

**ALL HANDS AND HEARTS
SMART RESPONSE, INC.
AND AFFILIATE**

Consolidated Financial Statements
and Consolidating Information
For the Years Ended
August 31, 2019 and 2018
with
Independent Auditors' Report

ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
All Hands and Hearts Smart Response, Inc. and Affiliate
Mattapoissett, Massachusetts

We have audited the accompanying consolidated financial statements of All Hands and Hearts Smart Response, Inc. and Affiliate ("non-profit organizations"), which comprise the consolidated statements of financial position as of August 31, 2019 and 2018, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of All Hands and Hearts Smart Response, Inc. and Affiliate as of August 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 12-13 is presented for purposes of additional analysis of the basic 2019 consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual organizations, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the 2019 consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 consolidated financial statements or to the 2019 consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the 2019 consolidated financial statements as a whole.

Chavon Travis Brown! Kerol UP

January 6, 2020

ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2019 AND 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 9,458,062	\$ 12,406,467
Investments	1,860,623	2,168,148
Accounts receivable	67,458	278,902
Prepaid expenses	240,231	202,591
Property and equipment, net	254,972	309,478
Other assets, net	3,949	4,628
	<u>\$ 11,885,295</u>	<u>\$ 15,370,214</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 716,938	\$ 981,173
NET ASSETS:		
Without donor restriction	8,623,755	7,295,790
With donor restriction	2,544,602	7,093,251
	<u>11,168,357</u>	<u>14,389,041</u>
	<u>\$ 11,885,295</u>	<u>\$ 15,370,214</u>

See notes to consolidated financial statements.

ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED AUGUST 31, 2019 AND 2018

	2019			2018		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
REVENUE AND OTHER SUPPORT:						
Contributions	\$ 3,359,790	\$ 6,338,225	\$ 9,698,015	\$ 3,881,515	\$ 12,763,250	\$ 16,644,765
Grants	-	3,806,179	3,806,179	-	6,566,199	6,566,199
Special events, net of fundraising expenses of \$214,693 and \$320,052, respectively	866,843	-	866,843	514,860	-	514,860
Other income	71,739	-	71,739	32,847	-	32,847
Investment income	29,855	-	29,855	535,246	-	535,246
Net assets released from restrictions	14,693,053	(14,693,053)	-	14,249,383	(14,249,383)	-
TOTAL REVENUE AND OTHER SUPPORT	19,021,280	(4,548,649)	14,472,631	19,213,851	5,080,066	24,293,917
EXPENSES:						
Program expenses	17,046,567	-	17,046,567	15,059,850	-	15,059,850
Management and general expenses	493,149	-	493,149	446,857	-	446,857
Fundraising expenses	146,504	-	146,504	195,391	-	195,391
TOTAL EXPENSES	17,686,220	-	17,686,220	15,702,098	-	15,702,098
CHANGE IN NET ASSETS BEFORE CHANGE IN FOREIGN CURRENCY TRANSLATION	1,335,060	(4,548,649)	(3,213,589)	3,511,753	5,080,066	8,591,819
CHANGE IN FOREIGN CURRENCY TRANSLATION	(7,095)	-	(7,095)	(1,841)	-	(1,841)
CHANGES IN NET ASSETS	1,327,965	(4,548,649)	(3,220,684)	3,509,912	5,080,066	8,589,978
NET ASSETS, beginning of year	7,295,790	7,093,251	14,389,041	3,785,878	2,013,185	5,799,063
NET ASSETS, end of year	<u>\$ 8,623,755</u>	<u>\$ 2,544,602</u>	<u>\$ 11,168,357</u>	<u>\$ 7,295,790</u>	<u>\$ 7,093,251</u>	<u>\$ 14,389,041</u>

See notes to consolidated financial statements.

ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED AUGUST 31, 2019 AND 2018

	2019				2018			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and benefits	\$ 3,039,638	\$ 214,199	\$ 69,577	\$ 3,323,414	\$ 2,312,847	\$ 183,348	\$ 115,842	\$ 2,612,037
Outside services	3,280,216	107,399	30,383	3,417,998	3,409,408	105,579	23,079	3,538,066
Disaster relief supplies and expenses	3,283,952	4,275	1,801	3,290,028	3,251,133	2,597	1,475	3,255,205
Rent and occupancy related expenses	2,274,952	9,579	3,436	2,287,967	1,824,775	17,893	2,411	1,845,079
Travel	1,485,569	62,391	4,088	1,552,048	1,184,080	30,081	6,795	1,220,956
Volunteer support	950,320	2,068	215	952,603	795,733	861	181	796,775
Insurance	281,721	5,878	860	288,459	175,462	5,567	1,281	182,310
Stipends/professional fees	263,859	10,744	2,191	276,794	258,899	18,388	1,410	278,697
Depreciation and amortization	192,856	-	-	192,856	170,482	328	137	170,947
Office expense	644,789	7,457	2,239	654,485	652,152	12,995	2,054	667,201
Payroll taxes and benefits	641,689	33,979	19,377	695,045	233,587	19,862	9,600	263,049
Website	350,536	17,810	8,697	377,043	380,238	28,628	16,788	425,654
Telephone	180,451	6,768	660	187,879	140,973	6,615	930	148,518
Advertising	20,124	6,708	-	26,832	1,955	-	250	2,205
Printing	10,789	55	1,918	12,762	17,726	3,632	128	21,486
Dues and subscriptions	29,678	1,540	373	31,591	14,558	1,953	-	16,511
Staff development	8,424	255	63	8,742	1,887	337	-	2,224
Bank and credit card fees	104,254	2,042	599	106,895	216,649	5,677	2,315	224,641
Fundraising	1,858	2	27	1,887	-	-	8,208	8,208
Miscellaneous	892	-	-	892	16,768	2,500	2,500	21,768
Interest expense	-	-	-	-	538	16	7	561
	<u>\$ 17,046,567</u>	<u>\$ 493,149</u>	<u>\$ 146,504</u>	<u>\$ 17,686,220</u>	<u>\$ 15,059,850</u>	<u>\$ 446,857</u>	<u>\$ 195,391</u>	<u>\$ 15,702,098</u>

See notes to consolidated financial statements.

ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2019 AND 2018**

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ (3,220,684)	\$ 8,589,978
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	192,856	170,947
Net unrealized and realized gain (loss) on investments	156,742	(409,910)
Gain (loss) on sale of property and equipment	(13,759)	3,139
Donated securities	(199,692)	(1,688)
Proceeds from sale of donated securities	216,955	4,001
Changes in operating assets and liabilities:		
Accounts receivable	211,444	744,659
Prepaid expenses	(37,640)	(123,542)
Other assets	-	7,250
Accounts payable and accrued expenses	(264,235)	784,806
Net cash provided by (used in) operating activities	<u>(2,958,013)</u>	<u>9,769,640</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from the sale of investments	418,741	177,340
Purchases of investments	(285,221)	(76,275)
Purchases of property and equipment	(137,671)	(415,827)
Proceeds from sale of property and equipment	13,759	4,449
Net cash provided by (used in) investing activities	<u>9,608</u>	<u>(310,313)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,948,405)	9,459,327
CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>12,406,467</u>	<u>2,947,140</u>
End of year	<u><u>\$ 9,458,062</u></u>	<u><u>\$ 12,406,467</u></u>

See notes to consolidated financial statements.

ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2019 AND 2018

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities – All Hands and Hearts Smart Response, Inc. and Affiliate (collectively the “Organization”) is a non-profit corporation incorporated in the Commonwealth of Massachusetts, whose mission is to efficiently and effectively address the immediate and long-term needs of communities impacted by natural disasters. The Organization rebuilds safe, resilient schools, homes and other community infrastructure.

Principles of Consolidation – The consolidated financial statements include the accounts of All Hands and Hearts Smart Response, Inc. (“All Hands”) and its affiliate, All Hands Volunteers (UK) Trust (the “Trust”). On January 8, 2019, the Trust’s name was changed to All Hands and Hearts (UK) Trust. The Trust is a non-profit organization formed in the United Kingdom, whose purpose is to solicit funds on behalf of All Hands. Amounts received by the Trust are distributed periodically to All Hands at the discretion of the Trust’s Board of Trustees. Additionally, the majority of the voting members of the Trust are also voting members of All Hands. All intercompany accounts and transactions have been eliminated in consolidation.

Foreign Currency Translation – All Hands translates the assets and liabilities of the Affiliate from their functional currency, British Pound, at the year-end exchange rate; revenue, expenditures, and cash flow amounts are converted at the average exchange rate for the year. Translation gains and losses are included in net assets without donor restriction in the accompanying consolidated statements of financial position.

