



RefuSHE

REFUSHE, INC. AND AFFILIATE

Consolidated Financial Statements
With Independent Auditors' Report

December 31, 2018

REFUSHE, INC. AND AFFILIATE

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Consolidated Financial Statements	
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities	4
Consolidated Statement of Functional Expense	5
Consolidated Statement of Cash Flows	6
Notes to Consolidated Financial Statements	7
Supplementary Information	
Independent Auditors' Report on Supplementary Information	15
Consolidating Statement of Financial Position	16
Consolidating Statement of Activities	17

INDEPENDENT AUDITORS' REPORT

Board of Directors
RefuSHE, Inc. and Affiliate
Chicago, Illinois

We have audited the accompanying consolidated financial statements of RefuSHE, Inc. (a Missouri nonprofit corporation) and Affiliate, which comprise the consolidated statement of financial position as of December 31, 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 audits 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
RefuSHE, Inc. and Affiliate
Chicago, Illinois

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of RefuSHE, Inc. and Affiliate as of December 31, 2018, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2, RefuSHE, Inc. and Affiliate has adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. This has had a material effect on the presentation of the December 31, 2018 consolidated financial statements. Our opinion is not modified with respect to this matter.

Capin Crouse LLP

Lawrenceville, Georgia
September 19, 2019

REFUSHE, INC. AND AFFILIATE

Consolidated Statement of Financial Position

December 31, 2018

ASSETS:

Cash and cash equivalents:

 Without donor restrictions

\$ 786,852

 With donor restrictions

100,475

Grants receivable—net

477,750

Inventory—net

52,732

Prepaid expenses and other assets

79,459

Property and equipment—net

37,110

Total Assets

\$ 1,534,378

LIABILITIES AND NET ASSETS:

Liabilities:

 Accounts payable and accrued expenses

\$ 264,138

Net assets:

 Without donor restrictions

519,493

 With donor restrictions

750,747

1,270,240

Total Liabilities and Net Assets

\$ 1,534,378

See notes to consolidated financial statements

REFUSHE, INC. AND AFFILIATE

Consolidated Statement of Activities

Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
Support:			
Contributions	\$ 147,957	\$ 740,952	\$ 888,909
Noncash contributions	17,548	-	17,548
	165,505	740,952	906,457
Revenue:			
Federal financial assistance	1,187,864	-	1,187,864
Special events revenue	148,118	-	148,118
Interest and other income	82,637	-	82,637
	1,418,619	-	1,418,619
Total Support and Revenue	1,584,124	740,952	2,325,076
RECLASSIFICATIONS:			
Net assets released from:			
Satisfaction of purpose restrictions	901,405	(901,405)	-
	901,405	(901,405)	-
EXPENSES:			
Program services	1,340,883	-	1,340,883
Supporting activities:			
Management and general	774,128	-	774,128
Fundraising	426,110	-	426,110
	1,200,238	-	1,200,238
Total Expenses	2,541,121	-	2,541,121
Change in Net Assets before Translation Adjustment	(55,592)	(160,453)	(216,045)
Translation Adjustment	(1,508)	-	(1,508)
Change in Net Assets	(57,100)	(160,453)	(217,553)
Net Assets, Beginning of Year	576,593	911,200	1,487,793
Net Assets, End of Year	\$ 519,493	\$ 750,747	\$ 1,270,240

