

HOPE THROUGH HEALTH, INC.

Financial Statements

December 31, 2014 and 2013

(With Independent Auditors' Report Thereon)

HOPE THROUGH HEALTH, INC.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Hope Through Health, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Hope Through Health, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to 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.

Auditor's 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 Organization'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 Organization'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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hope Through Health, 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.

Toski & Co., CPAs, P.C.

Williamsville, New York
May 8, 2015

HOPE THROUGH HEALTH, INC.
 Statements of Financial Position
 December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and equivalents	\$ 231,424	107,295
Prepaid expenses	<u> -</u>	<u> 1,500</u>
Total current assets	<u>\$ 231,424</u>	<u>108,795</u>
<u>Liabilities and Net Assets</u>		
Current liabilities - accrued expenses	3,515	226
Net assets:		
Unrestricted:		
General	162,909	87,362
Board designated	<u> 65,000</u>	<u> 5,000</u>
Total unrestricted net assets	227,909	92,362
Temporarily restricted	<u> -</u>	<u> 16,207</u>
Total net assets	<u> 227,909</u>	<u> 108,569</u>
Total liabilities and net assets	<u>\$ 231,424</u>	<u>108,795</u>

See accompanying notes to financial statements.

HOPE THROUGH HEALTH, INC.
 Statements of Activities
 Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Unrestricted revenue:		
Contributions	\$ 429,265	294,624
Contributed services	17,238	1,513
Interest income	<u>459</u>	<u>138</u>
Total unrestricted revenue	446,962	296,275
Net assets released from restrictions	<u>23,757</u>	<u>11,580</u>
Total unrestricted revenue and other support	<u>470,719</u>	<u>307,855</u>
Unrestricted expenses:		
Program services	287,544	217,397
Management and general	32,528	23,666
Fundraising	<u>15,100</u>	<u>13,398</u>
Total unrestricted expenses	<u>335,172</u>	<u>254,461</u>
Increase in unrestricted net assets	<u>135,547</u>	<u>53,394</u>
Changes in temporarily restricted net assets:		
Revenue - contributions	7,550	27,787
Net assets released from restrictions	<u>(23,757)</u>	<u>(11,580)</u>
Increase (decrease) in temporarily restricted net assets	<u>(16,207)</u>	<u>16,207</u>
Increase in net assets	119,340	69,601
Unrestricted net assets at beginning of year	<u>108,569</u>	<u>38,968</u>
Unrestricted net assets at end of year	<u><u>\$ 227,909</u></u>	<u><u>108,569</u></u>

See accompanying notes to financial statements.

HOPE THROUGH HEALTH, INC.
 Statements of Functional Expenses
 Years ended December 31, 2014 and 2013

Year ended December 31, 2014

		<u>Supporting services</u>		
	Program	Management		
	<u>services</u>	and	<u>Fundraising</u>	<u>Total</u>
		<u>general</u>		
Allocations to African affiliate	\$ 224,315	-	-	224,315
Grant expenses	2,300	-	-	2,300
Personnel expenses	45,072	24,919	-	69,991
Travel and meetings	-	-	3,270	3,270
Donated materials and supplies	15,857	-	-	15,857
Accounting fees	-	3,900	-	3,900
Fundraiser overhead	-	-	11,830	11,830
Bank fees	-	460	-	460
Organizational expenses	-	314	-	314
Payroll processing fees	-	840	-	840
Other office expenses	-	2,095	-	2,095
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 287,544</u>	<u>32,528</u>	<u>15,100</u>	<u>335,172</u>

Year ended December 31, 2013

		<u>Supporting services</u>		
	Program	Management		
	<u>services</u>	and	<u>Fundraising</u>	<u>Total</u>
		<u>general</u>		
Allocations to African affiliate	\$ 182,000	-	-	182,000
Personnel expenses	35,397	17,670	-	53,067
Travel and meetings	-	-	1,490	1,490
Donated materials and supplies	-	600	913	1,513
Accounting fees	-	2,235	-	2,235
Fundraiser overhead	-	-	10,428	10,428
Network for Good Fees expenses	-	-	567	567
Bank fees	-	511	-	511
Organizational expenses	-	183	-	183
Payroll processing fees	-	822	-	822
Other office expenses	-	1,645	-	1,645
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 217,397</u>	<u>23,666</u>	<u>13,398</u>	<u>254,461</u>

See accompanying notes to financial statements.

HOPE THROUGH HEALTH, INC.
 Statements of Cash Flows
 Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Increase in net assets	\$ 119,340	69,601
Adjustments to reconcile increase in net assets to net cash provided by operating activities - changes in:		
Accounts receivable	-	150
Prepaid expenses	1,500	(1,500)
Accrued expenses	<u>3,289</u>	<u>5</u>
Cash flows provided by operating activities	<u>124,129</u>	<u>68,256</u>
Net increase in cash	124,129	68,256
Cash at the beginning of the year	<u>107,295</u>	<u>39,039</u>
Cash at the end of the year	<u><u>\$ 231,424</u></u>	<u><u>107,295</u></u>
Supplemental schedules of non-cash operating activities:		
In-kind revenue	<u>\$ 17,238</u>	<u>1,513</u>
In-kind expenses	<u><u>\$ 17,238</u></u>	<u><u>1,513</u></u>

See accompanying notes to financial statements.

HOPE THROUGH HEALTH, INC.

Notes to Financial Statements

December 31, 2014 and 2013

(1) Summary of Significant Accounting Policies

(a) Nature of the Organization

Hope Through Health, Inc. (the Organization) is a nonprofit organization that provides support for health care to natives in West Africa. The Organization primarily provides healthcare to those affected by HIV/AIDS. The Organization is funded through individual donations and grants, and remits funds to health providers in Togo, West Africa. The Organization's office is located in New York, New York.

(b) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

(c) Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization did not have any permanently restricted net assets at December 31, 2014 and 2013. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations and may be used for any purpose designated by the Organization's governing board.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

(d) Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(e) Cash and Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

HOPE THROUGH HEALTH, INC.
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(f) Contributions

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net asset depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

(g) Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(h) Subsequent Events

Management has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(i) Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), therefore, no provision for income taxes is reflected in the financial statements. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Organization presently discloses or recognizes income tax positions based on managements estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Organization has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Organization are subject to examination by taxing authorities. The Organization is no longer subject to tax examination for the years ended December 31, 2010, and prior.

(2) Temporarily Restricted Net Assets

All temporarily restricted net assets, amounting to \$16,207 at December 31, 2013 are available to establish a pediatric HIV treatment program in West Africa. There were no temporarily restricted net assets as of December 31, 2014.

HOPE THROUGH HEALTH, INC.
Notes to Financial Statements, Continued

(3) Concentration

Program services expenses of 224,315 and \$182,000 for the years ended December 31, 2014 and 2013, respectively, consists of grants to Association Espoir Pour Demain, a non-profit Togolese organization operating medical facilities servicing people living with HIV/AIDS in Togo, West Africa. The Organization and Association Espoir Pour Demain have a partnership agreement. The agreement helps to promote accountability and transparency of how the funds are being spent in Togo, West Africa.