

Hope Through Health, Inc.

Financial Statements

December 31, 2012 and 2011

As Reissued July 10, 2013

**John D. Ringler, CPA
11315 Trilogy Parkway NE, No. 323
Redmond, WA 98053
Phone: 425-883-8469
Email: auditjohncpa@gmail.com**



John D. Ringler CPA, MBA

Email: auditjohncpa@gmail.com

11315 Trilogy Pkwy #323
Redmond, WA 98053-8908

Phone: 425 883-8469
Fax: 425-968-5287

To the Management
Hope Through Health, Inc.

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying financial statements of Hope Through Health, Inc., which comprise the statements of financial position as of December 31, 2012 and 2011 and the related statements of activities, changes in net assets, 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

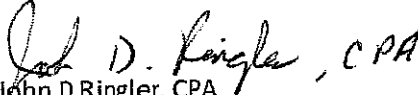
Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my 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, 2012 and 2011 and the results of their operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.


John D Ringler, CPA
Redmond, WA
May 28, 2013

July 10, 2013, revised as described in Note 7

Hope Through Health Inc.
Statements of Financial Position
December 31, 2012 and 2011

	2012	2011
Assets		
Current Assets		
Cash in checking and savings accounts	\$ 34,478	\$ 38,729
Undeposited funds	4,561	12,359
Accounts receivable	150	-
Uncollectible pledges allowance	-	-
Total current assets	39,189	51,088
Noncurrent Assets		
Total Assets	\$ 39,189	\$ 51,088
Liabilities and Net Assets		
Current Liabilities		
Accrued expenses payable	\$ 221	\$ -
Total current assets	221	-
Noncurrent Liabilities		
Total Liabilities	221	-
Net Assets		
Unrestricted	38,968	51,088
Temporarily restricted	-	-
Permanently restricted	-	-
Total Net Assets	38,968	51,088
Total Liabilities and Net Assets	\$ 39,189	\$ 51,088

The accompanying notes are an integral part of these financial statements

Hope Through Health Inc.
Statements of Activities
For the Year Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Changes in Unrestricted Net Assets		
Unrestricted support		
Cash contributions pledged	\$ 170,226	\$ 161,839
Less uncollectable pledges	-	2,393
Contributed services	<u>1,069</u>	<u>-</u>
Total contributions	171,294	164,232
Interest income	<u>116</u>	<u>174</u>
Total unrestricted revenues	<u>171,410</u>	<u>164,406</u>
Expenses		
Program services	161,748	135,054
Fund-raising expenses	6,052	3,067
Management and general	<u>15,731</u>	<u>4,647</u>
Total expenses	<u>183,530</u>	<u>142,768</u>
(Derease) Increase in unrestricted net assets	(12,120)	21,638
Beginning Balance in Unrestricted Net Assets	<u>51,088</u>	<u>29,450</u>
Ending Balance in Unrestricted Net Assets	<u>\$ 38,968</u>	<u>\$ 51,088</u>
Beginning Balance in Temporarily Restriced Net Assets	\$ -	\$ -
Changes in temporarily restricted net assets	<u>-</u>	<u>-</u>
Ending Balance in Temporarily Restricted Net Assets	<u>\$ -</u>	<u>\$ -</u>
Beginning Balance in Permanently Restricted Net Assets	\$ -	\$ -
Changes in permanently restricted net assets	<u>-</u>	<u>-</u>
Ending Balance in Permanently Restricted Net Assets	<u>\$ -</u>	<u>\$ -</u>
Net Assets - Beginning of the Year	\$ 51,088	\$ 29,450
Net Assets - End of the Year	<u>\$ 38,968</u>	<u>\$ 51,088</u>

The accompanying notes are an integral part of these financial statements

Hope Through Health Inc.
Statements of Cash Flows
For the Years Ended December 31, 2012 and 2011

	2012	2011
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ (12,120)	\$ 21,638
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Decrease (Increase) in account receivable	(150)	(1,000)
(Decrease) Increase in uncollectible pledges	-	1,000
Increase in accrued expenses payable	221	-
	(12,049)	21,638
Cash Flows From Investing Activities	-	-
Cash Flows From Financing Activities	-	-
Net Increase (Decrease) in Cash	(12,049)	21,638
Cash at the Beginning of the Year	51,088	29,450
Cash at the End of the Year	\$ 39,039	\$ 51,088

The accompanying notes are an integral part of these financial statements

Hope Through Health Inc.
Statements of Functional Expenses
For the Year Ended December 31, 2012

