

HELVETAS USA

FINANCIAL STATEMENTS
YEARS ENDING
DECEMBER 31, 2017 (REVIEWED) AND
2016 (COMPILED)

HELVETAS USA
FINANCIAL STATEMENTS
Years ending December 31, 2017 (Reviewed) and
December 31, 2016 (Compiled)

TABLE OF CONTENTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1-1A
FINANCIAL STATEMENTS	
Statements of Financial Position	2
Statements of Activities	3
Statement of Functional Expenses for the year ending December 31, 2017 (Reviewed)	4
Statement of Functional Expenses for the year ending December 31, 2016 (Compiled)	5
Statements of Cash Flows	6
Notes to Financial Statements	7-10

Wayne P. Naegele
CERTIFIED PUBLIC ACCOUNTANT

225 WEST 35TH STREET, 5TH FLOOR
NEW YORK, NEW YORK 10001

TEL (212) 736-0055

FAX (212) 736-1865

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Helvetas USA

Review of 2017 Financial Statements

We have reviewed the accompanying financial statements of Helvetas USA (a nonprofit organization) which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2017 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Compilation of 2016 Financial Statements

The accompanying 2016 financial statements of Helvetas USA were previously compiled by us, and in our report dated January 28, 2017, we stated that we did not express an opinion, a conclusion, nor provide any form of assurance on the 2016 financial statements. We have not performed any compilation procedures since that date.



Wayne P. Naegele, CPA
New York, New York
February 7, 2018

HELVETAS USA
STATEMENTS OF FINANCIAL POSITION
December 31, 2017 (Reviewed) and 2016 (Compiled)

	December 31, 2017 (Reviewed)	December 31, 2016 (Compiled)
<u>ASSETS</u>		
Cash and cash equivalents	\$ 61,745	\$ 57,109
Contributions receivable	13,516	-
Advance to Helvetas Switzerland	405,000	-
Prepaid expenses	1,304	-
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 481,565</u>	<u>\$ 57,109</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 6,150	\$ 835
Credit card payable	1,189	1,043
Deferred income	-	50,000
	<hr/>	<hr/>
TOTAL LIABILITIES	<u>7,339</u>	<u>51,878</u>
<u>NET ASSETS</u>		
Unrestricted	69,226	5,231
Temporarily restricted	405,000	-
	<hr/>	<hr/>
TOTAL NET ASSETS	<u>474,226</u>	<u>5,231</u>
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 481,565</u>	<u>\$ 57,109</u>

HELVETAS USA
STATEMENTS OF ACTIVITIES
Years ending December 31, 2017 (Reviewed) and
December 31, 2016 (Compiled)

	Year ending December 31, 2017 (Reviewed)			Year ending December 31, 2016 (Compiled)
	Unrestricted Funds	Temporarily Restricted Funds	Total	Total
REVENUE				
Corporate contributions	\$ 255,000	\$ -	\$ 255,000	\$ 180,389
Individual contributions	30,686	-	30,686	12,976
Grants	-	464,283	464,283	-
SUBTOTAL	<u>285,686</u>	<u>464,283</u>	<u>749,969</u>	<u>193,365</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>59,283</u>	<u>(59,283)</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE	<u>344,969</u>	<u>405,000</u>	<u>749,969</u>	<u>193,365</u>
EXPENSES				
Program services	264,829	-	264,829	176,688
Management and general	16,145	-	16,145	12,186
TOTAL EXPENSES	<u>280,974</u>	<u>-</u>	<u>280,974</u>	<u>188,874</u>
INCREASE IN NET ASSETS	63,995	405,000	468,995	4,491
NET ASSETS, BEGINNING OF YEAR	<u>5,231</u>	<u>-</u>	<u>5,231</u>	<u>740</u>
NET ASSETS, END OF YEAR	<u>\$ 69,226</u>	<u>\$ 405,000</u>	<u>\$ 474,226</u>	<u>\$ 5,231</u>

HELVETAS USA
STATEMENT OF FUNCTIONAL EXPENSES
Year ending December 31, 2017 (Reviewed)

