

Amend.org

Financial Statements

December 31, 2016 and 2015



AMEND.ORG
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December 31, 2016 and 2015:

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Amend.org

We have audited the accompanying financial statements of Amend.org (the Organization), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, the statement of functional expense for the year ended December 31, 2016, 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 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 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, 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.

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INDEPENDENT AUDITOR'S REPORT - CONTINUED

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amend.org as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 19, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

PDR CPAs + Advisors, Inc

Oldsmar, Florida
August 21, 2017

AMEND.ORG
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2016 AND 2015

ASSETS

	<u>2016</u>	<u>2015</u>
Current Assets		
Cash and cash equivalents	\$ 72,069	\$ 113,499
Employee advances	1,383	2,233
Prepaid expenses and other current assets	1,184	3,796
	<hr/>	<hr/>
Total current assets	74,636	119,528
Property and Equipment, Net	2,359	6,973
	<hr/>	<hr/>
	\$ 76,995	\$ 126,501
	<hr/>	<hr/>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	\$ 18,202	\$ 12,583
Accrued expenses	1,428	4,552
Loan from director	-	1,310
	<hr/>	<hr/>
Total current liabilities	19,630	18,445
Net Assets		
Unrestricted	57,365	108,056
Total net assets	57,365	108,056
	<hr/>	<hr/>
	\$ 76,995	\$ 126,501
	<hr/>	<hr/>

See accompanying notes to financial statements

AMEND.ORG
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	
				<u>2016</u>	<u>2015</u>
Revenue					
Public support and revenue					
Grant revenue	\$ 600,253	\$ -	\$ -	\$ 600,253	\$ 704,375
Donations	4,678	-	-	4,678	9,078
Other revenues	4,090	-	-	4,090	6,110
Total public support and revenue	609,021	-	-	609,021	719,563
Expenses					
Program services	541,927	-	-	541,927	514,242
Supporting services - administrative expenses	117,643	-	-	117,643	100,794
Total expenses	659,570	-	-	659,570	615,036
Loss on disposal of assets	142	-	-	142	1,230
Changes in Net Assets	(50,691)	-	-	(50,691)	103,297
Net Assets at Beginning of Year	108,056	-	-	108,056	4,759
Net Assets at End of Year	\$ 57,365	\$ -	\$ -	\$ 57,365	\$ 108,056

See accompanying notes to financial statements

AMEND.ORG
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenue				
Public support and revenue				
Grant revenue	\$ 704,375	\$ -	\$ -	\$ 704,375
Donations	9,078	-	-	9,078
Other revenues	6,110	-	-	6,110
	<hr/>	<hr/>	<hr/>	<hr/>
Total public support and revenue	719,563	-	-	719,563
 Expenses				
Program services	514,242	-	-	514,242
Supporting services - administrative expenses	100,794	-	-	100,794
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	615,036	-	-	615,036
 Loss on disposal of assets	1,230	-	-	1,230
	<hr/>	<hr/>	<hr/>	<hr/>
Changes in Net Assets	103,297	-	-	103,297
 Net Assets at Beginning of Year	4,759	-	-	4,759
	<hr/>	<hr/>	<hr/>	<hr/>
Net Assets at End of Year	<u>\$ 108,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,056</u>

See accompanying notes to financial statements

AMEND.ORG
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	Program		Total Expenses	
	Services	Administration	2016	2015
Personnel	\$ 221,057	\$ 40,231	\$ 261,288	\$ 288,568
Travel	62,237	19,107	81,344	54,382
Professional fees	70,927	21,548	92,475	81,923
Program materials	153,033	-	153,033	131,832
Payroll taxes	16,332	2,972	19,304	21,227
Occupancy	1,892	18,337	20,229	14,701
Office expenses	12,089	12,320	24,409	14,282
Telephone	1,618	3,128	4,746	5,904
Taxes and fees	-	-	-	37
Depreciation	2,742	-	2,742	2,180
Total Functional Expenses	\$ 541,927	\$ 117,643	\$ 659,570	\$ 615,036

See accompanying notes to financial statements

AMEND.ORG
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ (50,691)	\$ 103,297
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:		
Depreciation	2,742	2,180
Loss on disposal of assets	142	1,230
Changes in operating assets and liabilities:		
Employee advances	850	(1,015)
Prepaid expenses and other current assets	2,612	(3,796)
Accounts payable	5,619	12,583
Accrued expenses	(3,124)	4,005
Net cash (used in) provided by operating activities	<u>(41,850)</u>	<u>118,484</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	(2,834)	(7,329)
Proceeds from sale of property and equipment	4,564	-
Net cash provided by (used in) investing activities	<u>1,730</u>	<u>(7,329)</u>
Cash Flows from Financing Activities		
Proceeds from loan from director	-	1,310
Payments on loan from director	(1,310)	(10,000)
Net cash used in financing activities	<u>(1,310)</u>	<u>(8,690)</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(41,430)	102,465
Cash and Cash Equivalents at Beginning of Year	<u>113,499</u>	<u>11,034</u>
Cash and Cash Equivalents at End of Year	<u>\$ 72,069</u>	<u>\$ 113,499</u>

See accompanying notes to financial statements

AMEND.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE A - NATURE OF OPERATIONS

Amend.org (the Organization) is a charitable not-for-profit corporation under section 501(c)(3) of United States IRS tax code. The Organization is registered as a non-governmental organization (NGO) in Tanzania. The Organization opened an office in Mozambique in late 2015 and another office in Ghana in 2016. Its mission is to develop, implement, and evaluate evidenced-based interventions to reduce the incidence of road traffic injury among the most vulnerable road users in Africa today while working to help create an environment for long-term, sustainable injury reduction.

