



Diakassan displaying her Fencing Medal-Dec 2018

A Child For All Inc. (ACFA Inc.) Consolidated Financial Statements

Years Ended December 31, 2018 and 2017

A Child For All Inc. (ACFA Inc.)
Contents December 31, 2018 and 2017

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Independent Auditors' Report

The Board of Directors
A Child For All, Inc.
CMR 450 Box 1073
APO AE 09705

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **A Child For All (ACFA)**, which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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.

Auditor's 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 auditor's 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

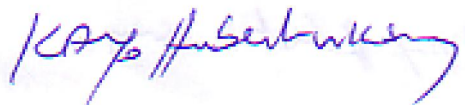
Opinion on the consolidated Financial Statements

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of **A Child For All Inc.** as of December 31, 2018 and 2017, 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statement as a whole. The supplemental consolidated schedule of functional expenses and allocation of indirect expenses are presented for purposes of additional analysis and are 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 consolidated financial statements or to the consolidated themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



April 8, 2019

Consolidated Financial Statements

A Child For All Inc. (ACFA Inc.)
Consolidated Statements of Financial Position

December 31,	2018	2017
ASSETS		
Cash and cash equivalents (Notes 2d, and 3a)	\$40,998	\$51,921
Contributions receivable (Notes 2e, and 3d)	2,853	5,042
Inventory (Notes 2f and 3c)	2,315	2,060
Prepaid expenses and other assets (Notes 2g, and 3d)	595	381
Property and equipment, net of accumulated depreciation (Notes 2h, and 3e)	<u>244,912</u>	<u>244,601</u>
Total assets	<u><u>\$291,673</u></u>	<u><u>\$304,005</u></u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses (Notes 2i and 3f)	\$2,255	\$1,963
Total liabilities	<u>2,255</u>	<u>1,963</u>
 NET ASSETS		
Without donor restrictions (Notes 2j and 3f)	289,418	302,041
With donor restrictions	<u>0</u>	<u>0</u>
Total net assets	<u>289,418</u>	<u>302,041</u>
Total liabilities and net assets	<u><u>\$291,673</u></u>	<u><u>\$304,005</u></u>

See accompanying notes to the consolidated financial statements.

A Child For All Inc. (ACFA Inc.)
Consolidated Statements of Activities
For Year Ended December 31

	<u>2018</u> Without Donor Restrictions	<u>2017</u> Without Donor Restrictions
Operating activities		
REVENUES GAINS AND OTHER SUPPORT (Notes 2k and 3h)		
Contributions		
Corporate	21,339	19,196
Foundations	8,922	14,193
Individuals	10,885	16,812
Total Contributions	41,146	50,201
Other Revenues		
Revenues from Sales	0	76
Dividends from Bank	115	179
In-Kinds donations (Notes 2l and 3i)	2,806	2,618
Miscellaneous Gains (Notes 3j)	336	(494)
Total Other Revenues	3,257	2,379
TOTAL REVENUES GAINS AND OTHER SUPPORT	44,402	52,581
EXPENSES AND LOSSES (Notes 2m and 3k)		
Program Services		
Expenses		
Nutrition	7,243	6,198
Health Care	902	851
Education	4,659	5,126
Sports	926	818
Clothing	3,223	1,135
Personal Hygiene	621	2,198
Transportation	1,546	1,140
Entertainment	867	595
Transaction Fees	119	125

House		
Expenses	0	96
Other Program Services Expenses	11,876	2,192
Salary	10,413	10,099
Occupancy Expenses	541	6,121
Total Program Services Expenses	42,936	36,695
Supporting services:		
Management and General		
Registration and Taxes	0	59
Contract Services (including admin, website...)	9,723	12,954
Communication, Marketing and Travels	2,107	1,163
Business Expenses	0	1,612
Cost of Goods Sold	0	5
Total Management and General	11,829	15,793
Fundraising		
Online Donation Fees	180	223
Special Even Fees	295	0
Other Fundraising Fees (including contracted)	1,785	940
Total Fundraising	2,260	1,163
Total support services	14,090	16,956
Total expenses	57,026	53,651
Change in net assets from operations	(12,623)	(1,070)
Nonoperating activities		
Investment return, net	0	0
Total nonoperating activities	0	0

Change in net assets (Notes 2n)	(12,623)	(1,070)
Net assets, beginning of year	302,040	303,110
Net assets, end of year	<u>\$289,418</u>	<u>\$302,040</u>

See accompanying notes to the consolidated financial statements.