	Program Services	Management and General	Fundraising	Year ending December 31, 2017 (Reviewed)
Bank fees	\$ 363	\$ -	\$ -	\$ 363
Business registration fees	214	-	-	214
Accounting	14,688	-	-	14,688
Dues and subscriptions	2,099	-	-	2,099
Grants	59,283	-	-	59,283
Insurance	989	-	-	989
Legal fees	820	-	-	820
Meals and entertainment	542	-	-	542
Office operation expenses	676	-	-	676
Consultants	300	-	-	300
Payroll taxes	9,508	1,055	-	10,563
Payroll processing fees	1,039	-	-	1,039
Salaries	135,810	15,090	-	150,900
Support expenses	7,792	-	-	7,792
Travel and meetings	30,706	-	-	30,706
	<u>30,706</u>	<u>-</u>	<u>-</u>	<u>30,706</u>
Total functional expenses	<u>\$ 264,829</u>	<u>\$ 16,145</u>	<u>\$ -</u>	<u>\$ 280,974</u>

HELVETAS USA
STATEMENT OF FUNCTIONAL EXPENSES
Year ending December 31, 2016 (Compiled)

	Program Services	Management and General	Fund Raising	Year ending December 31, 2016 (Compiled)
Bank fees	\$ 313	\$ -	\$ -	\$ 313
Business registration fees	511	-	-	511
Accounting fees	7,440	-	-	7,440
Legal fees	28,000	-	-	28,000
Dues and subscriptions	75	-	-	75
Office operation expenses	1,209	-	-	1,209
Meals	306	-	-	306
Insurance	2,467	-	-	2,467
Salaries	101,857	11,318	-	113,175
Payroll taxes	7,816	868	-	8,684
Payroll processing	431	-	-	431
Support expenses	3,655	-	-	3,655
Consultants	3,925	-	-	3,925
Travel and meetings	18,683	-	-	18,683
Total functional expenses	<u>\$ 176,688</u>	<u>\$ 12,186</u>	<u>\$ -</u>	<u>\$ 188,874</u>

HELVETAS USA
STATEMENTS OF CASH FLOWS
Years ending December 31, 2017 (Reviewed) and
December 31, 2016 (Compiled)

	Year ending December 31, 2017 (Reviewed)	Year ending December 31, 2016 (Compiled)
	<u> </u>	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 468,995	\$ 4,491
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
(Increase) decrease in operating assets:		
Contributions receivable	(13,516)	-
Advance	(405,000)	-
Prepaid expenses	(1,304)	-
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	5,315	835
Credit card payable	146	1,043
Deferred income	(50,000)	50,000
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>4,636</u>	<u>56,369</u>
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 <u>57,109</u>	 <u>740</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$ 61,745</u>	 <u>\$ 57,109</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW
INFORMATION:

No taxes or interest were paid by the Organization during the years ending December 31, 2017 and 2016.

HELVETAS USA
NOTES TO FINANCIAL STATEMENTS
December 31, 2017 (Reviewed) 2016 (Compiled)

NOTE 1 - NATURE OF ORGANIZATION

Helvetas USA (the "Organization") was incorporated in the State of Minnesota on December 17, 2014. The Organization was established to support poor and disadvantaged women, men and communities in developing countries in their efforts to improve living conditions, primarily by raising public awareness in the United States of HELVETAS Swiss Intercooperation and its global programs aimed at such purposes, and to raise funds and make grants in furtherance of such purposes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting generally accepted in the United States of America. Accordingly, revenues are recognized when earned rather than received and expenses are recognized when incurred rather than paid.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the FASB ASC 958-205-55, Not-for-Profit Entities – Presentation of Financial Statements. Under the codification, the Organization is required to report information regarding its financial position and activities according to three classes of net assets - unrestricted, temporarily restricted and permanently restricted net assets.

