

INDEPENDENT AUDITORS' REPORT

March 18th 2022,
To the Board of Directors of: Surgeons of Hope Foundation.

Report on the Financial Statements

We have audited the accompanying financial statements of Surgeons of Hope Foundation (a non-profit organization) which comprise the statements of financial position as of December 31, 2021 and December 31, 2020, and the related statements of activities and cash flow 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 the accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls 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. These 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 controls 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 controls. 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 Surgeons of Hope Foundation as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Fiducial Jade Inc,
Benedicte Mur.
March 18th 2022.

Benedicte Mur


**SURGEONS OF HOPE FOUNDATION
STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>ASSETS</u>	
	2021	2020
Current Assets		
Cash and cash equivalents	\$ 876,822	\$ 890,567
Pledges and grants receivable	0	0
Prepaid expenses	3,967	2,179
Other receivable	<u>45,213</u>	<u>52,213</u>
Total Current Assets	<u>926,002</u>	<u>944,959</u>
Property, Equipment and Software	<u>23,062</u>	<u>23,062</u>
Total property and equipment	23,062	23,062
Less: accumulated depreciation	<u>23,062</u>	<u>23,062</u>
Property and equipment, net	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 926,002</u>	<u>\$ 944,959</u>

**SURGEONS OF HOPE FOUNDATION
STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

<u>LIABILITIES AND NET ASSETS</u>		2021	2020
Current liabilities			
Accounts payable	\$	8,273	\$ 2,362
Accrued expenses		5,250	5,250
Payroll liabilities		-5,106	3,011
Other Liabilities		<u>0</u>	<u>28,575</u>
Total current liabilities		<u>8,417</u>	<u>39,197</u>
Net assets			
Temporarily restricted		900,178	900,178
Unrestricted		<u>17,407</u>	<u>5,583</u>
Total net assets		<u>917,585</u>	<u>905,761</u>
TOTAL	\$	<u><u>926,002</u></u>	\$ <u><u>944,959</u></u>

**SURGEONS OF HOPE FOUNDATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
Unrestricted Net Assets		
Unrestricted revenues and gains		
Contributions	\$ 118,949	\$ 81,457
Annual Gala, less Costs of direct benefits to Donors		71,036
Interest Income	447	5,022
Other Income	46,997	
Total Unrestricted revenues and gains	166,394	157,514
 Net assets released from restrictions		
 Total Unrestricted revenues and gains and other support	166,394	157,514
Expenses		
Program services	87,101	118,336
Supporting services		
Management and general	46,534	46,166
Fundraising	20,916	35,435
Total Expenses	154,551	199,936
 Unrealized gain (loss) in value of available-for-sale securities	0	0
 Extraordinary Adjustments from prior years		
 Increase (decrease) in Unrestricted Net Assets	11,843	-42,422
 Temporarily Restricted Assets		
Contributions	-19	16,814
Net assets released from restrictions		
Increase in Temporarily Restricted Assets	-19	16,814
 Increase (decrease) in Net Assets	11,824	-25,609
 Net Assets beginning of the year	905,761	931,370
 Net Assets end of the year	917,585	905,761

**SURGEONS OF HOPE FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
Cash flow from Operating activities		
Increase in Net Assets	\$ 11,824	\$ -25,609
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	0	-308
Decrease (increase) in operating assets		
Contribution receivable	0	3,226
Other receivable	5,212	-2,967
Increase (decrease) in operating liabilities		
Accounts payable	5,912	-31,491
Accrued expenses	0	-2,446
Payroll liabilities	-8,117	-5,806
Other liabilities	-28,575	28,575
Net cash provided by Operating activities	-13,745	-36,824
Cash flows from Investing activities		
Fixed assets	0	473
Net cash used by Investing activities	0	473
Net change in cash	-13,745	-36,351
Cash at the beginning of the year	890,567	926,918
Cash at the end of the year	\$ 876,822	\$ 890,567

**SURGEONS OF HOPE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Surgeons of Hope Foundation (The Foundation) was organized in the state of Georgia on April 3, 2001. The purpose of the Foundation is to provide every infant and child with a damaged heart an equal opportunity to receive life-saving surgery by giving urgently needed care, cultivating skills in local medical teams, and constructing centers of care in developing countries. The Foundation does it by raising funds specifically for this purpose.

Financial Statement Presentation

The financial statements that are presented are in accordance with FASB Accounting Standard Codification (FASB ASC) 958, Not-for-Profit Entities. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes on net assets: unrestricted, temporarily restricted assets and permanently restricted. The Organization had no permanently restricted net assets as of December 31, 2020 and 2019.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statement, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with maturity of three months or less to be cash equivalents.

Contribution receivable

All contributions receivable will be received in less than one year.

Property, Equipment and Software

Property and equipment are stated at cost.

Depreciation is calculated for financial statement purposes using the straight-line method based on the property's estimate life.

Additions and improvements that add materially to productive capacity or extend the life of an asset are capitalized. Normal repairs and maintenance are charged against income.

When facilities are retired or sold, their cost and accumulated depreciation are removed from the accounts and related gains or losses are included in income. In case of trade items, any remaining book value increases the basis of the new acquisitions.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

The estimated lives used in determining depreciation are:

- Furniture and Equipment: 3 years
- Software: 5 years.

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Foundation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition as contributed services.

Contributions

Contribution income consists of donation from individuals, foundations and corporations. Contributions received are recorded as unrestricted or temporarily restricted support depending on the existence or nature of any donors' restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets.

In 2021, contribution from one major contributor accounted for 21% of the total contributions to the Foundation.

Matching contributions

In certain situations, contributions made by certain individuals are matched by other organizations. Matching contributions are recognized as revenue when they are received by the Foundation.

Income tax

The Foundation is a tax-exempt organization under section 501 (c) (3) of the Internal Revenue Code except for unrelated business income. The Foundation has no net taxable unrelated business income for 2019 and accordingly, no provision for taxes has been made. The Foundation does not have any uncertain tax positions that are material to the Financial Statements. The Foundation's tax returns are subject to examination by taxing authorities, generally for three years after they were filed.

Program

The Foundation works in Latin America, mainly Nicaragua, Paraguay and Costa Rica. It provides funds and equipment to pediatric heart surgical and training missions.

Special Event

The Foundation didn't organize a Gala like every year in 2021, but some Online Event were organized (Wine Testing). Revenue and expenses were as follows:

Revenue and support	
Tickets	\$ 17,560
Donations	28,150
	<hr/>
	\$ 45,710
	<hr/>
Direct benefit expenses	
Food and catering	\$ 2,695
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Indirect benefit expenses	
Auction services	500
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	\$ 500
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Net Revenue Special Event	<hr/>
	42,515
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The Foundation designates certain gifts to function as endowment. The endowment is classified and reported as follows:

	Unrestricted	Restricted
Contributions	\$	\$
Net investment income	447	
Endowment, end of year	<hr/>	<hr/>
	\$ 447	\$

Contributed services

The Foundation occupies a 100 square feet space free of charge in the PUBLICIS NORTH AMERICA' offices. The service offered by PUBLICIS NORTH AMERICA also includes the mail and the printings, in particular during the fundraising activities.

Subsequent events

We reviewed subsequent events as provided by the Foundation between 12/31/2021 and 03/18/2021 and have not found anything that would materially affect the financial statements.