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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Abandoned Little Angels/Nhom Tinh Thuong

Report on the Financial Statements

We have audited the accompanying statement of financial position of Abandoned Little Angels/Nhom Tinh Thuong (a non-profit organization) as of December 31, 2018, and the related statements of activities and cash flows 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 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 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 of 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 Abandoned Little Angels/Nhom Tinh Thuong as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Robert Pham, CPA
Houston, Texas
August 1, 2019

**ABANDONED LITTLE ANGELS/NHOM TINH THUONG
STATEMENTS OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2018**

	December 31	
	2018	2017
ASSETS		
Current Assets		
Cash	\$273,416	\$229,684
Total Current Assets	273,416	229,684
Other Assets	477,586	471,355
Total Other Assets (NOTE B)	477,586	471,355
Total Assets	<u>\$751,002</u>	<u>\$701,039</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Account Payable	\$ -	\$ -
Long-Term Liabilities	-	-
Total Liabilities	-	-
Net Assets		
Temporary Restricted Net Assets	-	-
Permanently Restricted Net Assets	-	-
Unrestricted Net Assets	751,002	701,039
Total Net Assets	751,002	701,039
Total Liabilities and Net Assets	<u>\$751,002</u>	<u>\$701,039</u>

See accompanying notes to financial statements

**ABANDONED LITTLE ANGELS/NHOM TINH THUONG
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and Gains				
Contributions & Special Events	\$344,773	\$ -	\$ -	\$344,773
Other Income	9,987	-	-	9,987
Net Gain/Loss on Investments	<u>(20,335)</u>	-	-	<u>(20,335)</u>
Total Revenues	<u>334,425</u>	-	-	<u>334,425</u>
Expenses				
Program Services				
Program Costs	203,050	-	-	203,050
Supporting Services				
Administrative Costs	13,792	-	-	13,792
Fund Raising Costs	<u>67,620</u>	-	-	<u>67,620</u>
Total Expenses	<u>284,462</u>	-	-	<u>284,462</u>
Change in Net Assets	49,963	-	-	49,963
Net Assets as of Beginning of Year	<u>701,039</u>	-	-	<u>701,039</u>
Adjustments to Net Assets	-	-	-	-
Net Assets as of End of Year	<u>\$751,002</u>	\$ -	\$ -	<u>\$751,002</u>

See accompanying notes to financial statements

**ABANDONED LITTLE ANGELS/NHOM TINH THUONG
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and Gains				
Contributions & Special Events	\$374,096	\$ -	\$ -	\$374,096
Other Income	3,040	-	-	3,040
Net Gain/Loss on Investments	-0-	-	-	-0-
Total Revenues	<u>377,136</u>	-	-	<u>377,136</u>
Expenses				
Program Services				
Program Costs	277,075	-	-	277,075
Supporting Services				
Administrative Costs	9,072	-	-	9,072
Fund Raising Costs	<u>74,240</u>	-	-	<u>74,240</u>
Total Expenses	360,387	-	-	360,387
Change in Net Assets	16,749	-	-	16,749
Net Assets as of Beginning of Year	<u>683,958</u>	-	-	<u>683,958</u>
Adjustments to Net Assets	332	-	-	332
Net Assets as of End of Year	<u>\$701,039</u>	\$ -	\$ -	<u>\$701,039</u>

See accompanying notes to financial statements

**ABANDONED LITTLE ANGELS/NHOM TINH THUONG
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018**

	<u>Program Services</u>		<u>Supporting Services</u>		<u>Total</u>
	<u>Donations</u>	<u>Administrative</u>	<u>Fundraising</u>		
Compensation	\$ -	\$7,920	\$ -		\$ 7,920
Payroll Taxes	-	605	-		605
Grant inside US	3,050	-	-		3,050
Grant outside US	200,000	-	-		200,000
Advertising	-	-	11,725		11,725
Raffle	-	-	1,101		1,101
Food & Beverages	-	-	10,259		10,259
Rental	-	-	6,460		6,460
Newsletters	-	-	30,523		30,523
All Other Expenses	-	-	7,552		7,552
Accounting	-	650	-		650
Office Expenses	-	1,116	-		1,116
Other Expenses	-	3,501	-		3,501
Total Expenses	<u>\$203,050</u>	<u>\$13,792</u>	<u>\$ 67,620</u>		<u>\$284,462</u>