Functional Allocation of Expenses

The costs of providing program, management and general, and fundraising activities have been summarized on a function basis in the Statements of Activities. Direct expenses are charged based on specific identification and indirect expenses have been allocated based on the level of effort in the following functional expenses defined:

Program Services are the activities that result in goods and services being distributed to beneficiaries pursuant to the Organization's mission.

Management and General includes all management and administrative functions, such as oversight, business management, general recordkeeping, budgeting and financing, but excludes direct conduct of program services and fundraising services.

Fundraising includes solicitation of contributions from individuals, organizations, and others. The Organization currently does not have any fundraising activities.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingencies, if any, at the date of the financial statements, and the revenue and expenses during the reporting period. Actual results could differ from those estimates.

HELVETAS USA
NOTES TO FINANCIAL STATEMENTS
December 31, 2017 (Reviewed) 2016 (Compiled)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and Cash Equivalents

For the 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.

Contributions Receivable

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 fiscal 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. As of December 31, 2017 and 2016, the contributions receivable amounted to \$13,516 and \$0, respectively.

The Organization uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Since there were no contributions receivable as of December 31, 2017 and 2016, there is no allowance necessary.

Advance

HELVETAS Swiss Intercooperation, ("HSI") is an organization based in Zurich, Switzerland. The funds earned by the Organization were transferred to HSI as part of the Organization's mission. The amount in the advance account as of December 31, 2017 was sent to HSI prior to the grant restrictions being released.

Temporarily Restricted Net Assets

Temporarily restricted net assets, if applicable, are restricted for future programs and periods.

Revenue and Expenses

Revenue is recognized when it is promised by the donor. All other revenue is recognized when it is earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Income Taxes

The Organization was formed as a not-for-profit corporation under the provisions of Minnesota State law. The Organization is exempt from federal, state, and local income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. The Organization is also recognized as a foreign non-profit corporation in the State of New York and registered with the New York State Charities Bureau.

HELVETAS USA
NOTES TO FINANCIAL STATEMENTS
December 31, 2017 (Reviewed) 2016 (Compiled)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service and state or local municipalities. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2017 and 2016, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) in the financial statements.

In general, the Organization’s tax returns remain open for federal and state tax examinations up to three years after the date of filing.

Reclassifications

Certain reclassifications have been made to the 2016 financial statement presentation to correspond to the current year’s format. Total net assets and change in net assets are unchanged due to these reclassifications.

NOTE 3 - DONATED GOODS AND SERVICES

The Organization received services from people who contribute their time. The Organization pays for most services requiring specific expertise. However, at times, individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs.

NOTE 4 - RISK AND UNCERTAINTIES

Cash

The Organization maintains its cash-in-bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization evaluates the financial strength and stability of the financial institution and it believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 5 – TEMPORARY RESTRICTED NET ASSETS

Temporary restricted funds from inception to date consist of the following as of December 31, 2017:

	<u>January 01, 2017</u>	<u>Additions</u>	<u>Released from restrictions</u>	<u>December 31, 2017</u>
Conservation International Foundation, Inc	\$ -	\$ 59,283	\$ (59,283)	\$ -
New Ventures Fund, Inc	-	405,000	-	405,000
	<u>\$ -</u>	<u>\$ 464,283</u>	<u>\$ (59,283)</u>	<u>\$ 405,000</u>

There were no temporary restricted funds as of December 31, 2016.

HELVETAS USA
NOTES TO FINANCIAL STATEMENTS
December 31, 2017 (Reviewed) 2016 (Compiled)

NOTE 6 – NEW GUIDANCE

Effective for the year ending December 31, 2018, the Organization will be required to adopt the requirements of recent accounting guidance which changes the presentation of not-for-profit financial statements. The new guidance reduces the number of net asset classes from three to two, increases disclosures about financial measures and liquidity risks, and creates the requirement to classify expenses by functional category, among other changes. The effect of adopting this new guidance on the Organization's financial statements has not yet been determined.

NOTE 7 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through January 25, 2018, the date in which the financial statements are available to be issued, and it has been determined that there were no subsequent events that need to be reported.