	<u>Supporting Services</u>			<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	
Allocations to African affiliate	\$ 148,000	\$ -	\$ -	\$ 148,000
Personnel expenses	12,679	11,896	-	24,575
Travel and meetings	-	-	2,738	2,738
Donated materials and supplies	1,069	-	-	1,069
Accounting fees	-	2,500	-	2,500
Fundraiser overhead	-	-	2,714	2,714
Network for Good Fees expenses	-	-	599	599
Bank fees	-	480	-	480
Advertising	-	-	-	-
Organizational expenses	-	198	-	198
Other office expenses	-	656	-	656
Total	161,748	\$ 15,731	\$ 6,052	\$ 183,530

For the Year Ended December 31, 2011

	<u>Supporting Services</u>			<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	
Allocations to African affiliate	134,000	\$ -	\$ -	\$ 134,000
Personnel expenses	-	-	-	-
Donated materials and supplies	1,054	-	-	1,054
Accounting fees	-	2,440	-	2,440
Fundraiser overhead	-	-	2,467	2,467
Network for Good Fees expenses	-	-	600	600
Bank fees	-	445	-	445
Advertising	-	60	-	60
Organizational expenses	-	173	-	173
Other office expenses	-	1,529	-	1,529
Total	135,054	\$ 4,647	\$ 3,067	\$ 142,768

The accompanying notes are an integral part of these financial statements

Hope Through Health, Inc.
Notes to Financial Statements
December 31, 2012 and 2011

Note 1: Nature of the Organization

Hope Through Health, Inc. (the Organization) is a nonprofit organization dedicated to providing support for health care to natives in West Africa primarily, but not limited to, those populations affected by HIV/AIDS. Revenue is obtained from grants and individual donations and transmitted to health providers in Togo, West Africa. The Organization's main office is located in Medway, Massachusetts.

Note 2: Significant Accounting Policies

Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting and are presented in accordance with Statement of Financial Accounting Standards Codification 958, Not-for-Profit Entities, issued by the Financial Accounting Standards Board. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods.

Unrestricted net assets are those received without any donor restrictions.

Temporarily restricted net assets are those for which the donor has stipulated use either in a future period or for a specific use. The Organization has no temporarily restricted assets.

Permanently restricted assets are those which the donor has stipulated must be retained by the Organization permanently. The organization has no permanently restricted assets.

Use of Estimates:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents:

Cash and cash equivalents consist of cash held in checking, savings, money market accounts, and certificates of deposit with maturities of less than 90 days. All cash held by the Organization both at December 31, 2012 and 2011 consists of deposits in bank checking and savings accounts.

Hope Through Health, Inc.
Notes to Financial Statements
December 31, 2012 and 2011

Note 2: Significant Accounting Policies (continued)

Advertising Costs:

Advertising costs are expensed as incurred.

Fair Value Measurements:

The Organization applies the provisions of FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis.

The carrying amounts reported in the balance sheet for short-term financial instruments, including cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, accounts payable and accrued expense and other current liabilities approximate fair value due to the short maturities of these instruments.

Note 3: Accounts Receivable/Bad Debts

The Organization's policy is to provide an allowance for doubtful accounts. The allowance is based on management's analysis of outstanding receivables. No allowance was deemed necessary at December, 31, 2012 or 2011.

Collectability impairment of outstanding amounts depends upon circumstances related to indications from the relative donors of a possible inability or change in intent to honor prior pledges. No such circumstances were indicated at December 31, 2012 or 2011.

Note 4: Income Taxes

The Organization is a nonprofit organization under the Internal Revenue Code, Section 501 (c) (3) whose revenue is derived from contributions and related fund-raising activities and is not subject to federal or state income taxes.

Note 5: Concentrations

Contributions:

A single foundation provided 12% of contributions in 2012 and 37% of contributions in 2011. The remainder came from a wide and diverse list of donors throughout the United States.

Hope Through Health, Inc.
Notes to Financial Statements
December 31, 2012 and 2011

Note 5: Concentrations (continued)

Program Services:

Program services expense of \$148,000 in 2012 and \$134,000 in 2011 consists of grants to Association Espoir Pour Demain, a nonprofit Togolese organization operating medical facilities serving people living with HIV/AIDS in Togo, West Africa.

Note 6 – Subsequent Events

Events subsequent to December 31, 2012 have been evaluated until the issuance date of these financial statements. None were considered to warrant additional disclosure.

Note 7 – July 10, 2013 Issuance

Subsequent to the original issuance date of May 28, 2013, it was discovered the original Statements of Functional Expenses had not properly allocated Personnel expenses between Program Services and Management and General for the year ended December 31, 2012. The July 10, 2013 issuance corrects that allocation.