
Clothing and Personal Hygiene	\$2,325	\$1,760
Transportation and entertainment	\$341	\$1,191
Transaction Fees	\$237	\$3,453
Farming and House Expenses	\$8,449	\$4,757
Salary	\$7,265	\$7,219
Total Program Services	\$32,924	\$34,468

A Child For All, Inc. (ACFA Inc.)		
STATEMENTS OF ACTIVITIES - CONTINUED		
Years Ended December 31, 2014 and 2013		
	2014 Unrestricted	2013 Unrestricted
Management and Admin		
Web Maintenance	\$2,200	\$4,600
Registration and Taxes	\$162	\$162
Contract Services	\$5,680	\$7,628
Communication, Marketing and Travel	\$4,031	\$1,717
Business Expenses	\$108	\$223
Cost of Goods Sold	1,019	\$0
Total Management and Admin	\$13,200	\$14,330
Fundraising		
Online Donation Fees	\$153	\$182
Special Event Fees	\$48	\$0
Total Fundraising Fees	\$201	\$182
Total Expenses and Losses	\$46,325	\$48,980
Change in Net Assets	\$44,640	\$132,519
Other Change in Net Asset (Notes 2n and 3l)	\$0	(\$2,732)
Net Assets, Beginning of Year	\$241,143	\$111,356
Net Assets, End of Year(Note 3n)	\$285,783	\$241,143

See accompanying notes to the financial statements.

A Child For All, Inc. (ACFA Inc.)
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2014 and 2013

	2014	2013
Operating Activities		
Change in Net Assets	\$44,641	\$129,787
Changes in Assets:(increase) decrease in:		
Contributions Receivable	\$572	\$8,439
Inventory and Prepaid Expenses	\$1,357	(\$2,659)
Accounts Payable	(\$1,300)	(\$1,187)
Net Cash provided by operating activities	\$45,270	\$134,381
Investing Activities		
Property and Equipment	(\$13,189)	(\$191,688)
Net Cash used in investing	(\$13,189)	(\$191,688)
Financing Activities		
Payment of long-term debts	\$0	\$0
Net Cash used in financing activities	\$0	\$0
Net Increase (Decrease) in Cash and Cash equivalent	\$32,081	(\$57,308)
Cash and Cash equivalent beginning of the year	\$23,481	\$80,789
Cash and Cash equivalent end of the year	\$55,562	\$23,481

See accompanying notes to the financial statements.

A CHILD FOR ALL, INC.

NOTES TO THE FINANCIAL STATEMENTS

1. Organization and Program

A Child for All Inc. (ACFA) is a U.S. based non-profit-organization with operations in the Republic of Mali, West Africa. The organization is established to provide shelter, health care, food and education to the vulnerable children of Mali. ACFA was created on March 25, 2008 in Stafford, Virginia. Though it receives minor income from business ventures such as farming project and T-shirts sales, the primary sources of ACFA's revenues are contributions from foundations, corporations and individuals. ACFA's expansion program commenced in 2013 and will allow the organization to increase its impact by supporting up to 100 vulnerable children, and over 1,000 community members through medical and education services. The program consists of the construction of the Zorokoro Children Complex which will include a dorm for up to 100 children, a school, a medical clinic, an in-door and an out-door sport complex and a library and computer lab. In 2014, ACFA took a strategic pause to reassess its expansion program. The completion of the project has been extended to 2020. This has led to a relatively lower capital investment in 2014 compared to 2013.

ACFA-Mali is financially and administratively supported by ACFA-USA. ACFA-USA, consisting of the Executive Director and the Board of Directors, all located in the Washington D.C. area, exercises administrative oversight and sets policy direction for ACFA-Mali.

ACFA accomplishes its mission through the delivery of 4 programs: shelter, nutritious food, health care, and education. It is through the implementation of these programs that ACFA gives the children a loving environment conducive to their physical, mental, psychological, and intellectual development.

Shelter: Located in the capital city of Bamako, ACFA-Mali is the home for Mali's vulnerable children. ACFA's live-in staff and volunteers care for the twelve ACFA children on a daily basis. Once completed, the Zorokoro Children Complex will be the new home of the children.