See notes to consolidated financial statements

REFUSHE, INC. AND AFFILIATE

Consolidated Statement of Functional Expenses

Year Ended December 31, 2018

	Program Services						Supporting Activities				Total Expenses
	Education	Safe House	Case Management	Community Outreach	Child Protection	Maisha Project	Total Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries and wages	\$ 181,356	\$ 109,839	\$ 44,687	\$ 41,127	\$ 21,234	\$ 112,906	\$ 511,149	\$ 284,623	\$ 278,355	\$ 562,978	\$ 1,074,127
Employee benefits	13,480	31,676	8,497	7,759	3,061	16,265	80,738	86,413	31,982	118,395	199,133
Facilities and occupancy	88,205	85,805	3,611	5,449	2,567	6,512	192,149	43,630	14,793	58,423	250,572
Professional fees	7,608	2,251	3,916	3,161	163	20,013	37,112	195,664	4,969	200,633	237,745
Travel and meetings	13,081	10,583	384	830	348	13,096	38,322	70,595	79,331	149,926	188,248
Food and clothing	57,247	37,473	-	535	9,862	2	105,119	1,612	-	1,612	106,731
Office expenses	2,780	668	2,715	2,707	3,894	10,330	23,094	61,441	16,226	77,667	100,761
Program participant travel	45,768	344	2,743	-	-	13,012	61,867	-	-	-	61,867
Emergency housing, supplies, and clothing	35	2,897	51,703	3,323	-	-	57,958	-	-	-	57,958
Program participant supplies	36,014	11,490	442	202	-	6,358	54,506	130	53	183	54,689
Repairs and maintenance	9,510	10,742	279	279	1,133	11,425	33,368	12,451	175	12,626	45,994
Program participant living stipends	-	-	-	2,838	-	42,854	45,692	-	-	-	45,692
Program participant training	817	-	-	6,656	18,328	3,069	28,870	2,030	-	2,030	30,900
Cost of goods sold	204	-	-	-	-	27,028	27,232	-	-	-	27,232
Depreciation	-	16,135	-	-	-	-	16,135	1,316	-	1,316	17,451
Other expenses	4,225	2,601	847	9,675	867	9,357	27,572	14,223	226	14,449	42,021
Total Expenses	\$ 460,330	\$ 322,504	\$ 119,824	\$ 84,541	\$ 61,457	\$ 292,227	\$ 1,340,883	\$ 774,128	\$ 426,110	\$ 1,200,238	\$ 2,541,121

See notes to consolidated financial statements

REFUSHE, INC. AND AFFILIATE

Consolidated Statement of Cash Flows

Year Ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (217,553)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	17,451
Changes in operating assets and liabilities:	
Grants receivable–net	(69,347)
Inventory–net	(32,968)
Prepaid expenses and other assets	(13,049)
Accounts payable and accrued expenses	189,726
Net Cash Used by Operating Activities	<u>(125,740)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	<u>(5,618)</u>
Net Change in Cash and Cash Equivalents	(131,358)
Cash and Cash Equivalents, Beginning of Year	<u>1,018,685</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 887,327</u></u>

RECONCILIATION OF CASH AND CASH EQUIVALENTS:

Amount within the consolidated statement of financial position that sum to the total above:

Cash and cash equivalents–without donor restrictions	\$ 786,852
Cash and cash equivalents–with donor restrictions	<u>100,475</u>
	<u><u>\$ 887,327</u></u>

See notes to consolidated financial statements

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

1. NATURE OF ORGANIZATION:

RefuSHE, Inc. (RefuSHE) is a Missouri not-for-profit corporation established in 2007. As a not-for-profit corporation, RefuSHE is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (Code) and comparable State law. Contributions to RefuSHE are tax deductible within the limitations prescribed by the Code. RefuSHE is also classified as a publicly supported organization, which is not a private foundation as defined by Section 509(a)(1) of the Code. The primary source of support and revenue is from federal financial assistance.

RefuSHE supports Heshima Kenya (Heshima), an affiliated Kenyan entity, by providing funding, volunteers, and goods and services. The mission of RefuSHE and Heshima (collectively referred to as the Organization) is to identify and protect unaccompanied and separated refugee children and youth, especially girls, young women, and their children living in Kenya. By providing resources for long-term support, refugee girls and young women become catalysts for strengthening networks creating sustainable change within the local and global communities. The Organization accomplishes this mission primarily through the program services described below:

Safe House—The first and only of its kind in Kenya, our Safe House is a transitional shelter that provides protection and recovery to unaccompanied and separated refugee girls under 18 years old and their children. We are a registered shelter program, Children’s Charitable Institution (CCI) under the Kenyan Children’s Department. Approximately half of RefuSHE’s Safe House residents have young children of their own.

Education—The Girls’ Empowerment Project (GEP) is our alternative education program that allows participants to access education and livelihood opportunities, learn about their human rights, and to cultivate leadership skills. This includes basic education, life-skills development, vocational training, income generation, as well as an early childhood development center.

Case Management—Due to the myriad of health, emotional, and physical protection issues experienced by unaccompanied refugee children and youth, a core component of RefuSHE’s holistic model is our case management program. RefuSHE aims to empower each participant with the skills and resources required to advocate for their own rights and needs. This support provides girls with the ability to access services independently so that in the future they know where and how to access services, what to expect, and how they should be treated. Services include general support, legal aid, medical support, psychological counseling, and home visits and material support.

