

MAYA'S HOPE FOUNDATION, INC.

FINANCIAL STATEMENTS

December 31, 2020 and 2019

CONTENTS

Independent Auditor's Report	1
Statements of Financial Position.....	2
Statements of Activities.....	3
Statements of Functional Expenses	4
Statements of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Maya's Hope Foundation, Inc.
New York, New York

We have audited the accompanying financial statements of Maya's Hope Foundation, Inc., which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, 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.

Auditor's Responsibility

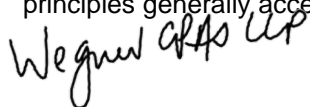
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 Maya's Hope Foundation, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Wegner CPAs, LLP
New York, New York
August 4, 2021

MAYA'S HOPE FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	2020	2019
ASSETS		
Cash	\$ 214,542	\$ 101,129
Unconditional promises to give	5,000	7,400
Gala tickets receivable	-	5,000
Investments	2,138	1,937
Security deposit	-	2,000
Furniture and equipment, net	1,183	1,716
Total assets	<u>\$ 222,863</u>	<u>\$ 119,182</u>
LIABILITIES		
Accounts payable	\$ 8,050	\$ 1,761
Accrued liabilities	12,900	-
Total liabilities	20,950	1,761
NET ASSETS		
Without donor restrictions	201,913	117,421
Total liabilities and net assets	<u>\$ 222,863</u>	<u>\$ 119,182</u>

See accompanying notes.

MAYA'S HOPE FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2020 and 2019

	2020	2019
REVENUE		
Contributions	\$ 408,574	\$ 211,779
Paycheck Protection Program	11,263	-
Special events	86,590	146,817
Less: costs of direct benefits to donors	(2,075)	(38,588)
Donated goods and services	3,566	10,101
Investment return	201	366
Total revenues	508,119	330,475
EXPENSES		
Program services	349,470	227,933
Management and general	67,581	64,863
Fundraising	6,576	15,531
Total expenses	423,627	308,327
Change in net assets	84,492	22,148
Net assets at beginning of year	117,421	95,273
Net assets at end of year	\$ 201,913	\$ 117,421

See accompanying notes.

MAYA'S HOPE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020

	Program Services	Management and General	Fundraising	Costs of Direct Benefits to Donors	Total
Grant expense	\$ 288,643	\$ -	\$ -	\$ -	\$ 288,643
Personnel	55,036	4,856	4,856	-	64,748
Conferences, conventions, and meetings	-	-	936	2,075	3,011
Professional fees	-	25,481	-	-	25,481
Occupancy	3,825	18,368	766	-	22,959
Bank, credit card, and other fees	-	6,514	-	-	6,514
Postage	325	1,360	-	-	1,685
Office expense	107	4,640	-	-	4,747
Advertising	-	657	-	-	657
Travel and entertainment	-	127	-	-	127
Program supplies	1,445	-	-	-	1,445
Donated goods	-	2,856	-	-	2,856
Insurance	-	1,782	-	-	1,782
Miscellaneous	89	940	18	-	1,047
Total expenses	349,470	67,581	6,576	2,075	425,702
Less: Special event expenses deducted directly from support and revenue on the statement of activities	-	-	-	2,075	2,075
Total expenses included in the statement of activities	\$ 349,470	\$ 67,581	\$ 6,576	\$ -	\$ 423,627

See accompanying notes.

MAYA'S HOPE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019

	Program Services	Management and General	Fundraising	Costs of Direct Benefits to Donors	Total
Grant expense	\$ 178,582	\$ -	\$ -	\$ -	\$ 178,582
Personnel	33,817	13,458	6,763	-	54,038
Conferences, conventions, and meetings	-	-	5,038	38,588	43,626
Professional fees	-	29,816	-	-	29,816
Occupancy	8,219	6,575	1,644	-	16,438
Bank, credit card, and other fees	-	8,412	-	-	8,412
Postage	794	2,163	-	-	2,957
Office expense	-	2,302	142	-	2,444
Advertising	2,091	-	-	-	2,091
Travel and entertainment	1,612	417	-	-	2,029
Donated goods	-	-	1,870	-	1,870
Insurance	720	1,098	-	-	1,818
Program supplies	1,730	-	-	-	1,730
Miscellaneous	368	622	74	-	1,064
Total expenses	227,933	64,863	15,531	38,588	346,915
Less: Special event expenses deducted directly from support and revenue on the statement of activities	-	-	-	38,588	38,588
Total expenses included in the statement of activities	\$ 227,933	\$ 64,863	\$ 15,531	\$ -	\$ 308,327

See accompanying notes.

MAYA'S HOPE FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 84,492	\$ 22,148
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	533	736
Unrealized gain on investments	(190)	(348)
(Increase) decrease in assets		
Unconditional promises to give	2,400	(1,700)
Gala tickets receivable	5,000	(5,000)
Security deposit	2,000	-
Increase (decrease) in liabilities		
Accounts payable	6,289	(6,549)
Accrued liabilities	12,900	-
	113,424	9,287
Net cash flows from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of furniture and equipment	-	(1,866)
Interest and dividends retained in investments	(11)	(15)
	(11)	(1,881)
Net cash flows from investing activities		
Net change in cash	113,413	7,406
Cash at beginning of year	101,129	93,723
Cash at end of year	\$ 214,542	\$ 101,129

See accompanying notes.