See accompanying notes to financial statements

**ABANDONED LITTLE ANGELS/NHOM TINH THUONG
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017**

	<u>Program Services</u>		<u>Supporting Services</u>	
	<u>Donations</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Compensation	\$ -	\$ -	\$ -	\$ -
Payroll Taxes	-	-	-	-
Grant inside US	22,075	-	-	22,075
Grant outside US	255,000	-	-	255,000
Advertising	-	-	21,030	21,030
Raffle	-	-	-	-
Food & Beverages	-	-	5,784	5,784
Rental	-	-	-	-
Newsletters	-	-	32,966	32,966
All Other Expenses	-	-	14,460	14,460
Accounting	-	550	-	550
Office Expenses	-	1,312	-	1,312
Other Expenses	-	7,210	-	7,210
Total Expenses	<u>\$277,075</u>	<u>\$ 9,072</u>	<u>\$74,240</u>	<u>\$360,387</u>

See accompanying notes to financial statements

**ABANDONED LITTLE ANGELS/NHOM TINH THUONG
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018 AND 2017**

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 49,963	\$ 16,749
Adjustments to reconcile change in net assets To net cash provided by operating activities:		
Depreciation and amortization	-	-
Increase (Decrease) in operating assets:		
Account Receivable	-	-
Prepaid Expenses	-	-
Increase (decrease) in operating liabilities:		
Account Payable		
Accrued compensation		
 NET CASH PROVIDED BY OPERATING ACTIVITIES		
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of short-term investments	-	-
Proceeds from maturity of short-term investments	-	-
Purchase of long-term investments	-	-
Proceeds from maturity of long-term investments	-	-
 NET CASH USED BY INVESTING ACTIVITIES		
 CASH FLOWS FROM FINANCING ACTIVITIES		
Adjustment to net assets	-	332
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT	49,963	17,081
 CASH AND CASH EQUIVALENT AS OF BEGINNING OF YEAR	701,039	683,958
 CASH AND CASH EQUIVALENT AS OF THE END OF YEAR	\$ 751,002	\$ 701,039

See accompanying notes to financial statements

**ABANDONED LITTLE ANGLES/NHOM TINH THUONG
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

The Abandoned Little Angels/Nhom Tinh Thuong (“Organization”) was chartered as a non-profit corporation in the City of Houston, State of Texas on March 11, 2002. The Organization’s mission is to share the gift of love by distributing physical or monetary assistance to the disadvantaged children in Vietnam, especially those who are handicapped and orphans. The assistance is offered either directly or indirectly through trust-worthy charitable, and/or religious charitable organizations.

The Organization, on an annual basis, organizes visitations to pre-determine locations, evaluates the level of needs, and distributes the following resources: rice, clothing, medicine, wheelchairs, or monetary gifts to the orphans and handicapped children who live in orphanages. Normally, these orphanages and children care centers are run by Buddhist nuns, catholic priests or sisters, and are spread across Vietnam, from the South to the Central Region and all the way to the Northern area of Vietnam. Special focus is placed on many rural regions where contact with the outside assistance is minimal. Funding for these said programs is primarily through contributions from individuals.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

Promise to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the calendar year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible unconditional promises receivables. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions.

Contributed Services

During the year ended December 31, 2018 the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization such as fund raising activities at the residents' facilities, but these services do not meet the criteria for recognition as contributed services. The Organization receives more than 1,000 volunteer hours per year.

Financial Statement Presentation

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial positions and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Organization does not use fund accounting.

Income tax status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501© (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Property and Equipment

It is the Organization’s policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contribution of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B – INVESTMENTS

The fair values of short-term investments totaled \$477,586 as of December 31, 2018. Other assets listed at December 31, 2017 consisted of investments in Certificated of Deposits with various financial institutions totaling \$471,355.

The following schedule summarizes investment returns and their classification in the statement of activities for the years ended:

	<u>December 31, 2018</u>			<u>December 31, 2017</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest/Dividend Net realized And unrealized Gains (Losses)	\$ 7,986	\$ -	\$7,986	\$3,040	\$ -	\$ 3,040
	<u>(28,321)</u>	<u>-</u>	<u>(28,321)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investment Return	<u>\$(20,335)</u>	<u>\$ -</u>	<u>\$(20,335)</u>	<u>\$ 3,040</u>	<u>\$ -</u>	<u>\$ 3,040</u>

NOTE C – EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through August 1, 2019, the date which the financial statements were available to be issued.