Basis of Accounting – The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and according to current accounting standards, which require all nonprofit organizations provide a consolidated statement of financial position, a consolidated statement of activities and changes in net assets, and a consolidated statement of cash flows. A separate presentation of expenses by functional and natural classification is also required. Classification of net assets and revenues, expenses, gains, and losses is based on the existence or absence of donor-imposed restrictions. The standards also require that the amounts for each of the two classes of net assets – net assets with donor restriction and net assets without donor restriction be displayed in a consolidated statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a consolidated statement of activities and changes in net assets.

Cash and Cash Equivalents – Cash and cash equivalents represent checking accounts, savings accounts, money market accounts and demand deposits with several financial institutions. For the purpose of the consolidated statements of cash flows, the Organization consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Organization maintain its cash balances at several banks, which, at times, may exceed insured limits, potentially subjecting the Organization to concentrations of credit risk. The Organizations’ management believes it is not exposed to any significant credit risk with respect to its cash and cash equivalents.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable – Management considers all accounts receivable outstanding for greater than the specified term to be past due, and uses factors such as donor history and existing economic conditions to determine the likelihood of collection and whether to establish an allowance for doubtful accounts. Accordingly, management periodically reviews outstanding accounts and charges operations for amounts deemed uncollectible. All Hands writes off accounts receivable against the allowance when amounts are considered to be uncollectible. At August 31, 2019 and 2018, management has determined that all accounts receivable are collectible and an allowance for doubtful accounts was not considered necessary.

Investments – Investments in marketable securities with readily determinable fair values are reported at their fair values in the consolidated statements of financial position. Unrealized gains and losses are included in changes in net assets. Donated investments are included in contributions at their fair values on the date of receipt.

Generally accepted accounting principles establish a hierarchy for the determination of fair value, as well as disclosure requirements relative to those assets and liabilities. The hierarchy identifies three levels of input. Level 1 inputs are generally quoted market prices for identical assets or liabilities, which are actively traded on an exchange. Level 2 inputs generally consist of market prices for identical assets which are not actively traded or market prices of similar assets or liabilities which are actively traded, on an exchange. Level 3 inputs are referred to as unobservable inputs and consist primarily of information derived by management where Level 1 and Level 2 inputs are not available.

Property and Equipment – Property and equipment is stated at cost at the date of acquisition or, if donated, at the approximate fair value at the date of the donation. Depreciation is provided by using the straight line method over the estimated useful lives of the related assets (2 - 7 years) for consolidated financial statement purposes. Maintenance and repairs are charged to operations as incurred; significant renewals and betterments that materially extend the life of the assets, are capitalized.

Contributions – Contributions received are measured at their fair values and are reported as an increase in net assets in the period received. The Organization reports contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the contributed assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions. Net assets with donor restriction represent contributions received for the victims of natural disasters which have not been expended as of August 31, 2019 and 2018.

Grants – Grants are recognized when a donor makes a promise to the Organization that is, in substance, unconditional. Grants are reported as increases in net assets with donor restriction depending upon the nature of the restrictions. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction.

Donated Services – All Hands partners with other organizations that provide building materials or funds for supplies. All Hands also receives a substantial amount of services donated by their own volunteers and project managers. Volunteers on deployment for All Hands are unpaid, and are responsible for their own transportation expenses, except as noted in the following paragraph. No amounts have been reflected in the consolidated financial statements for these services, since no objective basis is available to measure their value.

Volunteers on deployment for All Hands who are deemed to provide a specific skill set and commit their time for an extended period may be entitled to receive a stipend. These costs are included in volunteer support or stipends/professional fees in the accompanying consolidated statements of functional expenses.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Additionally, in-kind donations for the years ended August 31, 2019 and 2018, primarily consist of transportation services for staff and volunteers on the United States and Caribbean programs, legal services in support of the various programs and merger, and donated equipment and materials to support housing and school rebuilding efforts. These in-kind donations are recorded in the consolidated financial statements when they are specifically identifiable and can be objectively valued. Included in contributions revenue for the years ended August 31, 2019 and 2018, is approximately \$2,050,000 and \$1,599,000, respectively, of in-kind donations.

Advertising – Advertising costs are expensed in the period in which the advertising takes place. Advertising expense for the years ended August 31, 2019 and 2018, was approximately \$26,800 and \$2,200, respectively.