MAYA'S HOPE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Maya's Hope Foundation, Inc. (Foundation) is a not-for-profit corporation incorporated in the State of New York. The Foundation was established in 2010 and works to improve the quality of life of orphaned, impoverished, and special-needs children on a global scale.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions or which they depend are substantially met and the promises become unconditional.

Gala Tickets Receivable

The Foundation considers all receivables to be fully collectible. Accordingly, no allowance for doubtful accounts has been established. If amounts become uncollectible, they will be charged to operations when that determination is made.

Investments

The Foundation reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Investment securities are exposed to various risks, such as interest rates, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Furniture and Equipment

Furniture and equipment is carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The cost of repairs and maintenance are charged against operations as incurred.

Contributions

Contributions received are recorded as increases in net assets with donor restrictions and without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

MAYA'S HOPE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from Contracts with Customers

The Foundation hosts a gala during the year in which attendees receive entertainment as consideration for the purchase of a ticket. Event revenues are generally considered to be single performance obligations that are satisfied at a point in time.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, which is allocated on the basis of estimates of time and effort, and occupancy, which are allocated on the basis of estimates of square footage of the Foundation's leased space. All other expenses are directly allocated to the program or supporting activity.

Advertising

Advertising costs are charged to operations when the expenses are incurred.

Donated Goods and Services

Donated goods are recorded at their estimated fair values in the period received. Donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their estimated fair values in the period received.

Paycheck Protection Program Loan

Maya's Hope Foundation, Inc. received a loan under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security Act and administered by the U.S. Small Business Administration. The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities. Maya's Hope Foundation, Inc. expects to meet the PPP's eligibility criteria and believes the loan is, in substance, a grant that is expected to be forgiven. Maya's Hope Foundation, Inc. recognizes amounts expected to be forgiven as revenue when it incurs qualifying expenses.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Income Tax Status

Maya's Hope Foundation, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

Date of Management's Review

Management has evaluated subsequent events through August 4, 2021, the date which the financial statements were available to be issued.

MAYA'S HOPE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 2 – UNCONDITIONAL PROMISES TO GIVE

All unconditional promises to give at December 31, 2020 and 2019 were receivable in less than one year. Management has determined that no allowance for uncollectible promises to give was necessary at December 31, 2020 and 2019.

NOTE 3 – INVESTMENTS

Investments at December 31, 2020 and 2019 consisted of mutual funds.

Mutual funds are valued at unadjusted quoted prices reported on the active markets on which the individual securities are traded, which are Level 1 fair value measurements.

NOTE 4 – FURNITURE AND EQUIPMENT

Furniture and equipment at December 31, 2020 and 2019 consisted of the following:

	2020	2019
Furniture and equipment	\$ 4,226	\$ 4,963
Less: accumulated depreciation	3,043	3,247
Furniture and equipment, net	\$ 1,183	\$ 1,716

Depreciation expense for the years ending December 31, 2020 and 2019 was \$533 and \$736.

NOTE 5 – CONCENTRATION OF FUNDING

In 2019, approximately 33% of the Foundation's support and revenue was derived from one special event.

NOTE 6 – DONATED SERVICES

The value of donated legal services for December 31, 2020 and 2019 are recorded under management and general expenses in the statement of functional expenses for \$2,856 and \$8,231.

NOTE 7 – OPERATING LEASE

The Foundation leased office space under an operating lease that expired in April 2021. The Foundation vacated the premises and stopped paying rent in June of 2020. There is a pending complaint against the Foundation for \$12,900 which is accrued as a liability at year-end. Total rent expense for 2020 and 2019 was \$22,958 and \$16,438.

NOTE 8 – COVID-19

The Foundation's operations may be affected by the ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health organization in March 2020. The ultimate disruption and effect on the Foundation is uncertain; however, it may result in a material adverse impact on the Foundation's financial position, activities, and cash flows. Possible effects may include, but are not limited to, disruption to the Foundation's donors and revenue, absenteeism in the Foundation workforce, unavailability of programs, and a decline in value assessments held by the Foundation.

MAYA'S HOPE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 9 – PAYCHECK PROTECTION PROGRAM LOAN

On May 6, 2020, Maya's Hope Foundation, Inc. received a \$11,263 loan under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). On January 12, 2021, the SBA approved forgiveness of the loan. Maya's Hope Foundation, Inc. must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review Maya's Hope Foundation, Inc.'s good-faith certification concerning the necessity of its loan request, whether Maya's Hope Foundation, Inc. calculated the loan amount correctly, whether Maya's Hope Foundation, Inc. used loan proceeds for the allowable uses specified in the CARES Act, and whether Maya's Hope Foundation, Inc. is entitled to loan forgiveness in the amount claimed on its application. If SBA determines Maya's Hope Foundation, Inc. was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the outstanding loan balance. Maya's Hope Foundation, Inc. accounted for the PPP loan as a contribution in accordance with FASB ASC 958-605.

NOTE 10 – LIQUIDITY AND AVAILABILITY

The following table represents the Foundation's financial assets as of the dates of the statements of financial position. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date.

	2020	2019
Cash	\$ 214,542	\$ 101,129
Unconditional promises to give	5,000	7,400
Gala tickets receivable	-	5,000
Investments	2,138	1,937
Financial assets, at year-end	\$ 221,680	\$ 115,466

As a part of the Foundation'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.