The Organization runs its own programs and partners with governments, companies, development agencies, and others on projects that target specific aspects of road traffic injury.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

The Organization presents information regarding its financial position and activities according to three classes of net assets described as follows:

- Unrestricted Net Assets - All resources over which the governing board has discretionary control. The governing board of the Organization may elect to designate such resources for specific purposes. This designation may be removed at the Board's discretion.
- Temporarily Restricted Net Assets - Resources accumulated through donations or grants for specific operating or capital purpose. Such resources will become unrestricted when the requirements of the donor or grantee have been satisfied through expenditure for the specified purpose or program or through the passage of time. The Organization has no temporarily restricted net assets as of December 31, 2016 and 2015.
- Permanently Restricted Net Assets - Resources accumulated through donations or grants that are subject to the restriction in perpetuity that the principal be invested. These net assets include the original value of the gift, plus any subsequent additions. The Organization has no permanently restricted net assets as of December 31, 2016 and 2015.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates included in the financial statements include the allocation of expenses by function and the estimate of useful lives of depreciable assets.

AMEND.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash and Cash Equivalents

Operating cash primarily consists of amounts held on deposit at a commercial bank. For the purposes of the cash flow statement, management considers all cash, checking and savings accounts, and investments with an original maturity of three months or less to be cash.

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash held in financial institutions in excess of federally-insured limits. From time to time throughout the years ended December 31, 2016 and 2015, the Organization's cash balance may have exceeded the federally insured limit. However, the Organization has not experienced and does not expect to incur any losses in such accounts. The uninsured Tanzania balance approximates \$5,070 and \$8,000 at December 31, 2016 and 2015, respectively. The uninsured Ghana balance approximates \$9,530 at December 31, 2016.

Property and Equipment

Property and equipment are recorded at cost when acquired. Depreciation is provided by charges to operations using the straight-line method over the estimated useful lives of the assets. The lives used in computing depreciation are as follows:

	<u>Years</u>
Computer equipment	3
Furniture and fixtures	8
Vehicles	5

Expenditures for maintenance, repairs, minor renewals, and betterments which do not improve or extend the useful life of the respective asset are expensed. All other expenditures for renewals and betterments over \$500 are capitalized. The assets and related depreciation accounts are adjusted for property retirements and disposals with the resulting gain or loss included in income. Fully depreciated assets remain in the accounts until retired from service.

Public Support and Revenue

Public support and revenue are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Grants and donations from multi-national organizations are considered exchange transactions and are recorded as unrestricted revenue when earned.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenue of the unrestricted net asset class. Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional.

AMEND.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded.

Uncertain Tax Positions

The Organization accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. The Organization has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Organization has determined that such tax position does not result in an uncertainty requiring recognition. The Organization is not currently under examination by any taxing jurisdiction. The Organization’s federal returns are generally open for examination for three years following the date filed.

Functional Expenses

The costs of providing the program and supporting services have been reported on a functional basis in the statement of functional expenses. Indirect costs have been allocated between the various programs and supporting services based on estimates, as determined by management. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

Foreign Operations

Operations outside the United States consist of offices in Tanzania, Ghana, and Mozambique. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls, and restrictions on currency exchange.

Comparative Financial Information

The accompanying financial statements include certain prior year summarized comparative total amounts. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended December 31, 2015, from which the summarized information was derived.

AMEND.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Computer equipment	\$ 4,907	\$ 2,827
Furniture and fixtures	754	-
Vehicles	-	7,430
	<hr/> 5,661	<hr/> 10,257
Less accumulated depreciation	<hr/> (3,302)	<hr/> (3,284)
	<hr/> <u>\$ 2,359</u>	<hr/> <u>\$ 6,973</u>

NOTE D - RELATED PARTY TRANSACTIONS

The Director of Mozambique operations loaned the Organization \$1,310 during 2015. The amount was paid back during 2016. The amount is included on the statement of financial position at December 31, 2015.

NOTE E - COMMITMENTS AND CONTINGENCIES

Operating Lease Obligations:

The Organization leases an office in Dar es Salaam, Tanzania under a one-year lease agreement payable in bi-annual installments. The lease can be renewed indefinitely subject to the mutual written consent of both the lessor and the Organization. The second bi-annual payment for the current lease of \$5,666 is due in January 2017. The lease also includes a monthly service charge for the cost of security, refuse collection, and cleaning of communal areas.

The Organization leases an office in Mozambique under a one-year lease agreement payable in monthly installments of approximately \$600. The lease is renewable.

The Organization leases an office in The Republic of Ghana under a two-year lease agreement commencing July 1, 2016, in which the first year rent was paid in advance, and the second year of rent is payable in two installments. The lease is renewable.

Rent and other charges related to these leases amounted to \$20,229 and \$14,701 for the years ended December 31, 2016 and 2015, respectively.

AMEND.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE E - COMMITMENTS AND CONTINGENCIES - CONTINUED

Future obligations relating to the leases discussed above are as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2017	\$ 9,139
2018	<u>2,250</u>
	<u>\$ 11,389</u>

NOTE F - CONCENTRATION OF RISK

A major portion of the Organization's grants and donations revenue is derived from two different agencies. For the years ended December 31, 2016 and 2015, this accounted for approximately 95% and 67% of total revenues, respectively.

NOTE G - SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through August 21, 2017, the date the financial statements were available and issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the financial statements.