A Child For All Inc. (ACFA Inc.)
Statements of Functional Expenses
For the Year Ended December 31, 2018 and 2017

	2018			
	Program Services	Management and General	Fundraising	Total
Salaries and benefits	10,413	0	0	10,413
Education	10,030	0	0	10,030
Occupancy	9,980	0	0	9,980
Professional services	0	7,602	1,785	9,387
Printing	0	2,107	295	2,402
Information technologies	0	2,121	180	2,301
Travel	637	0	0	637
Other	11,876	0	0	11,876
	\$42,936	\$11,830	\$2,260	\$57,026

	2017			
	Program Services	Management and General	Fundraising	Total
Salaries and benefits	10,099	0	0	10,099
Education	10,029	0	0	10,029
Occupancy	7,405	0	0	7,405
Professional services	0	12,954	940	13,894
Printing	0	379	0	379
Information technologies	0	1,245	223	1,468
Travel	848	848	0	1,696
Other	8,313	367	0	8,680
	\$36,694	\$15,793	\$1,163	\$53,650

See accompanying notes to the consolidated financial statements.

A Child For All Inc. (ACFA Inc.)
Consolidated Statement of Cash Flow-Indirect Method

For the Year Ended December 31,	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$(12,623)	\$(1,070)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Decrease (increase) in contributions receivable	2,189	(2,426)
(Increase) decrease in prepaid expenses and Inventory assets	(469)	200
Increase (decrease) in accounts payable and accrued expenses	292	(849)
Net cash provided by (used in) operating activities	(10,611)	(4,145)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,250)	(516)
Accumulated depreciation	1,938	292
Proceeds from sales and maturities of investments	0	0
Net cash used in investing activities	(311)	(224)
Net increase (decrease) in cash and cash equivalents	(10,922)	(4,369)
Cash and cash equivalents, beginning of year	51,921	56,290
Cash and cash equivalents, end of year	\$40,998	\$51,921

See accompanying notes to the consolidated financial statements.

A Child For All Inc. (ACFA Inc.)

Notes to the Consolidated Financial Statements

1. Description of the 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 provides shelter, health care, food and education both traditional school and extra curricular activities such as tutoring classes and sport, to Mali's vulnerable children. ACFA seeks to provide these programs to afford opportunities to success to Mali's vulnerable children. Founded in March 2008 in Stafford, Virginia, U.S. The organization's primary sources of revenues are contributions from foundations, corporations and individuals. ACFA receives minor income from business ventures such as sales of T-shirts and Mali's artifacts. ACFA launched an expansion program in 2013, the Zorokoro Children Complex, to allow the organization to increase its impact by supporting more children. When completed, the complex will support up to 100 vulnerable children, and over 1,000 community members through medical and education services. The dorm will lodge up to 100 children, who will all be fed at the dining facility, the school, the medical clinic, the sport complexes, the library, and computer lab will support not only ACFA's children but also other children and adults in Zorokoro and its surrounding seven villages.



ACFA Board of Directors with children at sport event - Dec 2018

In 2018, ACFA revamped its board of directors and hired a fundraising/development consultant to support its fundraising efforts towards the completion of the Zorokoro Children complex.

ACFA-Mali is the Mali operations of ACFA and is financially and administratively supported by ACFA-USA. ACFA-USA, consisting of the Executive Director and the Board

Of Directors, located mostly in the Washington DC area and around the world. ACFA USA exercises administrative oversight and sets policy direction for ACFA-Mali. ACFA's vision is: "a Mali where all children are afforded the tools necessary for a successful

future”. ACFA’s mission is to provide Mali’s vulnerable children a safe and loving environment, which fosters their health, learning, happiness, and success.

ACFA accomplishes its mission through the delivery of four programs: shelter, nutrition, health care, and education. Through these programs ACFA gives the children a loving environment conducive to their physical, mental, psychological, and intellectual development.

Shelter: This program is composed of the current children home in Badalabougou SEMA I, and the partial constructed dorm at the Zorokoro Children Complex, in Zorokoro. ACFA’s live-in staff and volunteers

Nutrition: On a daily basis, ACFA’s staff prepares and distributes to the children, a nutritionist approved healthy and balanced menu. Snacks are also provided twice a day in the morning and in the afternoon. Such a diet is essential to the children's physical and mental development. Additionally, the children receive daily vitamin supplements. They have a special diet that is required for their sport activities.