Community Outreach—RefuSHE’s mission is to advocate for awareness, rights, education, and support for refugee girls and women. We participate in various panels and policy groups to advance dialogue and solutions for the neglect of Nairobi’s urban refugees and the protection of unaccompanied refugee children and youth. This includes our work surrounding education and outreach to help refugee girls access protection and services.

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

1. NATURE OF ORGANIZATION, continued:

Advocacy and Research—RefuSHE recognizes the importance of educating our partners in government, the NGO sector, policy groups, and civil-society actors about the challenges experienced by the young women we serve. Our advocacy focuses on refugee protection, child protection, and the rights of women and girls.

Economic Independence—RefuSHE’s social enterprise is a step in the journey toward independence and a new life after war and conflict. Members express themselves creatively while learning tangible skills that lead to self-sufficiency. Our trauma-informed approach allows artisans to achieve economic and social independence. Participants continue their healing within RefuSHE’s supportive environment while learning business skills. 70% of the 160 artisans who have been a part of the collective are economically independent.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Organization maintains its accounts and prepares its consolidated financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the operations of RefuSHE and Heshima. All significant intercompany transactions and balances have been eliminated from the consolidated financial statements.

USE OF ESTIMATES

The preparation of consolidated financial statements 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS—WITHOUT DONOR RESTRICTIONS

Cash and cash equivalents include cash, checking, and savings accounts, and highly liquid investments with maturity dates of less than three months. These accounts may, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts, and management believes it is not exposed to any significant credit risk on cash and cash equivalents. At December 31, 2018, the Organization’s cash balances exceeded federally insured limits by \$377,104.

CASH AND CASH EQUIVALENTS—WITH DONOR RESTRICTIONS

The Organization is required to hold certain donor contributions in a separate bank account, for the purposes outlined in the executed grant agreement between the Organization and donor. For the year ended December 31, 2018, funds held in this separate account total \$100,475.

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

GRANTS RECEIVABLE–NET

Grants receivable consists primarily of amounts due the Organization for grants from foundations wherein the foundation has unconditionally promised to contribute funds to the Organization in future periods. The allowance for doubtful accounts receivable is maintained at a level that, in management's judgment, is adequate to absorb probable losses. The amount is based upon an analysis of overall grant receivables by management. Management's evaluation of the allowance for doubtful accounts includes, but is not limited to, the historical experience of payment patterns from the foundations, financial condition of the foundations, other known facts and circumstances and general economic conditions. This process is based on estimates, and ultimate loss may vary from current estimates. The Organization does not assess finance charges against grants receivable that are past due. As of December 31, 2018, no allowance for doubtful accounts receivable had been recorded as management has determined it is probable that substantially all the grants receivable will be collected.

Grants receivable expected to be collected within one year are recorded as support and a receivable at net realizable value. Grants receivable expected to be collected in future years are recorded as revenue and a receivable at the present value of the expected future cash flows. Discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. For grants received during the year ended December 31, 2018, the discount rate used was 3%. Amortization of discounts is included in contribution revenue.

INVENTORY–NET

Inventory is stated at the lower of cost (based on the FIFO basis) or net realizable value and consists of fabrics, threads, dyes and finished scarves, as well as other products. Management has determined the allowance for obsolescence by reviewing product sales history and current market performance. Special consideration is given to products that are new or deemed by management to be long-lived.

PROPERTY AND EQUIPMENT–NET

Items capitalized as property and equipment are stated at cost or, if donated, at market value on the date of donation. The Organization capitalizes all property and equipment expenditures greater than \$1,000. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 10 years.

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CLASSES OF NET ASSETS

The consolidated financial statements report amounts separately by class of net assets:

Net assets without donor restrictions are currently available at the discretion of the board for use in operations, designated by the board for other specific projects determined by the board, or invested in property and equipment net of accumulated depreciation.

Net assets with donor restrictions are stipulated by donors for specific operating purposes, with time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of donated assets is transferred to the Organization.

The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. Gifts are reported as without donor restriction if they are spent in the same period. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as reclassifications.

The Organization reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Noncash contributions consist of donated program supplies and are recorded at fair value at the date of the gift. Noncash contributions that can be used or sold are measured at fair value.

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES, continued

Expenses are recorded when costs are incurred in accordance with the accrual basis of accounting. The consolidated financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses include salaries and benefits, depreciation, facilities operations and other expenses. Salaries and benefits and other expenses are allocated based on the programmatic purpose of the employee incurring the expenses. Facilities operations and depreciation are allocated based on the square footage and programmatic purpose of the property and equipment incurring the expense.

