

Angkor Hospital for Children, Inc.

Financial Statements and
Independent Auditor's Report

December 31, 2019 and 2018



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Angkor Hospital for Children, Inc.
Putney, Vermont

We have audited the accompanying financial statements of Angkor Hospital for Children, Inc. (a nonprofit organization), which comprise the statement of assets and net assets - cash basis as of December 31, 2019, and the related statement of revenue, expenses and changes in net assets - cash basis for the year 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 the cash basis of accounting as described in Note B; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 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 assets, liabilities, and net assets of Angkor Hospital for Children, Inc. as of December 31, 2019, and its revenue, expenses and changes in net assets for the year then ended in accordance with the cash basis of accounting as described in Note B.

Basis of Accounting

We draw attention to Note B of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Prior Period Financial Statements

The 2018 financial statements were reviewed by us and our report thereon, dated March 20, 2019, stated we were not aware of any material modifications that should be made to those financial statements for them to be in conformity with the cash basis of accounting. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements.

Downey, Piciak, Fitzgerald + Co., P.C.

License 92-0000111
Brattleboro, Vermont
February 28, 2020

Angkor Hospital for Children, Inc.

Statements of Asset and Net Assets - Cash Basis

December 31, 2019 and 2018

	(Audited) 2019	(Reviewed) 2018
Asset		
Cash	\$ 20,418	\$ 53,025
Net Assets:		
Without donor restrictions	\$ 3,173	\$ 32,802
With donor restrictions	17,245	20,223
	\$ 20,418	\$ 53,025

The accompanying notes are an integral part of the financial statements.

Angkor Hospital for Children, Inc.
Statements of Revenue, Expenses and Changes in Net Assets - Cash Basis
Years Ended December 31, 2019 and 2018

	(Audited) 2019			(Reviewed) 2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue						
Contributions and grants	\$ 584,229	\$ 15,024	\$ 599,253	\$ 382,304	\$ 1,637	\$ 383,941
Investment income	432	-	432	339	-	339
Total revenue	584,661	15,024	599,685	382,643	1,637	384,280
Net assets released from restrictions	18,002	(18,002)	-	9,764	(9,764)	-
	602,663	(2,978)	599,685	392,407	(8,127)	384,280
Expenses						
Grants	577,972	-	577,972	332,462	-	332,462
Medical supplies	41,882	-	41,882	40,399	-	40,399
Respiratory care	-	-	-	1,630	-	1,630
Internet processing fees	6,143	-	6,143	3,626	-	3,626
Accounting fees	5,380	-	5,380	1,020	-	1,020
Supplies	211	-	211	-	-	-
Office supplies	66	-	66	514	-	514
Bank fees	180	-	180	95	-	95
Corporate registrations	458	-	458	125	-	125
Total operating expenses	632,292	-	632,292	379,871	-	379,871
Excess (deficiency) of revenue over expenses	(29,629)	(2,978)	(32,607)	12,536	(8,127)	4,409
Net assets at beginning of year	32,802	20,223	53,025	20,266	28,350	48,616
Net assets at end of year	<u>\$ 3,173</u>	<u>\$ 17,245</u>	<u>\$ 20,418</u>	<u>\$ 32,802</u>	<u>\$ 20,223</u>	<u>\$ 53,025</u>

The accompanying notes are an integral part of the financial statements.

Angkor Hospital for Children, Inc.

Notes to Financial Statements

December 31, 2019 and 2018

Note A - Nature of Operations

The Angkor Hospital for Children, Inc. (the "Organization") was incorporated in Delaware in 2012. Its purpose is to raise awareness in the United States of the health and welfare of poor children in Cambodia and to raise funds to improve healthcare initiatives, including, but not limited to, the Angkor Hospital for Children in Siem Reap, Cambodia.

Note B - Summary of Significant Accounting Policies

Basis of Presentation:

The accompanying financial statements have been prepared on the cash basis of accounting. That basis differs from accounting principles generally accepted in the United States of America primarily because the Organization recognizes revenue when received and expenses when paid. Accounts such as accounts receivable, prepaid expenses, accounts payable and accrued expenses are not recognized in these financial statements.

Income Taxes:

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state statutes. The Organization is not classified as a private foundation.

Note C - Cash

At December 31, 2019 and 2018, the Organization's cash on deposit at TD Bank was fully insured by the Federal Deposit Insurance Corporation.

Note D - Net Assets

Net assets with donor restrictions consisted of the following at December 31:

	2019	2018
HEM/ONC Fund	\$ 17,245	\$ 20,218
Respiratory Care Training Fund	-	5
	<u>\$ 17,245</u>	<u>\$ 20,223</u>

Note E - Date of Subsequent Events Evaluation

Events occurring after December 31, 2019 were evaluated by management on February 28, 2020 to ensure that any subsequent events that met the criteria for recognition and/or disclosure in these financial statements have been included. There are no significant subsequent events needing disclosure.