Nutritious Meals: On a daily basis, ACFA's staff prepares and distributes to the children, a nutritionist approved healthy balanced menu. Such a diet is essential to the children's physical and mental development. Additionally the children receive daily vitamin supplements.

Health Care: In coordination with on the ground Health Care Centers and clinics, ACFA-Mali provides the highest health care services to ACFA's children. In addition, volunteer local doctors and pharmacists assist ACFA in the delivery of its health care program.

Education: Education is a major component of ACFA’s strategy. ACFA children attend private schools. Additionally, ACFA provides extracurricular activities in the form of additional instructions in Math, English and French. The children also attend arts and crafts classes, as well as drama classes. These programs coupled with physical activities such as basketball and taekwondo classes all contribute to the children’s mental and intellectual development.

Revenue sources: Since 2013, ACFA practices a farming project, silent auctions and sales of donated and purchased arts and craft material from Mali, and sales of ACFA T-shirt. The crop from the farming project that is in excess of the children’s consumption is sold and the revenue is directly re-invested into ACFA’s operations. Additionally, in 2014, ACFA continued to sale the T-shirts produced since 2012. ACFA also continued to sale the purchased art material for re-sale and silent auction purposes.

2. Summary of Significant Accounting Policies

a. Basis of Accounting

The accompanying financial statements of ACFA are presented in conformity with accounting principles generally accepted in the United States of America and have been prepared on the accrual basis of accounting.

Classification of Net Assets: ACFA does not have any restricted assets. All assets are available to support ACFA’s operations and capital investment as designated by the donors and by the board of directors.

Revenue Recognition: Upon receipts, pledges, cash, grants and contributions are considered unrestricted and available for general operations.

b. Income Taxes

ACFA is exempt from the payment of income taxes on its exempt activities under Section 501 (c) (3) of the Internal Revenue Code, and has been classified by the Internal revenue Service as other than a private foundation within the meaning of Section 509 (a)(1) of the Internal Revenue Code.

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, ACFA considers all deposits into checking, savings, money market, Paypal and square accounts, pledges and investment with a purchased maturity of three month or less to be cash equivalents.

d. Grant Receivable

The donations receivable consist of pledges made in 2014 that will be received throughout 2015. These pledges are from foundations and individuals.

e. Inventory

Inventory includes T-shirts for sale on hand, crop in progress (farming crop not yet harvest), arts material, food, clothing, toys, and shoes, donated by constituents, for the children consumption and wear but not yet issued to the children at the end of the 2014 fiscal year.

f. Prepaid Expenses

Prepaid expenses consist of fees that were paid by ACFA for services that have not yet been rendered.

g. Furniture

Furniture included small items such as bunk bed for the children, chairs and tables and other material such as their sport materials that had been purchased in past years. These furniture equipments have short life span and were all depreciated in 2014.

h. Property and equipment

Property and equipment consist of investment made at Zorokoro for the capacity expansion project. They include buildings; containers used for storage, in kind labor invested in Zorokoro etc... ACFA considers Zorokoro as a property in progress since construction is still ongoing and therefore will not depreciate Zorokoro this year.

i. Account Payable

Accounts payable consist of services that were incurred in 2014 and that ACFA has not yet paid for.

j. Unrestricted Asset

ACFA considers all assets to be unrestricted as no donor has earmarked its donation for any specific purposes.

k. Revenues

ACFA recognizes in donations pledges, cash, checks, and credit card donations as well as those In-Kind donations that can be evaluated. Additionally total revenue included sales of inventory items such as crops, t-shirts, arts material etc... as well as interest earned at the bank.

l. In-Kind Revenues

Recorded Amounts

In-kind contributions of goods, services, and facilities used for operations or special events are recognized as in-kind contributions in accordance with generally accepted accounting principles. Donated goods used for meals, clothing, personal hygiene, and toys of the children are included in the costs of direct benefit to the children and donated services are included in management and administrative for Human Resources, accounting, and legal services provided. Donated items are recorded at their estimated fair value. Donated services are recognized at fair value if the services (a) create or enhance non-financial assets or (b) required specialized skills, are performed by people with those skills and would otherwise have been purchased by ACFA.