Income Taxes – All Hands qualifies as an organization exempt from income tax as provided under Section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for income taxes. In addition, All Hands qualifies for the charitable contribution deduction under Section 170(b)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2). Additionally, All Hands and Hearts (UK) Trust is in compliance with all required filings in their respective country.

Functional Allocation of Expenses – The Organization’s costs of providing its various programs and activities have been summarized on a functional basis in the accompanying consolidated statements of functional expenses. Accordingly, certain costs have been allocated to the programs and supporting services based on specific identification, time records or management estimates.

Subsequent Events – Management of the Organization has evaluated the effects of all subsequent events through January 6, 2020, the date the consolidated financial statements were available to be issued, to determine if events or transactions occurring through that date require potential adjustment or disclosure in the consolidated financial statements.

Use of Estimates – The preparation of consolidated financial statements in conformity 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.

Recent Accounting Standards – The Organization has adopted Accounting Standards Update (“ASU”) 2016-14 “Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities” during the current year. ASU 2016-14 contains several provisions that change the presentation of and disclosures within the financial statements of a not-for-profit entity. These changes include an updated net asset classification scheme from three classes to two classes, changes in underwater endowment accounting, quantitative and qualitative disclosures regarding liquidity, a change in presentation of investment return to a net basis and a requirement to report expenses by function, nature, and an analysis showing the relationship between function and nature and the removal of the requirement for a reconciliation for statements of cash flows done on a direct basis.

The guidance is effective for fiscal years beginning after December 15, 2017. The Organization elected not to implement the option of reporting the statements of cash flows on a direct basis as permitted under ASU 2016-14.

2. LIQUIDITY

The Organization has approximately \$11,387,000 of financial assets available within one year of the consolidated statement of financial position date consisting of approximately \$9,458,000 of cash and cash equivalents, \$1,861,000 of investments, and \$68,000 of receivables. There are approximately \$2,545,000 of net assets with donor restriction that are subject to donor or contractual restrictions to be used for their intended purpose and are not available for general expenditure. As described further in Note 5, the Organization has available a line of credit through a bank for borrowings up to \$500,000, which could be drawn upon in the event of an unanticipated liquidity need.

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of August 31:

	2019	2018
Vehicles	\$ 676,210	\$ 572,369
Furniture and fixtures	86,514	86,514
Equipment installation	<u>-</u>	<u>79,000</u>
	762,724	737,883
Less accumulated depreciation	<u>507,752</u>	<u>428,405</u>
	<u>\$ 254,972</u>	<u>\$ 309,478</u>

Depreciation expense for the years ended August 31, 2019 and 2018 was \$192,177 and \$170,269, respectively.

4. INVESTMENTS

Investments are stated at fair value and consist of marketable securities and mutual funds held by J.P. Morgan Securities. The marketable securities are recorded at fair value based on quoted market prices (Level 1). Investments consisted of the following at August 31:

	2019	2018
<i>Level 1:</i>		
Exchange traded funds	<u>\$ 1,860,623</u>	<u>\$ 2,168,148</u>
Investment income gains (losses):		
Interest and dividends, net	\$ 186,597	\$ 125,336
Net realized and unrealized gains (losses)	<u>(156,742)</u>	<u>409,910</u>
	<u>\$ 29,855</u>	<u>\$ 535,246</u>

Current accounting standards require that impaired investments, that is, investments for which the fair value is less than its cost, be evaluated as to whether such impairment is other than temporary. Since All Hands has the ability and the intent to hold the securities until a recovery in value occurs (or until maturity if necessary), no investments have been deemed impaired as of August 31, 2019.

5. DEMAND NOTE PAYABLE

All Hands has an agreement with a bank for a revolving line of credit for working capital purposes, providing for borrowings up to \$500,000 with interest payable at the bank's base rate plus .5% with a floor of 4.5% (5.75% at August 31, 2019). Borrowings are secured by substantially all assets of All Hands. Interest on the outstanding principal balance of the loan must be paid monthly. The outstanding principal balance is due on demand and is subject to an annual review by the bank. There were no outstanding amounts under this agreement as of August 31, 2019 and 2018.