FOREIGN OPERATIONS

Foreign operations have a functional currency different than the United States dollar. Assets and liabilities are translated into United States dollars using the current exchange rates in effect at the consolidated statement of financial position date, while revenues and expenses are translated at the average exchange rates during the period. Gains and losses resulting from foreign currency transactions are included in translation adjustment in the accompanying consolidated statement of activities.

In connection with its ministry, RefuSHE supports Heshima, an affiliated Kenyan entity, by providing funding, volunteers, and goods and services. As of December 31, 2018, current assets in Kenya, including cash and cash equivalents, inventory, and prepaid expenses and other assets totaled \$421,695; property and equipment, net of accumulated depreciation, amounted to \$32,095; and liabilities in Kenya were \$48,841. Total support and revenue received in Kenya, before any eliminations, amounted to \$1,075,771 during 2018. Account balances relating to Kenya operations are reflected in the consolidated financial statements in United States dollars.

RECENTLY ISSUED ACCOUNTING STANDARD

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The Organization adopted the provisions of this new standard during the year ended December 31, 2018. In addition to changes in terminology used to describe categories of net assets throughout the consolidated financial statements, new disclosures were added regarding liquidity and the availability of resources (see Note 3), and disclosures related to functional allocation of expenses were expanded (see Note 2).

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Organization's financial assets as of December 31, 2018, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Organization considers general expenditures to be all expenditures related to its ongoing activities to achieve its mission as well as the conduct of services undertaken to support those activities to be general expenditures.

Financial assets:

Cash and cash equivalents:	\$ 786,852
Grants receivable-net	477,750
	<u>1,264,602</u>
Less grants receivable beyond one year	<u>(194,000)</u>

Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 1,070,602</u></u>
--	----------------------------

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has \$750,747 in net assets with donor restrictions for various purposes including project support. These funds are considered available to meet needs for general expenditures as funds are used for their donor restricted purposes.

4. GRANTS RECEIVABLE-NET:

Grants receivable-net consists of:

Expected future cash flow from grants receivable	\$ 483,750
Less present value discount	<u>(6,000)</u>

\$ 477,750

Amounts due in:

Less than one year	\$ 283,750
One to five years	<u>194,000</u>

\$ 477,750

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

5. INVENTORY–NET:

Inventory–net consists of:

Raw materials and work in process	\$ 13,923
Finished goods	41,639
	<hr/>
	55,562
Reserve for excess and obsolete items	(2,830)
	<hr/>
	\$ 52,732
	<hr/> <hr/>

6. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net consists of:

Vehicles	\$ 64,190
Equipment	8,515
	<hr/>
	72,705
Less accumulated depreciation and amortization	(35,595)
	<hr/>
Property and equipment–net	\$ 37,110
	<hr/> <hr/>

7. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of:

Restricted for purpose or time:

RefuSHE:

Heshima Kenya Safe House	\$ 495,907
Girls Empowerment Project/Sexual and Gender Based Violence Initiative	82,987
	<hr/>
	578,894
	<hr/>

Heshima:

Heshima Kenya Safe House	56,791
Girls Empowerment Project/Sexual and Gender Based Violence Initiative	100,511
Maisha Project	14,551
	<hr/>
	171,853
	<hr/>
	\$ 750,747
	<hr/> <hr/>

REFUSHE, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2018

8. EMPLOYEE RETIREMENT PLAN:

The Organization contributes to a Multiple Employer 401(k) Defined Contribution Retirement Plan (the Plan) for eligible employees. Employee elective deferrals are matched by the Organization on a discretionary basis up to 3%. The Organization contributed \$31,819 to the Plan for the year ended December 31, 2018.

9. LEASES:

The Organization leases its office facility and certain office equipment under non-cancelable operating lease agreements. Rental and lease expenses totaled \$152,550 for the year ended December 31, 2018. Future minimum lease payments under non-cancelable operating leases (with initial or remaining lease terms in excess of one year) as of December 31, 2018, are as follows:

<u>Years Ending December 31,</u>	<u>Amounts</u>
2019	\$ 187,849
2020	160,466
2021	118,102
2022	91,712
2023	4,097
	<u>\$ 562,226</u>

10. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through September 19, 2019, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION**

Board of Directors
RefuSHE, Inc. and Affiliate
Chicago, Illinois

We have audited the consolidated financial statements of RefuSHE, Inc. and Affiliate as of and for the year ended December 31, 2018, and our report thereon dated September 19, 2019, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities (the information) 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 financial statements 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.