Health Care: In coordination with on the ground Health Care Centers and clinics, and volunteer doctors and pharmacists, ACFA-Mali provides the highest health care services to ACFA’s children.

Education: In addition to the private schools they attend, ACFA children benefit from tutoring sessions and other extracurricular activities in the form of additional instructions in Math, computer science,



Taekwondo children displaying their individual medals-Jun 2018

and French. Additionally, the children have extra classes they take during summer to give them a head start on the next academic year. In 2018, two of our children competed and passed the national exam allowing them to attend high school. Further, ACFA provides the children with vocational training in tailoring, barbershop, hair braiding,



Basketball children after a tournament winning- Jun 2018

motorbike mechanics, carpentry, etc... These programs coupled with physical activities such as basketball, fencing, and taekwondo classes all contribute to the children's mental and intellectual development.

2. Summary of Significant Accounting Policies

a. Basis of Accounting

The financial statements of ACFA have been prepared on the accrual basis of accounting and in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require ACFA to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of ACFA's management and the board of directors. All of ACFA's assets are without donor restrictions.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ACFA or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. None of ACFA assets have been restricted by donors.

Classification of Net Assets: Currently, ACFA does not have any restricted assets. Therefore, based on the above description, all assets are available to support ACFA's operations and capital investment as designated by the donors and by the board of directors.

b. Principles of Consolidation

The consolidation financial statements include the accounts of ACFA and its affiliate in Mali. All intercompany balances and transactions have been eliminated.

c. 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. ACFA has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. ACFA has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

d. Cash and Cash Equivalents

For purposes of the consolidated statements of financial position and 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.

e. Contribution Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Conditional promises to give are not included as support until the conditions are met. The contributions receivable consist of pledges made in 2018 that will be received throughout 2019. These pledges are from foundations and individuals.

f. Inventory

Inventory includes T-shirts for sale on hand, arts material on hand to be sold at future fundraising or other events, and 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 2018 fiscal year.

g. Prepaid Expenses

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

h. Property and Equipment

Property and equipment consist of investment made at ACFA-Mali in Zorokoro and Badalabougou, where the children currently reside. They include buildings; containers used for storage, bunk beds for the dorm, etc.... ACFA considers Zorokoro as a property in progress since construction is still ongoing and therefore will not depreciate Zorokoro building this year.

i. Account Payable

Accounts payable consist of services incurred in 2018 that ACFA will pay for in 2019.

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 as donations all pledges, cash, checks, and credit card donations as well as those In-Kind donations that can be evaluated. Additionally, total revenue includes interest earned at the bank.

1. 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 such as social media and fundraising activities. ACFA's board of directors is also all volunteers based, and the board members

devote numerous hours to setting the organization policy for its operations in Mali. 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 security contract fees at Zorokoro and at the children's home in Bamako, as well as regulatory, database management, website, and accounting, fees in the United States.

n. Other Change in Net Asset

ACFA records any other changes in Net Assets that occur due to a change in accounting methods. Amounts may not sum or calculate exactly due to rounding.

o. Functional Expenses

The cost of providing program and other activities has been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among Program Services and supporting services benefited. Management on an equitable basis determines such allocations. The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and benefits	Time and effort
Education	Time and effort
Occupancy	Square kilometer
Professional services	Full Time Equivalent
Printing	Full Time Equivalent
Information technologies	Full Time Equivalent
Travel	Time and effort
Other	Time and effort

3. Reasons for Variation

a. Cash and Cash Equivalents

Cash and cash equivalents were \$40,998 and \$51,921 at December 31, 2018 and 2017 respectively. This decrease in cash is due to the fact that ACFA received fewer donations

in 2018, than in 2017 despite the board and management efforts to acquire new donors, and leverage existing ones. At the end of the year 2018, ACFA hired a consultant to support its development efforts.

b. Contributions Receivables

At the end of 2018 and 2017, ACFA had a total of \$2,853 and \$5,042 respectively in donations receivables. This difference, (\$2,189), is also explained by the low donations received in 2018 relative to 2017. The receivables this year represent funds received through campaigns on Facebook, and Globalgiving, which will be received in 2019.