6. RETIREMENT PLAN

All Hands sponsors a defined contribution pension plan (the "Plan") in accordance with Internal Revenue Code Section 403(b) for all employees meeting certain employment requirements. For each participant who contributes under the Plan, All Hands will contribute a matching contribution of 100% of deferrals, not to exceed 4% of compensation. All employees of All Hands are eligible for participation after meeting certain age and service requirements. All Hands contributed approximately \$46,500 and \$32,000 to the Plan, for the years ended August 31, 2019 and 2018, respectively, which is reflected in salary expense on the accompanying consolidated statements of functional expenses.

7. OPERATING LEASES

All Hands leases office space for its main office under two non-cancelable operating leases expiring in August 2020. All Hands also leases a warehouse expiring in September 2020. Further, All Hands rents office space in Texas which expires in February 2020. All Hands has a lease in Massachusetts and Texas for office and living space beginning June 2019 and November 2018, respectively. All Hands also leases office space and vehicles in areas affected by disasters under terms of month to month lease agreements. Rental expense for these leases totaled approximately \$2,288,000 and \$1,845,000 for the years ended August 31, 2019 and 2018, respectively. Future minimum lease payments for the years subsequent to August 31, 2019 are approximately; 2020 - \$109,200.

8. CONTINGENCIES

The Organization is involved in litigation arising in the ordinary course of business. While the ultimate effect of such litigation cannot be determined at this time, the assets or liabilities which may arise from such action would not, in the opinion of management, result in gains or losses which would materially affect the financial position of the Organization or the results of its operations.

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ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2019

	<u>Total</u>	<u>Eliminations</u>	<u>All Hands and Hearts Smart Response, Inc.</u>	<u>All Hands and Hearts (UK) Trust</u>
ASSETS				
Cash and cash equivalents	\$ 9,458,062	\$ -	\$ 9,341,047	\$ 117,015
Investments	1,860,623	-	1,860,623	-
Accounts receivable	67,458	-	67,458	-
Prepaid expenses	240,231	-	240,231	-
Property and equipment, net	254,972	-	254,972	-
Other assets, net	3,949	-	3,949	-
	<u>\$ 11,885,295</u>	<u>\$ -</u>	<u>\$ 11,768,280</u>	<u>\$ 117,015</u>
LIABILITIES AND NET ASSETS				
LIABILITIES:				
Accounts payable and accrued expenses	\$ 716,938	\$ -	\$ 716,938	\$ -
NET ASSETS:				
Without donor restriction	8,623,755	-	8,506,740	117,015
With donor restriction	2,544,602	-	2,544,602	-
	<u>11,168,357</u>	<u>-</u>	<u>11,051,342</u>	<u>117,015</u>
	<u>\$ 11,885,295</u>	<u>\$ -</u>	<u>\$ 11,768,280</u>	<u>\$ 117,015</u>

ALL HANDS AND HEARTS SMART RESPONSE, INC. AND AFFILIATE

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Total</u>	<u>Eliminations</u>	<u>All Hands and Hearts Smart Response, Inc.</u>	<u>All Hands and Hearts (UK) Trust</u>
REVENUE AND OTHER SUPPORT:				
Contributions	\$ 9,698,015	\$ -	\$ 9,433,785	\$ 264,230
Grants	3,806,179	(246,192)	4,052,371	-
Special events, net of fundraising expenses of \$214,693	866,843	-	866,843	-
Other income	71,739	-	71,739	-
Investment income	29,855	-	29,855	-
TOTAL REVENUE AND OTHER SUPPORT	14,472,631	(246,192)	14,454,593	264,230
EXPENSES:				
Program expenses	17,046,567	(246,192)	17,081,011	211,748
Management and general expenses	493,149	-	493,149	-
Fundraising expenses	146,504	-	145,162	1,342
TOTAL EXPENSES	17,686,220	(246,192)	17,719,322	213,090
CHANGE IN NET ASSETS BEFORE CHANGE IN FOREIGN CURRENCY TRANSLATION	(3,213,589)	-	(3,264,729)	51,140
CHANGE IN FOREIGN CURRENCY TRANSLATION	(7,095)	-	-	(7,095)
CHANGES IN NET ASSETS	(3,220,684)	-	(3,264,729)	44,045
NET ASSETS, beginning of year	14,389,041	-	14,316,071	72,970
NET ASSETS, end of year	<u>\$ 11,168,357</u>	<u>\$ -</u>	<u>\$ 11,051,342</u>	<u>\$ 117,015</u>