Capin Crouse LLP

Lawrenceville, Georgia
September 19, 2019

REFUSHE, INC. AND AFFILIATE

Consolidating Statement of Financial Position

December 31, 2018

	RefuSHE (US Operations)	Heshima (Kenya Operations)	Eliminations	Total
ASSETS:				
Cash and cash equivalents:				
Without donor restrictions	\$ 472,753	\$ 314,099	\$ -	\$ 786,852
With donor restrictions	100,475	-	-	100,475
Grants receivable–net	477,750	-	-	477,750
Inventory–net	20,290	32,442	-	52,732
Prepaid expenses and other assets	4,305	75,154	-	79,459
Property and equipment–net	5,015	32,095	-	37,110
Total Assets	\$ 1,080,588	\$ 453,790	\$ -	\$ 1,534,378
LIABILITIES AND NET ASSETS:				
Liabilities:				
Accounts payable and accrued expenses	\$ 215,297	\$ 48,841	\$ -	\$ 264,138
Net assets:				
Without donor restrictions	286,397	233,096	-	519,493
With donor restrictions	578,894	171,853	-	750,747
	865,291	404,949	-	1,270,240
Total Liabilities and Net Assets	\$ 1,080,588	\$ 453,790	\$ -	\$ 1,534,378

See independent auditors' report on supplementary information

REFUSHE, INC. AND AFFILIATE

Consolidating Statement of Activities

Year Ended December 31, 2018

	<u>RefuSHE</u> <u>(US Operations)</u>	<u>Heshima</u> <u>(Kenya Operations)</u>	<u>Eliminations</u>	<u>Total</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:				
SUPPORT AND REVENUE:				
Support:				
Contributions	\$ 73,326	\$ 1,031,852	\$ (957,221)	\$ 147,957
Noncash contributions	-	17,548	-	17,548
	<u>73,326</u>	<u>1,049,400</u>	<u>(957,221)</u>	<u>165,505</u>
Revenue:				
Federal financial assistance	1,187,864	-	-	1,187,864
Special events revenue	148,118	-	-	148,118
Interest and other income	56,266	26,371	-	82,637
Total Support and Revenues	<u>1,465,574</u>	<u>1,075,771</u>	<u>(957,221)</u>	<u>1,584,124</u>
RECLASSIFICATIONS:				
Satisfaction of purpose restrictions	<u>1,012,599</u>	<u>509,362</u>	<u>(620,556)</u>	<u>901,405</u>
EXPENSES:				
Program services	<u>1,677,770</u>	<u>1,240,890</u>	<u>(1,577,777)</u>	<u>1,340,883</u>
	1,677,770	1,240,890	(1,577,777)	1,340,883
Supporting activities:				
Management and general	499,720	274,408	-	774,128
Fundraising	372,129	53,981	-	426,110
Total Expenses	<u>2,549,619</u>	<u>1,569,279</u>	<u>(1,577,777)</u>	<u>2,541,121</u>
Change in Net Assets Without Donor Restrictions	<u>(71,446)</u>	<u>15,854</u>	<u>-</u>	<u>(55,592)</u>

(continued)

See independent auditors' report on supplementary information

REFUSHE, INC. AND AFFILIATE

Consolidating Statement of Activities

Year Ended December 31, 2018

(continued)

	RefuSHE (US Operations)	Heshima (Kenya Operations)	Eliminations	Total
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS:				
SUPPORT AND REVENUE:				
Support:				
Contributions	740,952	620,556	(620,556)	740,952
RECLASSIFICATIONS:				
Satisfaction of purpose restrictions	(1,012,599)	(509,362)	620,556	(901,405)
Change in Net Assets With Donor Restrictions	(271,647)	111,194	-	(160,453)
Change in Net Assets before Translation Adjustment	(343,093)	127,048	-	(216,045)
Translation Adjustment	-	(1,508)	-	(1,508)
Change in Net Assets	(343,093)	125,540	-	(217,553)
Net Assets, Beginning of Year	1,208,384	279,409	-	1,487,793
Net Assets, End of Year	\$ 865,291	\$ 404,949	\$ -	\$ 1,270,240

See independent auditors' report on supplementary information