c. Inventory

The value of the inventory on hand at the end of 2018 was \$2,315 while that at the end of 2017 was \$2,060. This difference of \$255 is due to lots of clothes donated in 2018, but the size of which are too small for ACFA's current children. They are being kept in inventory until younger children are directed to ACFA.

d. Prepaid Expenses

The prepaid expenses at the end of 2018 was \$595 consisting of \$484 prepaid expenses for Quickbooks and \$111 for Little Green Light. Quickbooks is the accounting software and Little Green Light is the database management software both used by ACFA.

e. Property and Equipment

At the end of 2018, property and equipment were valued at \$244,912, an increase of only \$311 from 2017 investment of \$244,601. The \$311 was spent on equipment purchased in preparation for the 25 children to arrive at Zorokoro. Due to lack of funding, there was no construction made at Zorokoro in 2018. Since Zorokoro is construction in progress, there has been no depreciation.

f. Accounts Payable

The 2018 accounts payable of \$2,255 consist of Certified Public Accountant (CPA) fees of \$1,650, and two consultants' December 2018 fees of \$605. All these fees will be paid in 2019.

g. Unrestricted Assets

At the end of 2018, ACFA did not have any funds earmarked for specific purposes by the donors hence; total unrestricted assets were \$289,418 and \$302,041 at December 31, 2018 and 2017 respectively. This 4.18% decrease in net asset is explained by the large difference in cash, cash equivalent, and account receivables as well as the increase in accounts payable.

h. Revenues

Total contributions in 2018 and 2017 were \$41,146 and \$50,201 respectively. Total Revenues were \$44,402 and \$52,581 at December 2018 and 2017 respectively. The major change in revenues is explained by large decreases in donations from foundations and individuals.

i. In-Kind Revenue

In 2018, ACFA received \$2,806 in In-Kind donation, on par with its 2017's received In-Kind donations of \$2,618. The 2018 In-Kind donation consisted of food, clothes, school supplies, toys and professional accounting and marketing supports.

j. Miscellaneous Loss

Due to the nature of its activities, ACFA has cash accounts at Banque Atlantique and Banque de Development du Mali in Bamako, Mali, West Africa in a different currency than dollar, therefore the foreign currency translation gains and losses were recorded. ACFA accumulated from different transactions over the year a gain of \$336 in 2018 due to the U. S. Treasury change in currency exchange rate between U.S. Dollars and XOF. These change in exchange rates impacts all transactions in Mali: periodic funds sent to Mali for operations, major donations in Mali, balance of ACFA's cash accounts in Mali, etc...

k. Expenses

In 2018, ACFA spent \$42,936 in Program Services, and in 2017 this expense was only \$36,695. This significant difference of \$6,241 is explained by the fact that in 2018, ACFA paid for the title fees of Zorokoro, the future home of the children. Additionally, we spent more funds in personal hygiene this year than in 2017, as the children are growing; more personal hygiene materials are needed for their daily use. After re-aligning occupancy under program expenses, Total Management and administrative expenses for ACFA for 2018 and 2017 were \$11,829 and \$15,793 respectively. This decrease of \$3,964 is explained by the fact that ACFA's fundraising consultant resigned and it took several months to get another consultant onboard, so there were a few months of no expenses for that specific service. Finally, there was a significant increase in 2018 fundraising expenses relative to

2017. Fundraising fees were \$2,260 and \$1,163 in 2018 and 2017 respectively. This is due to the fact that in 2018, ACFA did a major fundraising event in DC with international celebrity, incurring unusual fees. The above-mentioned differences led to a variation in ACFA total expenses between 2018 and 2017 respectively \$57,026 and \$53,651. Change in net assets in 2018 was (\$12,623), much higher than in 2017 when it was only (\$1,070). Again this is due to the double effects of decrease in donation and increase in expenses in 2018 relative to 2017.

4. Availability and Liquidity

A CHILD FOR ALL INC.		
Financial assets at year end:	2018	2017
Cash and cash equivalents	\$40,998	\$51,921
Contributions receivable	2,853	5,042
Investments	2,910	2,441
Total Financial Assets	<u>46,761</u>	<u>59,404</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	0	0
Less net assets with purpose restrictions to be met in less than a year	0	0
Quasi endowment established by the board	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$46,761</u>	<u>\$59,404</u>

The following represents ACFA's financial assets at December 31, 2018 and 2017. ACFA's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$14 Thousands). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts. ACFA has no credit card, and no line of credit available at any banks.