

A CHILD'S HOPE INTERNATIONAL, INC.

FINANCIAL REPORT

DECEMBER 31, 2015 AND 2014

A CHILD'S HOPE INTERNATIONAL, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
A Child's Hope International, Inc.

We have audited the accompanying financial statements of A Child's Hope International, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, 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 audits 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 A Child's Hope International, Inc. as of December 31, 2015 and 2014, 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.

*Flagel Huber Flagel*

Certified Public Accountants

Dayton, Ohio

July 15, 2016

A CHILD'S HOPE INTERNATIONAL, INC.

STATEMENTS OF FINANCIAL POSITION

	DECEMBER 31,	
	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 865,699	\$ 675,059
Accounts receivable	5,000	0
Investments	2,142	2,687
Inventory	15,752	15,931
TOTAL CURRENT ASSETS	<u>888,593</u>	<u>693,677</u>
PROPERTY AND EQUIPMENT, net	<u>62,250</u>	<u>46,398</u>
TOTAL ASSETS	<u>\$ 950,843</u>	<u>\$ 740,075</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accrued expenses	<u>\$ 9,545</u>	<u>\$ 6,006</u>
NET ASSETS		
Unrestricted	920,389	734,069
Temporarily restricted	20,909	0
TOTAL NET ASSETS	<u>941,298</u>	<u>734,069</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 950,843</u>	<u>\$ 740,075</u>

The accompanying notes are an integral part of these statements.