

**BOUNTIFUL CHILDREN'S FOUNDATION**

**FINANCIAL STATEMENTS**

Year Ended December 31, 2018

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Bountiful Children's Foundation

We have audited the accompanying financial statements of Bountiful Children's Foundation (a nonprofit organization) which comprise the statement of financial position as of December 31, 2018, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Basic 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 audit. We conducted our audit 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 Bountiful Children's Foundation as of December 31, 2018 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.

A handwritten signature in black ink that reads "Squire &amp; Company, PC".

Orem, Utah  
August 19, 2019

**BOUNTIFUL CHILDREN'S FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
December 31, 2018

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**ASSETS**

**Current Assets:**

Cash	\$ 277,530
Prepaid expenses	<u>3,681</u>
Total assets	<u>\$ 281,211</u>

**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Accounts payable	\$ 2,014
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**Net Assets Without Donor Restrictions**

	<u>279,197</u>
Total liabilities and net assets	<u>\$ 281,211</u>

The accompanying notes are an integral part of this financial statement.

**BOUNTIFUL CHILDREN'S FOUNDATION**  
**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2018

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**Net Assets Without Donor Restrictions:**

Revenues and support:	
Contributions	\$ 1,018,508
Interest	6
	<hr/>
Total revenues and support	1,018,514
Expenses:	
Program services	1,129,288
Management and general	23,591
Fundraising	9,465
	<hr/>
Total expenses	1,162,344
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<b>Change in Net Assets Without Donor Restrictions</b>	<b>(143,830)</b>
<b>Net Assets at Beginning of Year</b>	<b>423,027</b>
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<b>Net Assets at End of Year</b>	<b>\$ 279,197</b>
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The accompanying notes are an integral part of this financial statement.

**BOUNTIFUL CHILDREN'S FOUNDATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended December 31, 2018

	Program Services	Management and General	Fundraising	Total
Grants and awards	\$ 1,063,153	\$ -	\$ -	\$ 1,063,153
Wages and benefits	-	16,248	4,062	20,310
Contracted services	17,111	-	-	17,111
Promotion	-	-	5,403	5,403
Insurance	-	479	-	479
Office	6,842	6,864	-	13,706
Travel	42,182	-	-	42,182
Total expenses	<u>\$ 1,129,288</u>	<u>\$ 23,591</u>	<u>\$ 9,465</u>	<u>\$ 1,162,344</u>

The accompanying notes are an integral part of this financial statement.

**BOUNTIFUL CHILDREN'S FOUNDATION**  
**STATEMENT OF CASH FLOWS**

Year Ended December 31, 2018

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<b>Cash Flows from Operating Activities:</b>	
Change in net assets	\$ (143,830)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Changes in operating assets and liabilities:	
Prepaid expenses	(3,681)
Accounts payable	(1,624)
	<hr/>
Total adjustments	(5,305)
	<hr/>
Net cash used by operating activities / net change in cash	(149,135)
<b>Cash at Beginning of Year</b>	<hr/> 426,665
<b>Cash at End of Year</b>	<hr/> <hr/> \$ 277,530

**Supplementary Data:**

The Organization paid no interest or income taxes during the year.

The Organization had no noncash investing or financing activities during the year.

The accompanying notes are an integral part of this financial statement.

## **BOUNTIFUL CHILDREN'S FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **Note 1. Summary of Significant Accounting Policies**

The financial statements of Bountiful Children's Foundation (the Organization) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization – Bountiful Children's Foundation is organized as a Utah nonprofit corporation. Its purpose is to nurture the potential of infants and toddlers to lead healthy, productive, and self-reliant lives by eliminating undernutrition throughout the world.

Financial Statement Presentation – Organization reports information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions* - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Organization's management and board of directors.

*Net assets with donor restrictions* - Net assets subject to stipulations imposed by donors and grantors.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as contributions without donor restrictions.

Cash – At December 31, 2018, the carrying amount of the Organization's cash deposits was \$277,530. The bank balance at December 31, 2018 was \$160,446, all of which was covered by federal depository insurance.

Income Taxes – The Organization is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (except for net income derived from unrelated business activities) and is classified as a Section 501(c)(3) public charity. Also, the Organization is not subject to state income taxes.

Allocation of Expenses – The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Certain costs are allocated to one or more program or supporting functions based on time and effort. Such allocations are determined by management on an equitable basis.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and revenue and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncement – On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial*



## **BOUNTIFUL CHILDREN'S FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

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*Statements of Not-for-Profit Entities.* The ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and lack of consistency in the type of information provided about expenses and investment return. Organization has followed the ASU's guidance in the presentation of these financial statements.

Subsequent Events – The Organization evaluated subsequent events through August 19, 2019, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

#### **Note 2. Availability and Liquidity**

The following represents Organization's financial assets at December 31, 2018:

Financial assets at year end:	
Cash	\$ 277,530
Less amounts not available to be used within one year:	
Net assets with donor restrictions	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u><u>\$ 277,530</u></u>

The Organization's board had not established a goal to maintain financial assets sufficient to meet a specific time period of operating expenses.

#### **Note 3. Concentrations**

One donor's contributions represented 26 percent of total revenue and support for the year ended December 31, 2018.

#### **Note 4. Program and Support Services**

The Organization's program services, management and general, and fundraising functions as a percentage of total expenses for the year ended December 31, 2018 is as follows:

Program services	97.2%
Management and general	2.0%
Fundraising	0.8%