

HAITIAN GLOBAL HEALTH ALLIANCE

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2019 AND 2018

HAITIAN GLOBAL HEALTH ALLIANCE

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Haitian Global Health Alliance
New York, New York

We have audited the accompanying financial statements of Haitian Global Health Alliance which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and changes in net assets, functional expenses 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 control relevant to the preparation and fair presentation of 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 financial statements based on our audit. We conducted our audit 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Haitian Global Health Alliance as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Tait, Weller & Baker LLP

Philadelphia, Pennsylvania
August 28, 2020

HAITIAN GLOBAL HEALTH ALLIANCE

STATEMENTS OF FINANCIAL POSITION

December 31, 2019 And 2018

	ASSETS	<u>2019</u>	<u>2018</u>
ASSETS			
Cash		\$ 66,876	\$ 25,039
Prepaid expense		<u>2,408</u>	<u>-</u>
Total Assets		<u>\$ 69,284</u>	<u>\$ 25,039</u>
	LIABILITIES AND NET ASSETS		
LIABILITIES			
Accrued expenses		\$ -	\$ 10,842
NET ASSETS			
Without donor restrictions		<u>69,284</u>	<u>14,197</u>
Total Liabilities and Net Assets		<u>\$ 69,284</u>	<u>\$ 25,039</u>

HAITIAN GLOBAL HEALTH ALLIANCE

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended December 31, 2019 And 2018

	<u>2019</u>	<u>2018</u>
SUPPORT AND REVENUE		
Contributions	\$ 338,593	\$ 259,337
Total Support and Revenue	<u>338,593</u>	<u>259,337</u>
EXPENSES		
Program services	71,298	119,296
Management and general	46,376	31,458
Fundraising	<u>165,832</u>	<u>160,099</u>
Total Expenses	<u>283,506</u>	<u>310,853</u>
CHANGE IN NET ASSETS	55,087	(51,516)
NET ASSETS – WITHOUT DONOR RESTRICTIONS		
Beginning	<u>14,197</u>	<u>65,713</u>
Ending	<u>\$ 69,284</u>	<u>\$ 14,197</u>

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STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2019 And 2018

	2019			Total
	Program Services	Management And General	Fund-Raising	
Awards and grants	\$ 55,676	\$ -	\$ -	\$ 55,676
Salaries	6,250	18,750	100,000	125,000
Employee benefits	1,497	4,490	23,950	29,937
Payroll taxes	473	1,417	7,558	9,448
Office	-	4,446	4,446	8,892
Printing and postage	-	-	2,117	2,117
Travel and meals	7,402	-	3,986	11,388
Insurance	-	1,416	-	1,416
Miscellaneous	-	1,631	-	1,631
Consulting expense	-	11,250	8,016	19,266
Fundraising expense	-	-	12,786	12,786
Occupancy	-	2,976	2,973	5,949
Total Expenses	<u>\$ 71,298</u>	<u>\$ 46,376</u>	<u>\$ 165,832</u>	<u>\$ 283,506</u>

	2018			Total
	Program Services	Management And General	Fund-Raising	
Awards and grants	\$ 109,386	\$ -	\$ -	\$ 109,386
Salaries	5,580	16,739	89,273	111,592
Employee benefits	1,408	4,224	22,529	28,161
Payroll taxes	480	1,438	7,671	9,589
Office	-	4,428	4,429	8,857
Printing and postage	-	-	4,357	4,357
Travel and meals	2,442	-	1,315	3,757
Insurance	-	1,671	-	1,671
Miscellaneous	-	589	-	589
Consulting expense	-	375	23,300	23,675
Fundraising expense	-	-	5,231	5,231
Occupancy	-	1,994	1,994	3,988
Total Expenses	<u>\$ 119,296</u>	<u>\$ 31,458</u>	<u>\$ 160,099</u>	<u>\$ 310,853</u>

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STATEMENTS OF CASH FLOWS

Years Ended December 31, 2019 And 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 55,087	\$ (51,516)
Increase in prepaid expense	(2,408)	-
Increase (decrease) in accrued expenses	<u>(10,842)</u>	<u>10,842</u>
Net cash provided by (used in) operating activities	<u>41,837</u>	<u>(40,674)</u>
Net increase (decrease) in cash	41,837	(40,674)
CASH AND CASH EQUIVALENTS		
Beginning	<u>25,039</u>	<u>65,713</u>
Ending	<u>\$ 66,876</u>	<u>\$ 25,039</u>

HAITIAN GLOBAL HEALTH ALLIANCE

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 And 2018

(1) NATURE OF ACTIVITIES

Haitian Global Health Alliance (the “*Alliance*”), was formerly known as Foundation Haitienne Des Maladies Endemiques, Inc. The Alliance’s purpose is to support GHESKIO, a world-class research, treatment and training facility and partner of Weill Cornell Medical College. GHESKIO offers services and care for HIV-infected patients with tuberculosis, malaria and other infectious diseases.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Alliance utilizes the accrual basis of accounting which is in conformity with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded when earned and expenditures are recorded when incurred.

ACCOUNTING ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

FINANCIAL STATEMENT PRESENTATION

The Alliance reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As of December 31, 2019 and 2018, there were no net assets with donor restrictions. Net assets without donor restrictions include the revenues and expenses associated with the principal purpose of the Alliance.

INCOME TAXES

The Alliance qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, it is not subject to state or federal income taxes.

The Alliance follows professional standards which clarify the accounting for uncertainty in income taxes recognized in the Alliance’s financial statements and prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. The standards also provide guidance on derecognition and measurement of a tax position taken or expected to be taken on a tax return.

The Alliance files income tax returns in the U.S. federal jurisdiction. The Alliance’s federal income tax returns for tax years 2016 and beyond remain subject to examination by the Internal Revenue Service.

NEW ACCOUNTING PRONOUNCEMENT

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The amendments in this update will assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and determining whether a transaction is conditional. ASU 2018-08 is effective for fiscal years beginning after December 15, 2018. The ASU should be applied using a modified prospective basis. The Alliance adopted the new ASU during 2019 and it did not have a material effect on the financial statements.

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NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2019 And 2018

(3) FINANCIAL ASSETS AND LIQUIDITY RESOURCES

Financial assets and liquidity resources available within one year for general expenditures consisted of cash of \$66,876 and \$25,039 as of December 31, 2019 and 2018. As part of the Alliance's liquidity management plan, it structures its financial assets to be available as its obligations become due.

(4) SUBSEQUENT EVENTS

Subsequent events after the statement of financial position date through the date that the financial statements were available for issuance, August 28, 2020, have been evaluated in the preparation of the financial statements. In March 2020, it was increasingly evident that the outbreak of the novel strain of coronavirus (COVID-19) was beginning to disrupt global economic activity. By way of federal, state, and local authority mandates, there were significant constraints on and/or required closures of businesses. The ultimate impact on the Alliance's operations is not reasonably estimable at this time.