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# Financial Statements

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Touch of Love International  
For the period ended December 31, 2018

Prepared by  
Eskew & Associates, CPAs

Prepared on  
February 22, 2019

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# Eskew & Associates, CPAs

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To the Board of Directors  
Touch of Love International  
Colorado Springs, CO

## **Accountants' Compilation Report**

Management is responsible for the accompanying financial statements of Touch of Love International (a Colorado non-profit corporation), which comprise the Statement of Financial Position – tax basis as of December 31, 2018, and the related statements of functional expenses, and cash flows – tax basis for the twelve months then ended, and for determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared with the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Eskew & Associates, CPAs  
Colorado Springs, CO  
February 22, 2019

# Statement of Financial Position

As of December 31, 2018

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	<b>Total</b>
<b>ASSETS</b>	
Current Assets	
Bank Accounts	182,369.25
Other Current Assets	11,195.00
<b>Total Current Assets</b>	<b>193,564.25</b>
<b>TOTAL ASSETS</b>	<b>\$193,564.25</b>
<b>LIABILITIES AND NET ASSETS</b>	
Liabilities	
Current Liabilities	1,165.45
<b>Total Liabilities</b>	<b>1,165.45</b>
Net Assets	
Revenue in Excess of Expense	3,913.05
Without Donor Restrictions	188,485.75
<b>Total Net Assets</b>	<b>192,398.80</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$193,564.25</b>

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# Statement of Revenue & Expenses

January - December 2018

	<b>Total</b>
<b>REVENUE</b>	
General Fund	89,079.29
Designated	72,224.68
In-Kind donation	5,184.15
<b>Total Revenue</b>	<b>166,488.12</b>
<b>EXPENSES</b>	
Grants to Program Partners	50,990.01
Other Program Support	47,884.84
Payroll Expenses	43,424.90
In-Kind expense	5,184.15
Professional Fees	4,608.00
Advertising/Marketing	3,578.09
Printing/Reproduction	1,929.54
Bank Service Charges	1,715.55
Travel	1,330.19
Office Expense	1,148.59
Dues and Subscriptions	299.19
Postage	202.89
Computer and Internet Expenses	184.94
Membership dues	100.00
Miscellaneous	40.00
<b>Total Expenses</b>	<b>162,620.88</b>
<b>NET OPERATING REVENUE</b>	<b>3,867.24</b>
<b>OTHER INCOME</b>	
Interest Income	45.81
<b>Total Other Income</b>	<b>45.81</b>
<b>NET OTHER INCOME</b>	<b>45.81</b>
<b>REVENUE IN EXCESS OF EXPENSE</b>	<b>\$3,913.05</b>

# Statement of Revenue & Functional Expenses

January - December 2018

	Admin	Fundraising	Program	TOTAL
<b>REVENUE</b>				
General Fund		25.00	89,054.29	89,079.29
Designated	5,293.75	15,881.25	51,049.68	72,224.68
In-Kind donation	5,184.15			5,184.15
<b>Total Revenue</b>	<b>10,477.90</b>	<b>15,906.25</b>	<b>140,103.97</b>	<b>166,488.12</b>
<b>EXPENSES</b>				
Grants to Program Partners			50,990.01	50,990.01
Other Program Support		33.47	47,851.37	47,884.84
Payroll Expenses	3,745.20	7,815.38	31,864.32	43,424.90
In-Kind expense	5,184.15			5,184.15
Professional Fees	4,608.00			4,608.00
Advertising/Marketing		3,578.09		3,578.09
Printing/Reproduction		1,929.54		1,929.54
Bank Service Charges	1,032.29		683.26	1,715.55
Travel		1,330.19		1,330.19
Office Expense	800.77	335.83	11.99	1,148.59
Dues and Subscriptions	299.19			299.19
Postage		202.89		202.89
Computer and Internet Expenses	184.94			184.94
Membership dues			100.00	100.00
Miscellaneous		40.00		40.00
<b>Total Expenses</b>	<b>15,854.54</b>	<b>15,265.39</b>	<b>131,500.95</b>	<b>162,620.88</b>
<b>NET OPERATING REVENUE</b>	<b>-5,376.64</b>	<b>640.86</b>	<b>8,603.02</b>	<b>3,867.24</b>
<b>OTHER INCOME</b>				
Interest Income	45.81			45.81
<b>Total Other Income</b>	<b>45.81</b>	<b>0.00</b>	<b>0.00</b>	<b>45.81</b>
<b>NET OTHER INCOME</b>	<b>45.81</b>	<b>0.00</b>	<b>0.00</b>	<b>45.81</b>
<b>REVENUE IN EXCESS OF EXPENSE</b>	<b>\$ -5,330.83</b>	<b>\$640.86</b>	<b>\$8,603.02</b>	<b>\$3,913.05</b>

# Statement of Cash Flows

January - December 2018

	<b>Total</b>
<b>OPERATING ACTIVITIES</b>	
Revenue in Excess of Expenses	3,913.05
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Payroll Liabilities:CO Income Tax	347.00
Payroll Liabilities:Federal Taxes (941/944)	818.45
<b>Total Adjustments to reconcile Net Income to Net Cash provided by operations:</b>	<b>1,165.45</b>
<b>Net cash provided by operating activities</b>	<b>5,078.50</b>
<b>NET CASH INCREASE FOR PERIOD</b>	<b>5,078.50</b>
Cash at beginning of period	188,485.75
<b>CASH AT END OF PERIOD</b>	<b>\$193,564.25</b>