Unrecorded Amounts

ACFA relies on contributions of both time and expertise from its pool of volunteers. In particular, volunteers work on ACFA's programs, social media and fund raising activities. ACFA's volunteers donate hundreds of hours of service, the total value of which cannot be easily calculated or estimated, yet these volunteers contribute significantly to the work, impact, and success of ACFA. These volunteer services have not been reflected in the accompanying financial statements because the volunteer services provided do not meet the criteria necessary for recognition.

m. Expenses

ACFA recognizes expenses as they occur. Contracted fees include regulatory, accounting, and human resources fees.

n. Other Change in Net Asset

ACFA records any other changes in Net Assets that occur due to a change in accounting methods.

3. Reasons for variation

a. Cash and Cash Equivalents

Cash and cash equivalents were \$55,562 and \$23,481 at December 31, 2014 and 2013 respectively. To increase its capacity ACFA commenced the Zorokoro project in 2013 due to the political unrest and the terrorists' invasion of the north of Mali in 2012. In 2013, ACFA board of directors took a strategic pause to re-evaluate the way forward in phasing the project. It is because of this pause that the cash at the end of 2014 is more than double that of the 2013. In 2015, the new strategic plan will be published.

b. Grants Receivables

At the end of 2014 and 2013, ACFA had a total of \$23,243 and \$23,815 respectively in donations receivables. The difference is due to the fact that the Globalgiving pledged donation for December 2014 was much lower than that of December 2013.

c. Inventory

The value of the inventory on hand at the end of 2014 was \$3,088. This included \$1,382 worth of art material and ACFA T-shirt to be sold, \$793 worth of crop inventory in progress, and \$913 worth of children clothes, shoes, and toys.

d. Prepaid Expenses

There were no pre-paid expenses at the end of the year. In 2014, ACFA recuperated the \$1,981 prepaid expenses for Fatoumata's surgery from Necker's Hospital, as the surgery was canceled.

e. Furniture

ACFA depreciates small furniture items such as bunk beds, chairs, etc... on a yearly basis as they have a small life span.

f. Property and Equipment

Relative to 2013, ACFA had a lower capital investment in 2014 due to a slowdown in the Zorokoro Children Complex project. This year investment was only \$13,189, leading to a total property value of \$204,877.

g. Accounts Payable

The 2014 accounts payable consist of accounting fees for services for 2014 that will be paid in 2015. Accounts Payable was \$988 and \$2,288 at December 31, 2014 and 2013 respectively. 2013 accounts payable were relatively higher than 2014 because it also included government trade marking expenses that ACFA incurred in 2013 and paid in 2014.

h. Unrestricted Assets

At the end of 2014, ACFA did not have any funds earmarked for specific purposes by the donors hence, total unrestricted assets were \$285,783 and \$241,141 at December 31, 2014 and 2013 respectively.

i. Revenues

Total contributions in 2014 and 2013 were \$83,020 and \$129,782 respectively. ACFA received 27% less in donations this year compared to last year. Total Revenue were \$90,965 and \$181,499 at December 2014 and 2013 respectively.

j. In-Kind Revenue

In 2014, ACFA received \$6,308 in In-Kind donation, much less than the 2013's \$49,079. This is due to the fact that in 2013, ACFA received lots of In-Kind donation for Zorokoro Complex, and

this year most In-Kind donations were in material donated to the children and HR, legal and accounting services donated.

k. Expenses

Consistent with 2013 program expenses of \$34,468, in 2014, ACFA spent \$32,923 in program expenses. Total Management and administrative expenses for ACFA for 2014 were \$13,200. Total fundraising fees in 2014 were \$201 and this included both online fundraising and 2 special events coordination's fees.

l. Other change in Net Assets

There was no other change in net asset in 2014.

m. Change in Cash and Cash equivalent

In 2014 ACFA had a total increase in Cash and Cash equivalent of \$32,081.

n. Net Asset End of Year

The disparity in Net Asset at the end of the year for 2013 between page 5 and page 7 is only due to the rounding up and down in Quickbooks.